

Bringing Visions To Life



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a. New Doha International Airport, Qatar  
b. Sitra Causeway Bridges, Bahrain  
c. Electrified Double Track Project  
(Ipoh-Padang Besar), Malaysia

## Bringing Visions To Life

At Gamuda, we turn visions into action. We paint the ideal future onto the blueprint and bring it to life through collaborative efforts, hard work, integrity, and perseverance.

Because we understand that, beyond building with mortar and bricks, we are building a community where the future generation will be able to benefit greatly from the development.

Through constant growth by leveraging on innovation in all our problem-solving processes we are resilient and always forward-looking in the development of quality products on all aspects to meet our customers' satisfaction and, most importantly, our never ending quest to improve in all areas of business undertakings.

## Vision & Values

We deliver innovative world-class infrastructure and homes for our customers through our core businesses in infrastructure development and construction, operation and maintenance of public infrastructure concessions, and large-scale urban township development.

## We Value

**Innovation** - in our concepts, services, products, and delivery system to provide viable solutions for our clients and customers;

**Responsible** conduct - towards all our stakeholders, including our customers, employees, shareholders and after; the community and environment in which we operate;

**Constant improvement** to improve our efficiency and relevance amidst the changing needs of our customers and markets;

**Taking the long view** in our business policies and actions to ensure that we have a sustainable future.

# 34th Annual General Meeting

Permai Room, Kota Permai Golf & Country Club,  
No. 1 Jalan 31/100A, Kota Kemuning, Section 31  
40460 Shah Alam, Selangor Darul Ehsan  
Thursday, 9 December 2010 at 10.00 a.m.

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# On the Regional Front

## **QATAR**

*Airport:*

- New Doha International Airport

*Highway:*

- Dukhan Highway

## **BAHRAIN**

*Bridge:*

- Sitra Causeway Bridges

## **INDIA**

*Expressway and Highway:*

- Panagarh-Palsit Highway and Durgapur Expressway

## **LAOS**

*Hydropower Dam:*

- Nam Theun 1

## **TAIWAN**

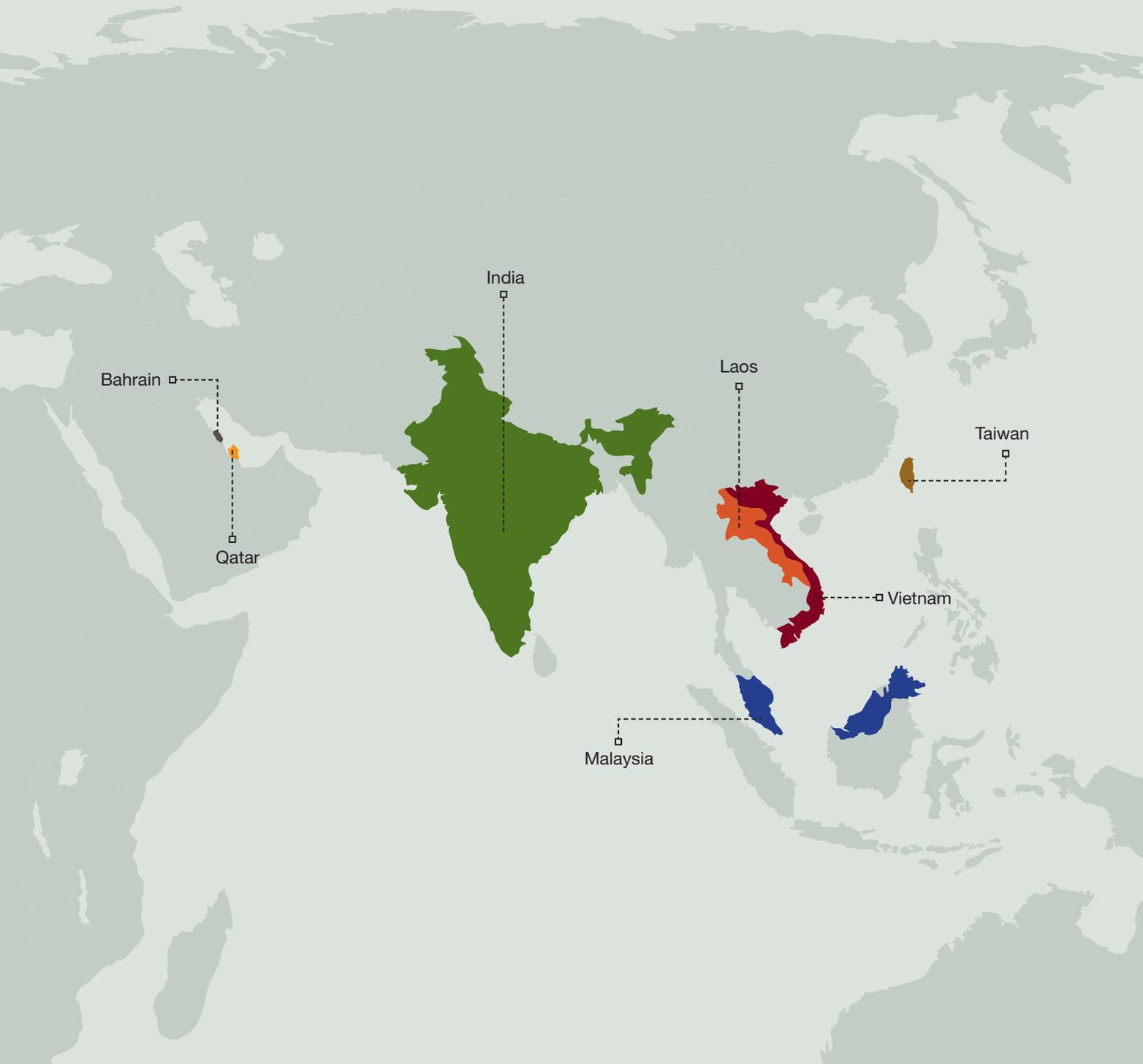
*Metro Tunnel:*

- Kaohsiung Metropolitan Mass Rapid Transit

## **VIETNAM**

*Property Development:*

- Gamuda City, Hanoi
- Celadon City, Ho Chi Minh City



## MALAYSIA

### *Expressway and Highway:*

- Shah Alam Expressway
- Damansara-Puchong Highway
- SPRINT Highway

### *Dam:*

- Sungai Selangor Dam

### *Water Treatment and Supply*

- Sungai Selangor Water Supply Scheme Phase 1
- Sungai Selangor Water Supply Scheme Phase 3

### *World's 1st Dual Purpose Tunnel:*

- SMART (Stormwater Management & Road Tunnel)

### *Railway:*

- Electrified Double Track Railway (Ipoh - Padang Besar)

### *Property Development:*

- Kota Kemuning
- Bandar Botanic
- Valencia
- Horizon Hills
- Jade Hills
- Madge Mansions



*Concreting works taking place for one of the super structures of Gamuda City's sewerage treatment plant. When completed, the sewerage plant is capable of handling half of Hanoi's waste water and sanitation.*

A photograph of a construction site. In the foreground, a grid of rusted steel rebar is laid out on a concrete surface. Several workers wearing hard hats and work clothes are visible. One worker in a white shirt and white hard hat is gesturing towards the right. Another worker in a red shirt and white hard hat is walking towards the right. In the background, a yellow tower crane is visible against a blue sky with light clouds. The overall scene is a busy construction site.

# Performance Review

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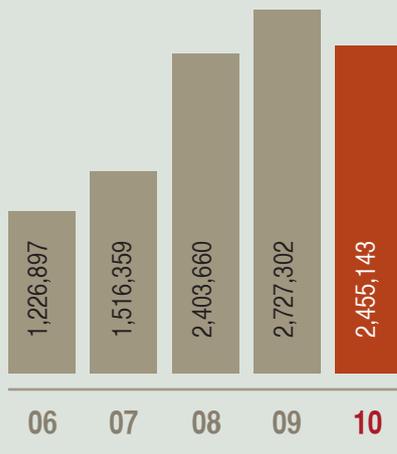
# Five-Year Financial Highlights

RM'000	2006	2007	2008	2009	2010
Revenue	1,226,897	1,516,359	2,403,660	2,727,302	2,455,143
Profit Before Taxation	222,159	276,561	470,814	282,157	370,035
Profit Attributable to Shareholders	157,583	185,428	325,078	193,689	280,693
Total Assets	3,902,137	5,038,482	5,774,301	5,878,459	6,550,910
Shareholders' Equity	2,242,769	2,945,950	3,051,582	3,161,011	3,257,525
Total Number of Shares ('000)	753,232	981,528	2,005,016	2,009,257	2,025,888

Sen per Share	2006	2007	2008	2009	2010
Group Earnings Per Share (sen)	11*	11*	16	10	14
Net Assets Per Share (sen)	149*	150*	152	157	161

\* Comparatives have been restated to take into effect the bonus issue exercise on the basis of one (1) new ordinary share for every one (1) existing share held which was completed on 25 October 2007.

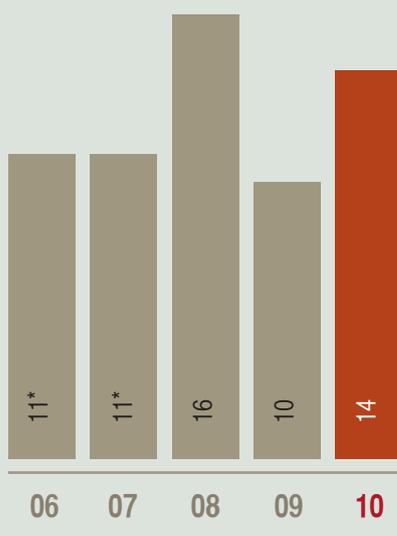
### Revenue (RM'000)



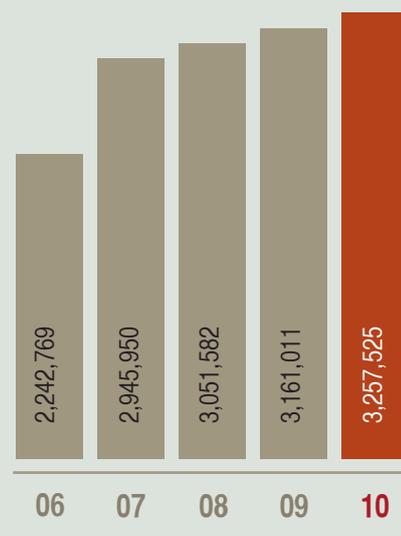
### Profit Attributable to Shareholders (RM'000)



### Group Earnings Per Share (sen)



### Shareholders' Equity (RM'000)





## Chairman's Perspective

To our shareholders, customers, employees, partners, suppliers, and friends,

On behalf of the Board of Directors, it gives me pleasure to present the 20th Annual Report and Audited Financial Statements of Gamuda Berhad for the financial year ended 31st July 2010 (Financial Year 2010).

The global economy narrowly avoided another Great Depression in 2009 following the massive monetary easing and large stimulus packages implemented by governments around the world. Most developed economies experienced a severe but short recession and a fragile economic recovery took hold from the fourth quarter of 2009 and gradually strengthened into the first half of 2010. Whilst the US and European economies are expected to take a longer time to fully recover, most Asian economies appear to be well on the way to full recovery.

Malaysia also recovered strongly from its 6.2% GDP contraction in the Jan-Mar 2009 quarter to register a 10.1% GDP expansion in the Jan-Mar 2010 quarter. Business and consumer confidence also improved significantly as evidenced by sharp rebounds in property and motor vehicle sales. The Government now forecasts the country to achieve a 6.5% economic growth for 2010 compared to a 3.0% contraction in 2009. This view is supported by independent analysts and organisations such as the NIER.

“In line with the stronger financial performance as compared with Financial Year 2009, the Board paid out a higher dividend totalling 12 sen a share compared with 8 sen a share.”

Despite the fragile and uncertain economic conditions in the first half of Financial Year 2010, our Group managed to post a strong financial performance in Financial Year 2010. We achieved a net profit of RM280.7 million, up 45% over the previous year. Revenue growth however, remained at RM2.5 billion, slightly lower from the year before. In line with the stronger financial performance as compared with Financial Year 2009, the Board paid out a higher dividend totalling 12 sen a share compared with 8 sen a share.

All our three core divisions performed well. Our construction division chalked up significantly stronger profits on the back of improved margins. Our property development division also turned in a good performance with profits rising 19% over the previous year. The unit also achieved a record level of new property sales exceeding RM800 million for the first time, well surpassing the previous record of RM700 million. The infrastructure division achieved its usual steady profits at both its water and highway concessions divisions. The construction and properties divisions have performed strongly, these divisions accounted for 22% and 24% of the Group's pretax earnings.

Our construction division was kept very busy during the year. Whilst our project teams continued to focus on executing our ongoing projects in Malaysia, Vietnam, Qatar, and Bahrain, our in-house design team was busy putting together a new proposal for yet another major infrastructure project.

This project proposal, called the Klang Valley MRT project, is yet another example of our Group's differentiated strategy of developing innovative infrastructure solutions for our country. The RM36 billion project proposal, to be constructed over a period of 8 to 10 years in two phases, involves the construction of a comprehensive metro network to serve a 6 million population living within a 20km radius of Kuala Lumpur's city centre.

If accepted by the Government, it is expected to largely eliminate our chronic traffic congestion woes, whilst providing a convenient, reliable, efficient, seamless, and high capacity public transport service for the general public. This project has been incorporated into the Tenth Malaysia Plan and if approved, is likely to be the nation's single largest infrastructure project ever. The proposal is at an advanced stage of evaluation by the Government and we believe that a positive decision will be made in the coming months.

Among the ongoing projects, the Electrified Double Tracking Project (EDTP) continues to make good progress and is more than halfway through its construction programme. All major land issues have been resolved and virtually the entire project corridor has been handed over to the project company.

“As the global economies gained further strength, consumer confidence further improved, resulting in a strong overall performance during the Financial Year.”

The Gamuda City infrastructure project in Hanoi has also achieved significant progress during the year and is well past the 40% completion stage. Major work components such as the lake desludging, parks and gardens construction, and relocation of pylons have been completed and the remaining work on the sewerage treatment plant will continue as scheduled. In the Gulf states, we are almost at the completion stages for both the New Doha International Airport as well as the Sitra Bridge projects.

The property development division started Financial Year 2010 on a relatively strong note despite the fragility of the economic recovery. As the global economies gained further strength, consumer confidence further improved, resulting in a strong overall performance during the Financial Year. All our ongoing developments performed very well during the year, particularly our Bandar Botanic development which achieved outstanding sales growth over the year. It is also heartening to note that our Jade Hills development in Kajang is also fast gaining market acceptance and prominence which has resulted in brisk sales in Financial Year 2010.

In Vietnam, our Hanoi team continues to resolve minor issues which have delayed the launches of the Gamuda City residential and commercial development. However, we remain confident that these launches will be

well-received when they are made in the coming months. During the Financial Year, our property division also entered into a joint venture with Sacomreal to undertake the Celadon City real estate development in Ho Chi Minh City. With the outstanding Gross Development Value of our Vietnamese property developments totalling RM14.5 billion over the next 10 years, the Group is gearing up for a strong surge in Vietnamese revenue and earnings contributions in the near future.

In the water concession division, the Federal Government's effort to consolidate the water industry in Selangor continues to be hampered by various obstacles and unfortunately, has made little progress. This has resulted in the State Government rescinding its offer to acquire our 40% stake in SPLASH which we accepted last year. SPLASH made two bold attempts to break the impasse by offering to acquire all the water assets for RM10.75 billion but this was deemed not in line with the Water Services Industry Act. Subsequently, SPLASH submitted a modified 'top-up' offer where asset ownership would remain with the Federal Government and SPLASH would lease back the assets in return for the rights to operate and maintain the water operations in the State. To date, no decision has been made by the Federal and State Governments.

Our highway concessions performed satisfactorily with traffic volumes continuing to gradually grow as well as its profitability.

## PROSPECTS FOR FINANCIAL YEAR 2011

Financial Year 2011 could well turn out to be an exciting year for the Group. Our Klang Valley MRT project proposal, if accepted by the Government, will invigorate the country's entire construction industry. The multiplier effects will be very significant and will be felt across the construction, services, and manufacturing sectors. This project will also benefit our Group accordingly as one of the leading contractors in the country.

The maiden launches of our Vietnam property developments will translate into a new earnings stream for the Group. The much larger scale of our developments and the significantly bigger domestic market there will likely provide a new growth platform for our property development division.

Key risks for the Group include an unexpected economic downturn, and volatility in oil, commodity, and construction material costs. Significant delays in the roll-out of infrastructure projects, or unforeseen delays or setbacks in our Vietnamese operations could also dampen the Group's growth prospects.

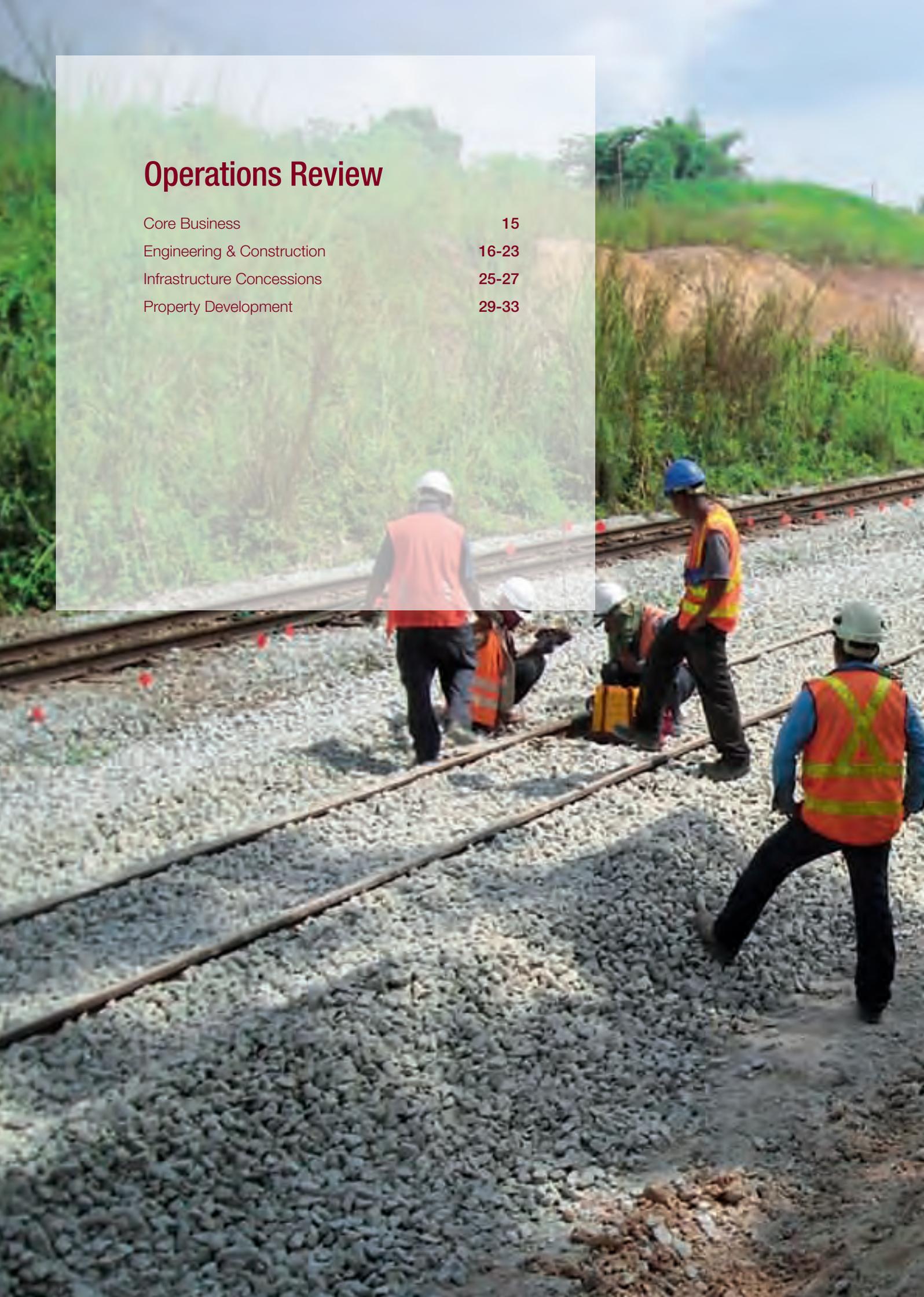
Financials for the Group improved further during the Financial Year. Our operations continue to generate strong positive cash flow which has enabled the Group to build up its cash reserves in excess of RM1 billion. With our strong balance sheet, the Group stands ready to capitalise on new investments and growth opportunities.

On behalf of the Board of Directors, I would like to record our appreciation to all management and staff for all their sacrifices during the year, and for their continued dedication and unwavering loyalty. I would also like to pay exceptional tribute to our overseas-based employees for their sacrifices and commitment. Our thanks and appreciation also go out to clients, bankers, customers, and suppliers for their continued support, as well as the various local and overseas authorities and regulators for their invaluable guidance and assistance. Last, but not least, my thanks goes to my fellow Board members for their invaluable contributions, advice, and guidance.

**Tan Sri Dato' Ir Talha bin Haji Mohd Hashim**  
*Chairman*

# Operations Review

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Infrastructure Concessions	25-27
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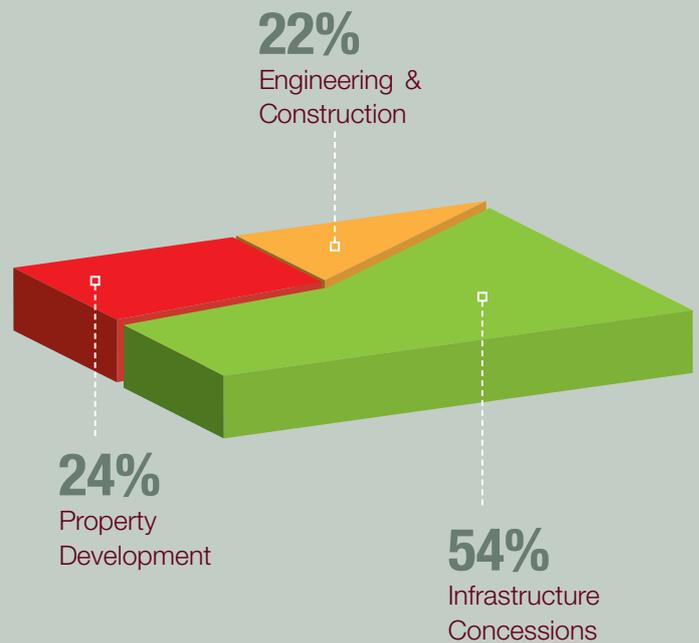
Laying of temporary tracks in Bukit Mertajam for the Electrified Double Track Project, Ipoh to Padang Besar.



# Core Business

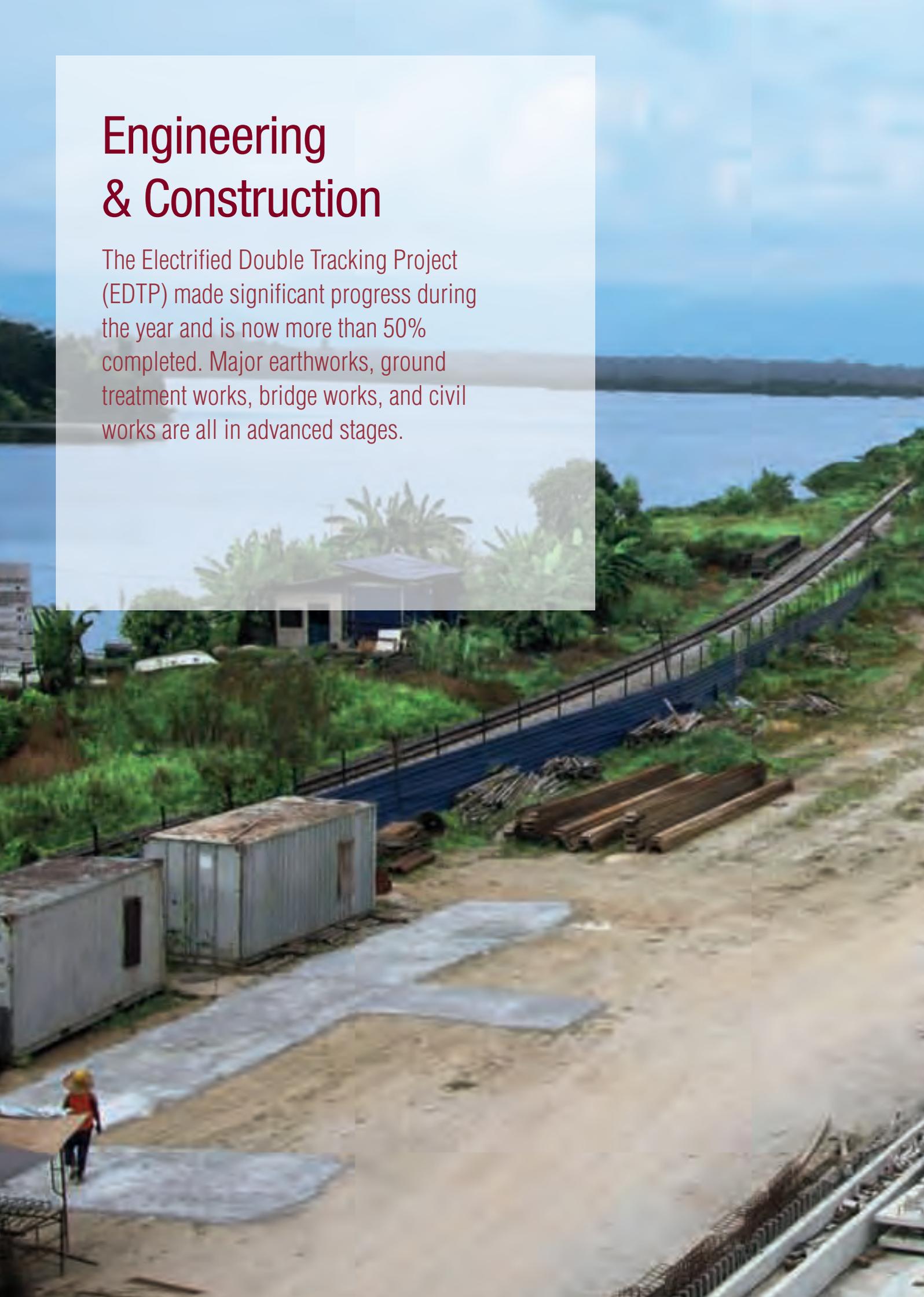
Making up the core business activities of the group are Engineering & Construction, Operation of Infrastructure Concessions, and Property Development.

## Segmental Performance - Profit Before Tax



# Engineering & Construction

The Electrified Double Tracking Project (EDTP) made significant progress during the year and is now more than 50% completed. Major earthworks, ground treatment works, bridge works, and civil works are all in advanced stages.



The 3.5km Bukit Merah marine viaduct that is being built for the Electrified Double Track Project is the country's longest railway bridge spanning the northern tip of the Bukit Merah Lake, Perak.





## Engineering & Construction

The division achieved a revenue of RM1.8 billion, lower from the previous year as some of our projects in the Gulf States are nearing completion. The division contributed 22% of the group's overall pretax profit. As at the end of Financial Year 2010, the unbilled construction order book stands at RM4.3 billion.

The outlook for the division appears bright as there are several large infrastructure projects that are earmarked for implementation over the next couple of years. In addition, the Tenth Malaysia Plan (10MP) which was unveiled a few months ago signalled that development expenditure over the next five years is likely to remain strong.

Incorporated into the 10MP is our latest project proposal, the Klang Valley MRT project. This RM36 billion project, an initiative developed by Gamuda and its joint venture partner MMC Corporation, proposes the construction of an integrated public transport network for the Klang Valley using the MRT system. Under the proposal, 3 new MRT lines covering a total of about 150km will be constructed in two phases spanning 8 to 10 years. The MRT network is designed to provide an efficient and convenient public transport service for 6 million Klang Valley residents, and will be fully integrated with the existing LRT and KTM Komuter train systems. Construction work is scheduled to begin shortly after government approval is obtained.

“In addition, the Tenth Malaysia Plan (10MP) which was unveiled a few months ago signalled that development expenditure over the next five years is likely to remain strong...”

## Domestic Projects

The Electrified Double Tracking Project (EDTP) made significant progress during the year and is now more than 50% completed. Major earthworks, ground treatment works, bridge works, and civil works are all in advanced stages. More than 90% of the subcontract works have been awarded to various subcontractors and external suppliers. To date, worksites have been opened up on most fronts and all major land issues have been resolved and virtually all of the project corridor has been handed over to the joint venture company.

The Government has approved an Extension of Time of 334 days thereby extending the completion date of the project to December 2013 due to delays in design approval and late handover of land by the authorities.

Key material costs have fallen from their 2008 peak and have remained largely stable throughout 2009 and into early 2010. This has augured well for the project. However, we remain ever vigilant about raw material price fluctuations and will continue to stockpile key construction materials to mitigate the risks of unexpected price upswings.



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7

1. 27km of land viaduct being built from Alor Pongsu to Parit Buntar (Perak) alongside the existing single track railway
2. Aerial view of the 3.3km twin tunnels at Bukit Berapit, Perak
3. Aerial view of microtunnelling works at Padang Rengas, Perak which is carried out beneath "live traffic" conditions

4. Engineers preparing the launch of a microtunnelling TBM
5. Piling works for the new Prai Swing Bridge in Penang taking place beside the existing swing bridge
6. Station works in progress at Sg Ampat, Penang
7. Ballast being laid alongside the existing single track railway in Alor Setar, Kedah

## Overseas Projects

### Gulf States

The Group has two ongoing projects in the Gulf States and both are nearing completion.

The New Doha International Airport (NDIA) is almost 90% completed and is scheduled to be completed in mid of 2011. The handing over of completed sections such as the East and West runways have already commenced. We are proud to note that this project recently achieved an award commemorating 23 million hours without lost time for injury.

In Bahrain, progress on the Sitra Causeway Bridges has also reached the 90% mark. A partial opening of the interchange and marine bridges was achieved in July this year. Final completion of the project is expected by year end.



1. Satellite view of the New Doha International Airport (NDIA) as at September 2010
2. Aerial view of the 4.8km east runway of NDIA, the second longest commercial runway in the world
3. Aerial view of the east remote apron in the foreground and passenger terminal at NDIA
4. Final layer being paved for NDIA's midfield access road tunnel



6



7



8

“We are proud to note that this project recently achieved an award commemorating 23 million hours without lost time for injury.”



9



10

5. Substation building in progress for the aircraft wash facility at NDIA  
 6. Aerial view of the Sitra Causeway Bridges in Bahrain connecting Sitra to Manama  
 7. Works for the northern marine bridge is in its final stage

8. Motorists driving on the completed section of Sitra Causeway that was opened to traffic in July 2010  
 9. Dismantling of the west temporary access bridge for Sitra Causeway  
 10. Aerial view of the southern marine bridge that connects Manama to Sitra



1



2

## Vietnam

The Gamuda City infrastructure works achieved significant progress during the year and is now 45% completed. Sectional completions have been achieved for various project components such as the lakes desludging, parks and gardens construction, and relocation of high tension transmission lines and pylons. Construction of the sewerage treatment plant is also at an advanced stage and is expected to be completed next year.

## Laos

We continue to review developments on the Nam Theun I project. Further construction work will proceed after finalisation of new tariff structure with Electricity Generating Authority of Thailand.



3a



3b



3c



3d



4

“The Gamuda City infrastructure works achieved significant progress during the year and is now 45% completed.”

1. Panorama of the sewerage treatment plant, Gamuda City
2. Temporary access road and landscaping for Gamuda City's sales gallery completed
3. a. Basalt stone laying in progress at the Parterre Garden, Gamuda City  
b. Workers laying the basalt stone for Gamuda City's amphitheatre

- c. Works in progress for a Traditional Red Bridge at Gamuda City's Cultural Park
- d. Hardscape works in progress for Gamuda City's Waterfront Island
4. Panorama of the super structures for Gamuda City's sewerage treatment plant

Smooth flow of traffic at Damansara-Puchong Highway's newly opened ramp at Damansara Utama/Taman Tun Dr Ismail allowing uninterrupted traffic for north bound motorists heading towards Bandar Utama and Kepong.



# Infrastructure Concessions

All our tolled highways managed to deliver a slight increase in tollable traffic compared to the previous year. The LDP saw a 2% rise in the average weekday tollable traffic. Similarly, our SPRINT highway achieved a 9% increase in average weekday tollable traffic to 200,000 vehicles.





## Infrastructure Concessions

### Water Supply

There were several major developments during the Financial Year. Following the Group's acceptance of the offer from the Selangor State Government (SSG) for the disposal of our 40% interest in SPLASH in July 2009, the same offer was subsequently rescinded as the SSG was unable to secure agreements from the other water concessionaires. In a bold attempt to break the long-stalled negotiations, SPLASH made an offer to take over the assets and operations of the water industry for RM10.75 billion. The Federal Government (FG) ruled that this takeover would be in breach of the Water Services Industry Act (WSIA). SPLASH subsequently made a modified 'top-up' offer to take over the operations of the water industry. The FG has since indicated that fresh offers would be made to all the water players. To date, there is no further offer from the FG, nor the SSG.

### Tolled Highways

Stable global crude oil prices helped domestic fuel prices to remain largely unchanged throughout the Financial Year. As a result, all our tolled highways managed to deliver a slight increase in tollable traffic compared to the previous year. Our largest tolled highway, the LDP, saw a 2% rise in the average weekday tollable traffic to 470,000 vehicles compared to 461,000 the previous year. Similarly, our SPRINT highway achieved a 9% increase in average weekday tollable traffic to 200,000 vehicles.

The division continues to place great emphasis on reducing traffic congestion whilst striving for improved operational efficiency.

1. The Mont Kiara ramp (with yellow barriers) has seen as many as 38,000 vehicles per day utilising the Penchala Link of SPRINT Highway. Inset: The opening ceremony of the Mont Kiara ramp by YB Dato' Shaziman Abu Mansor, Minister of Works

“LDP 5, a 3-year project is aimed at relieving congestion at several bottleneck locations.”



2



3a



3b

The RM133 million upgrading project at the Taman Tun Dr Ismail interchange was slightly delayed due to minor land issues, but construction work has accelerated since. The new northbound ramp is now completed and was opened to traffic in June this year. The final phase of the works involving construction of the underpass is well underway with full completion scheduled by end 2011.

Another major enhancement project called LDP 5 has also started during the Financial Year. This RM312 million, 3-year project is aimed at enhancing highway capacity by relieving congestion at several bottleneck locations. Various improvement works are currently ongoing at the Puchong Intan and Puchong Perdana locations. A second works package is expected to commence soon at the northern stretch of the LDP. This will involve the upgrading, widening, and improvement works from Persiaran Surian right up to the Penchala Toll Plaza.

At SPRINT, the scheduled toll rate increase for the Penchala Link was deferred by the government. As such, the government has agreed to compensate SPRINT in accordance with the provisions of the Concession Agreement. In the meantime, the Group is still awaiting the recommendations of the Economic Planning Unit with regards to a comprehensive long-term solution for toll increases for all tolled highways in the country.

In June this year, the Mont Kiara ramp on the SPRINT highway was officially opened. With the opening of this ramp and the imminent completion of a permanent slip road to replace the temporary bypass road, the evening congestion at the Mont Kiara interchange will soon be resolved and this will likely result in an increase in tollable traffic.

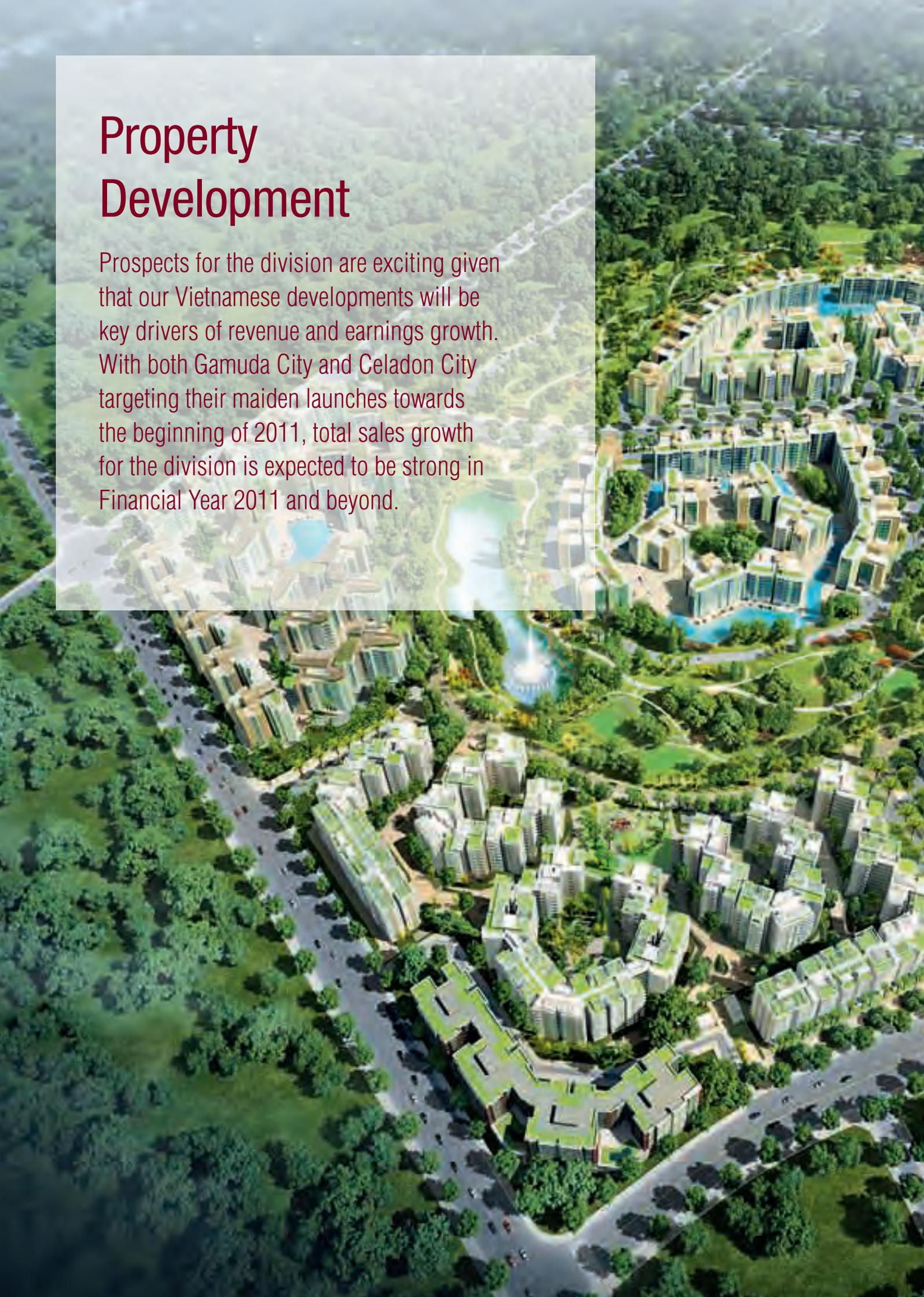
2. SMART operations team inspecting the mechanical & electrical supply for the water tight door located at the cross passage in SMART Highway

3a. To improve traffic conditions, LITRAK introduced contra-flow from Sunway toll to Bandar Puchong Jaya during peak evening traffic of 4.30pm to 8.30pm

3b. A view of the contra-flow lanes for motorists heading toward Bandar Puchong Jaya

# Property Development

Prospects for the division are exciting given that our Vietnamese developments will be key drivers of revenue and earnings growth. With both Gamuda City and Celadon City targeting their maiden launches towards the beginning of 2011, total sales growth for the division is expected to be strong in Financial Year 2011 and beyond.





Artist impression of Celadon City, Vietnam, a real estate development that is located just 3km from Tan Son Nhat International Airport in Ho Chi Minh City and 9km from the city centre.



## Property Development

In line with a strengthening economy, the property market staged a modest recovery in Financial Year 2010. Strong buying activity was evident, particularly in matured locations and well-regarded developments. A low interest rate environment for most of the year helped stimulate the sector; however, even with the recent normalising of interest rates, demand does not appear to have been significantly dampened.

The Group achieved a record level of new property sales totalling RM820 million in Financial Year 2010, up 59% over last year. All of our five ongoing developments achieved strong sales during the year. In terms of profitability, the division contributed 24% to the Group's overall pretax profit.

To replenish the division's depleting landbank, the Group acquired two new sites during the Financial Year. In Vietnam, the Group entered into a 60:30:10 joint venture with Sacomreal and a Vietnamese individual to acquire a 60% equity interest in the Celadon City real estate development for USD82.8 million. In Malaysia, the Group acquired a 2.9 acre site in Kuala Lumpur for RM105 million to undertake a RM600 million mixed commercial and serviced residential development. At the end of Financial Year 2010, the division's portfolio of developments have a total Gross Development Value of RM22 billion over the next 10 years.

The Celadon City real estate development is located just 3km from the Tan Son Nhat International Airport in Ho Chi Minh City, and 9km from the city centre. Our 30% joint venture partner is Sacomreal, which is affiliated to Sacombank, the second largest private commercial bank in Vietnam. The 82ha development will comprise largely mid to high-end residential units with a range of supporting amenities including a public school, kindergarten, community building, and retail facilities.

Prospects for the division are exciting given that our Vietnamese developments will be key drivers of revenue and earnings growth. With both Gamuda City and Celadon City targeting their maiden launches in the beginning of 2011, total sales growth for the division is expected to be strong in Financial Year 2011 and beyond. These new developments are expected to generate significant cash flows and new earnings streams for the Group in the coming years. The Malaysian operations are expected to achieve modest growth in the coming year.

## Gamuda City, Hanoi

The Group's flagship development is now gearing up for its maiden launches in early 2011. This massive 500-acre mixed township development is poised to transform the city landscape in southern Hanoi, and promises to be one of the Group's most exciting projects for the next several years. Several show units and a large sales gallery have been built. Several thousands of interested purchasers have registered their interest in this development and a strong response is expected when the initial products are launched.

Gamuda City has a Gross Development Value of USD9 billion over the next 9 years.

## Celadon City, Ho Chi Minh City

The Group's second development in Vietnam is now ready for its maiden launch. This development will bring affordable residential units to the market, targeting the 1.5 million population which presently resides within a 5km radius. A major attraction is its 16ha fully landscaped park with facilities designed to promote communal living. Several amenities have been incorporated into the masterplan to offer residents comfort, convenience, and an unparalleled lifestyle.

Celadon City is expected to achieve a Gross Development Value of RM5.5 billion over the next 9 years.



“Several thousands of interested purchasers have registered their interest in this development and a strong response is expected when the initial products are launched.”

1. Artist impression of Gamuda City, Vietnam

2. External view of Gamuda City's sales gallery

3. Artist impression of Celadon City's parks, lakes and residential units

4. Residential show units built and ready for viewing

5. Close-up of one of the residential show units at Gamuda City

6. Panorama of the impressive buildings that make up Gamuda City's sales gallery



### Madge Mansions, Kuala Lumpur

Located in the city's exclusive Embassy District, this ultra luxurious condominium – the Group's first such project – is located along the serene Madge Road, just minutes from the Petronas Twin Towers. With only 52 palatial units, this boutique, low-density development offers an opulent, posh city lifestyle. This development will be launched in late 2010.

Madge Mansions has a Gross Development Value of RM260 million over the next 3 years.

### Jade Hills, Kajang

Jade Hills continues to achieve strong sales following a string of successful launches. The division's newest development, this 388-acre contemporary Oriental-themed township leads the Group's green efforts with innovative product features such as roof gardens and eco-friendly fittings. The township hosted a special year-end event titled 'A Fairytale Christmas' last year where 45 beauties from around the world competed to be crowned Miss Jade in an evening filled with fun and activities.

Jade Hills has a remaining Gross Development Value of RM1.2 billion over the next 7 years.

## Horizon Hills, Johor

This flagship development in Iskandar Malaysia is now in its fifth year of development. Winner of the CNBC Property Award for the Best Golf Development 2009, Horizon Hills boasts a stunning monolithic clubhouse and a world-class designer golf course that complements the variety of amenities found just minutes away. New launches include The Golf Precinct and the development's first golf-fronting luxury condominiums, Fairway Suites. Both launches were met with brisk sales.

Horizon Hills has a remaining Gross Development Value of RM3.6 billion over the next 10 years.

## Valencia, Sungai Buloh

This highly regarded township is now in its final year of development. The launch of its final luxury bungalow precinct, Luc, was met with strong demand despite its premium pricing. Key attractions include its residents-only golf course and club house, its comprehensive gated and guarded high-level security infrastructure, and a vibrant international community.

Valencia has a remaining Gross Development Value of RM170 million.

## Bandar Botanic, Klang

This premium development is fast maturing and is rapidly becoming one of Klang's most scenic townships, with its garden resort concept offering a unique lifestyle. The completion of Botanic Capital commercial properties, and the huge success of the first phase of GM Klang (a comprehensive one-stop wholesale city), has further enhanced the attractiveness of this development. A new dedicated interchange with direct access to and from the Shah Alam Expressway is now completed.

Bandar Botanic has a remaining Gross Development Value of RM1.4 billion over the next 6 years.



3



5

## Kota Kemuning, Shah Alam

This matured and self-contained township with its award-winning Kota Permai Golf and Country Club is renowned for its quality lifestyle, creative concepts and outstanding designs, a wide range of amenities, and superior infrastructure. The continuous additions of new specialty shops and ever-increasing selection of restaurants provide refreshing experiences for its residents. This development continues to be the market leader in its vicinity and commands a significant pricing premium over its competitors.

Kota Kemuning has a remaining Gross Development Value of RM170 million over the next year.

1. Artist impression of Madge Mansions, an exclusive enclave located at Madge Road, Kuala Lumpur
2. Houses nestled on hills and lakes at Jade Hills, Kajang
3. Panorama of the championship 18-hole golf course and signature clubhouse of Horizon Hills, Johor

4. The Gateway Precinct of Horizon Hills overlooking the golf course
5. The hallmark Gamuda Land Olympic-sized swimming pool is one of the many club features at Jade Hills resort club

## Prospects For 2010/2011

Your Board believes that Financial Year 2011 will be an exciting year for the Group. Both our construction and properties divisions are gearing up for quantum leaps in their respective activities.

The construction division, with its healthy outstanding order book, could see a substantial boost if the government accepts our Klang Valley MRT project proposal. In fact, the implementation of this project will not only benefit our Group but the entire construction industry in the country. The multiplier and spin-off effects will be enormous and will likely keep all major contractors busy for the next several years, which will be positive for the Malaysian economy.

Likewise, our property development division is set for a new era of growth when our Vietnamese developments are launched. Your Board remains highly optimistic on the growth prospects of the Vietnamese property market. With our vast experience in developing highly sought after products, coupled with the compelling market demographics, we expect our investments in Vietnam to generate strong returns. With the total GDV of our developments amounting to RM23 billion, the likelihood of sustaining strong growth for the next several years is bright.

The infrastructure concessions division, as always, is expected to deliver reliable and steady earnings growth and remains a dependable source of cash flow for the Group.

Together, we look forward to another successful year ahead.



## Group Awards & Achievements

### Engineering

- SMART, Best International Project, British Construction Industry Award
- SMART, Design & Construction Excellence Award, Institution of Engineers Malaysia
- SMART, Best Contractor Award, CIDB Malaysian Construction Industry Excellence Award
- Shah Alam Expressway, Builder's Gold Medal Award for Civil Engineering Construction Works, International Federation of Asian & Western Pacific Contractor's Association

### Innovation

- SMART, Special Award for Innovation, CIDB Malaysian Construction Industry Excellence Award

### Environment

- SMART, Special Award for Environment, CIDB Malaysian Construction Industry Excellence Award
- Kaohsiung MRT, Air Quality Protection Model Award, The Environmental Bureau of Kaohsiung Country Government, Republic of China
- Kaohsiung MRT, Planning and Implementation Award for Environmental Protection Policies, Government of Taiwan through the Environmental Protection Administration

### National Contribution

- SMART, Special Award for National Contribution, Malaysia Property Award 2010, International Real Estate Federation (FIABCI)

### Masterplan

- Bandar Botanic, Best Masterplan, International Real Estate Federation (FIABCI)

### Landscape

- Valencia, Excellent Landscape Planning & Development Award, The Institute of Landscape Architects Malaysia
- Kota Kemuning, Urban Re-development, Conservation and Rehabilitation Award, Malaysian Institute of Planners

### Safety & Health

- New Doha International Airport, 23 Million 'Man-hours without Lost Time Injury'

### Business & Management

- Gamuda Berhad, Asia's Best Managed Companies, Euromoney
- Gamuda Berhad, Best Under a Billion 200 Companies, Forbes Global
- Gamuda Berhad, Best Managed Company and Strongest Commitment to Enhancing Shareholder Value, FinanceAsia



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# Directors' Profile



## **Tan Sri Dato' Ir Talha bin Haji Mohd Hashim**

PSM, DPCM, DSDK, KMN, AMN, BCK, Dip C. Eng. (BTC),  
MM (AIM), C.Eng., P.Eng., FICE, FIEM, FIHT, MMIM, FMID, MACEM, Hon. FISM

*Non-executive Chairman (non-independent)*

Tan Sri Dato' Ir Talha has been on the Board as Chairman since 26 March 1992.

He is a professional engineer registered with the Board of Engineers, Malaysia; a chartered engineer registered with the Engineering Council, UK; a Fellow of the Institution of Engineers Malaysia; a Fellow of the Institution of Civil Engineers, UK and a Fellow of the Chartered Institution of Highways And Transportation, UK. Additionally, he is a Fellow of the Malaysian Institute of Directors and a member of the Malaysian Institute of Management and the Association of Consulting Engineers Malaysia.

A civil engineer, Tan Sri Dato' Ir Talha has worked for the Public Works Department (JKR) for 31 years between 1959 and 1990, where he last served for 5 years as Director-General. He was previously President of the Board of Engineers, Malaysia; Chairman of the Central Registration Committee of Government Contractors; Council Member of Universiti Teknologi Malaysia and Council Member of the Scientific and Research Institute of Malaysia. He is also a former member of the Board of Directors of the Malaysian Highway Authority, past Presidents of the Road Engineering Association of Asia and Australasia, and Road Engineering Association of Malaysia as well as past Chairman of the Chartered Institution of Highways & Transportation (Malaysian Branch).

Tan Sri Dato' Ir Talha's vast and diverse experience in engineering and infrastructure works, together with his experience as a Board member of other public listed companies, make him ideally placed to chair and guide the Board.

He holds a Diploma in Civil Engineering from Brighton Technical College, UK and a Master's degree in Management from Asian Institute of Management, Manila, Philippines. Age 75.

### **Board Committee membership:**

- Chairman of the Remuneration Committee
- Chairman of the Nomination Committee

### **Other directorships of public companies**

- Sapura Technology Berhad
- Sunway City Berhad
- Phillip Mutual Berhad
- APP Industries Berhad
- Universal Trustee (Malaysia) Berhad

**Dato' Lin Yun Ling**  
*Group Managing Director*

Dato' Lin has been on the Board as Managing Director since 10 February 1981.

A civil engineer, he joined Gamuda in 1978 as a senior project manager. He brings to the Group more than 32 years of experience in civil engineering and construction. Over the years under his leadership, Gamuda expanded its business focus from construction into infrastructure and property development, all sectors in which the Group has dominant positions, both locally and internationally.

As a key pioneer founder of the Group, Dato' Lin has a deep understanding of the strengths and capabilities of the Group. Consequently his differentiated vision and strategies have led to the Group's successful track record of growth and financial strength. Dato' Lin is instrumental in leading the executive team in implementing the Group's strategies. His leadership and entrepreneurial vision have been and will continue to be crucial in leading the Group into the future.

Dato' Lin holds a Bachelor of Science (Honours) degree in Civil Engineering from King's College, University of London, UK. Age 55.

**Board Committee membership:**

- Member of the Remuneration Committee

**Other directorships of public companies**

- Lingkaran Trans Kota Holdings Berhad
- Syarikat Pengeluar Air Selangor Holdings Berhad



**Tan Sri Dato' Mohd Ramli bin Kushairi**  
*Senior Independent Non-executive Director*

Tan Sri Dato' Mohd Ramli has been on the Board since 22 October 2001.

Tan Sri Dato' Mohd Ramli's service with the Government of Malaysia includes holding senior positions at Bank Negara Malaysia, Tariff Advisory Board, Federal Agricultural Marketing Authority and Kumpulan Fima Berhad, a Government-owned company then. He is a member of the National Standards & Accreditation Council, where he also serves as Chairman of the Council's National Standards Committee. Additionally, he serves as a trustee of Yayasan Tuanku Bainun and Yayasan Suluh Budiman Universiti Pendidikan Sultan Idris, a member of the International Advisory Board of University of Hull, England and a Director of the Board of Universiti Teknologi Malaysia.

Tan Sri Dato' Mohd Ramli's roles in key trade and business councils and human relations, coupled with his commercial experience gained as a Board member of other public listed companies, enable him to provide highly valued advice and support to the executive management team of the Company and make him ideally suited to the position of Senior Independent Director for communication between the shareholders and the Board.

He holds a Bachelor of Arts (Honours) degree in Social Science from University of Hull, England, UK and did his post-graduate studies at King's College, University of London, UK. Age 74.

**Board Committee membership:**

- Member of the Audit Committee
- Member of the Nomination Committee

**Other directorships of public companies**

- South Malaysia Industries Berhad (Chairman)
- Masscorp Berhad



## **Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain**

*Non-executive Director (independent)*

Tan Sri Dato' Seri Dr Haji Zainul Ariff has been on the Board since 1 December 2004.

Tan Sri Dato' Seri Dr Haji Zainul Ariff spent his early career in Government service where he held senior positions including Secretary in the Department of Higher Education of the Ministry of Education, Director-General of the Social Economic Research Unit in the Prime Minister's Department, Deputy Secretary-General of the Prime Minister's Department and Secretary-General of the Ministry of National Unity and Social Development. His last position with the Government was as Director-General of the Implementation Coordination Unit in the Prime Minister's Department. He is the Chairman of the Board of Universiti Malaysia Perlis and a Distinguished Fellow of the Institute of Strategic and International Studies Malaysia. Tan Sri Dato' Seri Dr Haji Zainul Ariff is a former member of the Board of Malaysian Industry-Government Group For High Technology, past Chairman of Bank Pembangunan Malaysia Berhad and a former Director of MISC Berhad and Global Maritime Ventures Berhad.

Tan Sri Dato' Seri Dr Haji Zainul Ariff's extensive experience in the public sector and commercial experience in the later years enable him to provide a different perspective and independent view to the Board.

He holds a Ph.D. in Public Policy from University of Southern California, USA; a Master's in Business Administration from Ohio University, USA; a Bachelor of Arts (Honours) degree from University of Malaya; a Diploma in Public Administration from University of Malaya; a Certificate in Management Services (Excellent Grade) from Royal Institute of Public Administration, UK and a Certificate of Anatomy of Ship Finance from Cambridge Academy of Transport, Cambridge, UK. Age 64.

**Board Committee membership:**

- None

**Other directorships of public companies**

- FSBM Holdings Berhad



## **Raja Dato' Seri Eleena binti Raja Azlan Shah**

*Non-executive Director (non-independent)*

An advocate and solicitor, Raja Dato' Seri Eleena has been on the Board since 1 June 1992.

She was called to the English Bar in 1985. Upon returning to Malaysia, she joined Messrs Skrine & Co and was called to the Malaysian Bar in 1986. She set up her own legal practice Messrs Raja Eleena, Siew, Ang & Associates in 1987 of which she is presently a senior partner.

Raja Dato' Seri Eleena's extensive experience in legal practice enables her to contribute significantly to the Board. She is the niece of Dato' Seri Ir Kamarul Zaman bin Mohd Ali and a major shareholder of Gamuda through her interest in Generasi Setia (M) Sdn Bhd.

Raja Dato' Seri Eleena is a Barrister-at-Law from Lincoln's Inn, London, UK. Age 50.

**Board Committee membership:**

- None

**Other directorships of public companies**

- KAF-Seagroatt & Campbell Berhad



## Raja Dato' Seri Abdul Aziz bin Raja Salim

*Non-executive Director (independent)*

Raja Dato' Seri Abdul Aziz has been on the Board since 22 October 2001.

A chartered accountant, he has a distinguished career in Government service. He was the Director-General of Inland Revenue Malaysia from 1980-1990 and Accountant-General Malaysia from 1990-1994. He was the President of the Chartered Institute of Management Accountants (CIMA), Malaysia Division from 1976-1993 and Council Member of CIMA, UK from 1990-1996. He was awarded the CIMA Gold Medal in recognition of his outstanding service to the accounting profession. Presently, he is a trustee and Board member of the Malaysian Accounting Research Foundation and a member of the MIA Editorial Board.

Raja Dato' Seri Abdul Aziz's financial and tax experience supported with his experience as a member of the Audit Committee of other public listed companies enable him to bring a great deal of experience and expertise to the Board and make him particularly qualified to lead the Audit Committee.

He is an Honorary Fellow of the Malaysian Institute of Taxation; a Fellow of the Chartered Association of Certified Accountants, UK; a Fellow of CIMA, UK; a member of the Malaysian Institute of Accountants and a member of the Chartered Accountant (Malaysia). Age 72.

### Board Committee membership:

- Chairman of the Audit Committee
- Member of the Remuneration Committee

### Other directorships of public companies

- Amanah Saham Mara Berhad
- Kenanga Fund Management Berhad

- Kenanga Investment Bank Berhad
- K&N Kenanga Holdings Berhad
- Jerneh Insurance Berhad
- Panasonic Manufacturing Malaysia Berhad
- PPB Group Berhad
- Southern Steel Berhad
- Jerneh Asia Berhad
- Hong Leong Industries Berhad



## Dato' Seri Ir Kamarul Zaman bin Mohd Ali

*Executive Director*

Dato' Seri Ir Kamarul Zaman has been on the Board since 1 June 1992.

A civil engineer, he was attached to the Public Works Department (JKR), Penang for 17 years as a Quarry Manager. Subsequently, he joined Penang Development Corporation as a senior engineer for 9 years prior to joining G.B. Kuari Sdn Bhd, a subsidiary of Gamuda, on 1 June 1990.

Dato' Seri Ir Kamarul Zaman has been actively involved in overseeing the Group's quarry operations and related business requirements. His in-depth knowledge and vast experience in quarry operations and the broader construction industry enable him to provide a significant contribution to the Group's business and to the Board. Dato' Seri Ir Kamarul Zaman is the uncle of Raja Dato' Seri Eleena binti Raja Azlan Shah.

He holds a Bachelor of Science degree in Engineering from the Institute of Technology, Brighton, UK. Age 74.

### Board Committee membership:

- None

### Other directorships of public companies

- Intan Utilities Bhd



## Dato' Haji Azmi bin Mat Nor

*Executive Director*

Dato' Haji Azmi has been on the Board since 24 September 2001. Before that, he was Alternate Director to Mr Heng Teng Kuang from 22 December 2000 to 1 August 2001 (Mr Heng Teng Kuang retired from the Board and Company on 1 August 2001).

A civil engineer, he has worked as Resident Engineer at the Public Works Department (JKR), of Pahang and Selangor. His last position with the Public Works Department (JKR) was as Assistant Director of the Central Zone Design Unit under JKR Kuala Lumpur (Road Branch), in charge of road design and coordination of consultants' work.

Dato' Haji Azmi has extensive knowledge of developing and managing the implementation of complex infrastructure concession projects in Malaysia. He also contributes by overseeing the operations of the Group's infrastructure concessions, ranging from expressways to water-related and others.

Dato' Haji Azmi holds a Bachelor of Science degree in Civil Engineering and a Master's of Science degree in Highway Engineering, both from University of Strathclyde, Glasgow, Scotland, UK. Age 52.

### Board Committee membership:

- None

### Other directorships of public companies

- Lingkaran Trans Kota Holdings Berhad
- Syarikat Pengeluar Air Selangor Holdings Berhad
- Kesas Holdings Berhad

## Dato' Ng Kee Leen

*Executive Director*

Dato' Ng has been on the Board since 20 September 1986.

He has been with Gamuda since 1977 during which time he held various senior management positions. Dato' Ng has extensive working experience in tender, finance and implementation of infrastructure projects. He is the immediate past President of the Master Builders Association of Malaysia (MBAM), the collective and recognised voice of the construction industry in Malaysia. He presently serves as a Board member of the Construction Industry Development Board (CIDB), Council Member of the Building Industry Presidents' Council (BIPC), Council Member of the ASEAN Constructors Federation (ACF) and Vice President of Malaysian Service Providers Confederation.

He is responsible for the Group's expressway concession interests in Malaysia. Dato' Ng's skills and vast experience, having worked for the Company for 32 years across a wide spectrum of businesses including infrastructure concession projects, trading and investments, enable him to contribute significantly to the Group's overall business and to the Board. His involvement as the President of MBAM, Board member of CIDB and Council Members of BIPC and ACF enable him to contribute on issues affecting the building and construction industries. Age 54.

### Board Committee membership:

- None

### Other directorships of public companies

- Lingkaran Trans Kota Holdings Berhad
- Kesas Holdings Berhad
- Construction Labour Exchange Centre Berhad

## Dato' Goon Heng Wah

*Executive Director*

Dato' Goon has been on the Board since 1 June 1992. He was previously a member of the Board from 11 November 1986 to 30 October 1988.

A civil engineer, Dato' Goon has many years of working experience in the fields of engineering, construction and infrastructure works and possesses a strong project implementation background. He held several senior management positions since joining Gamuda in 1978 with responsibilities including management and supervision of major projects.

Dato' Goon has substantial regional responsibilities for the Group's engineering and construction activities from India to the Middle East. Dato' Goon's contribution is in his engineering expertise, in-depth knowledge and extensive experience in the construction industry, in particular large-scale overseas project mobilisation and implementation.

He holds a Bachelor of Engineering (Honours) degree from South Bank University, UK. Age 54.

### Board Committee membership:

- None

### Other directorships of public companies

- Danau Permai Resort Berhad



## Dato' Ir. Ha Tiing Tai

*Executive Director*

Dato' Ir Ha has been on the Board since 1 February 1990.

A civil engineer, he has 33 years of experience in the engineering and construction sectors. Dato' Ir Ha has extensive experience in large-scale build-operate-transfer (BOT) projects from project inception to project financing and implementation, both in Malaysia and overseas.

As an Executive Director, Dato' Ir Ha plays a key role in the Group's engineering and construction business. It includes managing the Group's overseas projects in Taiwan and Indo China and more recently, the largest domestic build-and-design infrastructure project. Dato' Ir Ha's expertise and extensive experience gained particularly in large and complex projects enable him to contribute significantly to the Group's business and to the Board. He was appointed as Vice President of China Economic & Trade Promotion Agency in September 2010.

Dato' Ir Ha holds a Bachelor of Engineering (Honours) degree from University of Malaya. He is a professional engineer registered with the Board of Engineers, Malaysia; a chartered engineer registered with the Engineering Council, UK; a Fellow of the Institution of Engineers Malaysia; a member of the Institution of Civil Engineers, UK and a Fellow of the Institution of Highways And Transportation, UK. Age 56.

### Board Committee membership:

- None

### Other directorships of public companies

- Danau Permai Resort Berhad



## Wong Chin Yen

*Non-executive Director (independent)*

A stockbroker, Ms Wong has been on the Board since 1 June 1992.

Ms Wong began her career as an advocate and solicitor with Shearn Delamore & Co. in 1985 before moving on to the Legal Department of American Express (M) Sdn Bhd in 1987. She managed her own business providing process service to legal firms between 1990 and 1997 and thereafter joined the stockbroking industry where she is presently a Dealer's Representative with Hong Leong Investment Bank Berhad.

She has vast analytical skills, risk management and legal experience, enabling her to provide invaluable input to the Board and Audit Committee.

Ms Wong holds a Bachelor of Arts (Honours) degree in Law from London Metropolitan University, UK and a Master's in Law from London School of Economics and Political Science, UK. She is also a Barrister-at-Law from Middle Temple, London, UK. Age 50.



### Board Committee membership:

- Member of the Audit Committee
- Member of the Nomination Committee

### Other directorships of public companies

- None

## Saw Wah Theng

*Executive Director*

A chartered accountant, Mr Saw has been on the Board since 1 February 1998.

As head of the finance function, Mr Saw is responsible for the Group's budgetary control, treasury, tax and corporate finance including mergers and corporate restructuring exercises. He has extensive working experience in accounting, finance and corporate finance gained while he was attached to accounting and auditing firms in the United Kingdom and Malaysia, and as the Group Financial Controller of Hong Leong Industries Berhad, prior to joining the Gamuda Group.

Mr Saw was admitted as an Associate of the Institute of Chartered Accountants (England and Wales) in 1985 and he is a member of the Malaysian Institute of Accountants. Age 53.



### Board Committee membership:

- None

### Other directorships of public companies

- Lingkaran Trans Kota Holdings Berhad
- Kesas Holdings Berhad
- Danau Permai Resort Berhad
- Horizon Hills Resort Berhad

## Ir Chow Chee Wah

*Alternate Director to Dato' Lin Yun Ling*

Ir Chow has been on the Board as Alternate Director to Dato' Lin Yun Ling since 24 September 2001. Before that, he was Alternate Director to Mr Chan Kuan Nam @ Chan Yong Foo from 22 December 2000 to 1 August 2001.

A civil engineer, he has more than 28 years of working experience in the design of roads, expressways and buildings. He joined Gamuda as a project coordinator after working with engineering consultancy Sepakat Setia Perunding Sdn Bhd as Associate Director. In Gamuda, he held increasingly senior positions within the Group and he assumed the property development portfolio in 1996 in line with the Group's business diversification. Ir Chow heads the property development division as its Managing Director.

His engineering expertise and considerable number of years of experience working within the Group, particularly on the design and technical aspects of the construction side of the business and in later years, on property development, enable him to contribute significantly to the Group's business and to the Board.

Ir Chow holds a Bachelor of Science (Honours) degree in Civil Engineering from University of London, UK. He is a member of the Institute of Engineers, Malaysia and a professional engineer registered with the Board of Engineers, Malaysia. Age 52.

### Board Committee membership:

- None

### Other directorships of public companies

- Horizon Hills Resort Berhad



Note:

1. All the Directors -
  - are Malaysians;
  - do not have any conflict of interest with the Company; and
  - maintain a clean record with regard to convictions for offences within the past 10 years other than traffic offences, if any.
2. Save as disclosed, none of the Directors has any family relationship with any Director and/or major shareholder of the Company.

# Corporate Data

## Board of Directors

- Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim (Chairman)
- Y Bhg Dato' Lin Yun Ling (Group Managing Director)
- Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi
- Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain
- Y A M Raja Dato' Seri Eleena binti Raja Azlan Shah
- Y M Raja Dato' Seri Abdul Aziz bin Raja Salim
- Y Bhg Dato' Seri Ir Kamarul Zaman bin Mohd Ali
- Y Bhg Dato' Haji Azmi bin Mat Nor
- Y Bhg Dato' Ir Ha Tiing Tai
- Y Bhg Dato' Goon Heng Wah
- Y Bhg Dato' Ng Kee Leen
- Ms Wong Chin Yen
- Mr Saw Wah Theng
- Ir Chow Chee Wah (Alternate to Y Bhg Dato' Lin Yun Ling)

## Audit Committee

- Y M Raja Dato' Seri Abdul Aziz bin Raja Salim (Chairman)
- Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi
- Ms Wong Chin Yen

## Nomination Committee

- Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim (Chairman)
- Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi
- Ms Wong Chin Yen

## Remuneration Committee

- Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim (Chairman)
- Y Bhg Dato' Lin Yun Ling
- Y M Raja Dato' Seri Abdul Aziz bin Raja Salim

## Company Secretaries

- Ms Lim Soo Lye (LS 006461)
- Ms Tee Yew Chin (MAICSA 0794772)

## Registered Office

78, Jalan SS22/21, Damansara Jaya  
47400 Petaling Jaya, Selangor Darul Ehsan  
Tel: 603-7726 9210  
Fax: 603-7728 9811  
Email: gbgpa@gamuda.com.my

## Share Registrar

(For Ordinary Shares and Warrants 2010/2015)

Insurban Corporate Services Sdn. Bhd.  
149, Jalan Aminuddin Baki  
Taman Tun Dr. Ismail, 60000 Kuala Lumpur  
Tel: 603-7729 5529  
Fax: 603-7728 5948  
Email: insurban@gmail.com

## Auditors

Ernst & Young  
Chartered Accountants

## Principal Banker

Malayan Banking Berhad

## Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad  
Stock Code : Gamuda  
Stock No : 5398

## Website

[www.gamuda.com.my](http://www.gamuda.com.my)

# Corporate Structure as at 8 October 2010

## Expressway Tolling & Management

• Sistem Penyuraian Trafik KL Barat Sdn Bhd	53%
• Mapex Infrastructure Private Limited	50%
• Emas Expressway Private Limited	50%
• Lingkaran Trans Kota Sdn Bhd	46%
• Madang Permai Sdn Bhd	36%
• Kesas Sdn Bhd	30%

## Water Related

• Gamuda Water Sdn Bhd	80%
• Syarikat Mengurus Air Banjir & Terowong Sdn Bhd	50%
• Syarikat Pengeluar Air Sungai Selangor Sdn Bhd	40%

## Construction

• Gamuda Engineering Sdn Bhd	100%
• Masterpave Sdn Bhd	100%
• Ganaz Bina Sdn Bhd	100%
• Gamuda (India) Private Limited	100%
• Gamuda (Bahrain) W.L.L.	100%
• Gamuda Saudi Arabia L.L.C.	100%
• Gamuda-WCT (India) Private Limited	70%
• MMC-Gamuda Joint Venture Sdn Bhd	50%

## Trading

• Gamuda Trading Sdn Bhd	100%
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## Property / Township Infrastructure Development

• Jade Homes Sdn Bhd	100%
• Harum Intisari Sdn Bhd	100%
• Madge Mansions Sdn Bhd	100%
• Valencia Development Sdn Bhd	100%
• Gamuda Land Sdn Bhd	100%
• Gamuda Land Vietnam Limited Liability Company	100%
• Gamuda Land (HCMC) Sdn Bhd	100%
• Idaman Lantas Sdn Bhd	100%
• Gamuda-NamLong Development Limited Liability Company	70%
• Sai Gon Thuong Tin Tan Thang Investment Real Estate Joint Stock Company	60%
• Hicom-Gamuda Development Sdn Bhd	50%
• Horizon Hills Development Sdn Bhd	50%

## Township & Golf Club Management

• Valencia Township Sdn Bhd	100%
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## Property Maintenance

• Botanic Property Services Sdn Bhd	100%
• Rebung Property Services Sdn Bhd	100%
• Jade Homes Property Services Sdn Bhd (formerly known as Jiwa Rangkaian Sdn Bhd)	100%
• HGD Property Services Sdn Bhd	50%
• Horizon Hills Property Services Sdn Bhd	50%

## Golf Club & Clubhouse

• Bandar Botanic Resort Berhad	100%
• Jade Homes Resort Berhad	100%
• Danau Permai Resort Berhad	50%
• Horizon Hills Resort Berhad	50%

## Quarrying, Plant Hire & Others

• G. B. Kuari Sdn Bhd	100%
• Megah Management Services Sdn Bhd	100%
• Megah Sewa Sdn Bhd	100%
• Reka Strategi Sdn Bhd	100%
• Setara Hati Sdn Bhd	100%
• GL (MM2H) Sdn Bhd	100%
• Gamuda Paper Industries Sdn Bhd	95%
• GPI Trading Sdn Bhd	95%
• Dyna Plastics Sdn Bhd	41%

## Investment

• Gamuda Overseas Investment Ltd	100%
• Megah Capital Sdn Bhd	100%
• Gamuda (Offshore) Private Limited	100%
• Gammaw Construction Sdn Bhd	100%
• Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd	53%
• Gamuda-WCT (Offshore) Private Limited	50%
• Suria Holding (O) Pvt Ltd	50%
• Projek Smart Holdings Sdn Bhd	50%
• Lingkaran Trans Kota Holdings Berhad	46%
• Syarikat Pengeluar Air Selangor Holdings Berhad	40%
• Kesas Holdings Berhad	30%

## Information Technology

• GIT Services Sdn Bhd	100%
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## Landscaping

• Megah Landscape Sdn Bhd	100%
• Kota Kemuning Nursery & Landscaping Sdn Bhd	50%



# Corporate Responsibility

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# Corporate Social Responsibility

We see corporate social responsibility (CSR) as an integral part of our business activities and consistent with being a responsible organisation. Balanced economic growth, environmental protection, and social progress can be achieved with the right efforts.

The Gamuda Group sees corporate social responsibility (CSR) as an integral part of our business activities and consistent with being a responsible organisation. Caring for our communities, protecting the environment, and taking care of the welfare of our employees and business partners while delivering our commitments to our customers, are in harmony with our values. Balanced economic growth, environmental protection and social progress can be achieved with the right efforts.

The various elements of our CSR programs fall in 3 main groups.

Quality, Safety & Health, and Environment (QSHE)	Human Capital Development	Community and Social Development
<ul style="list-style-type: none"> <li>Achieving exemplary targets</li> <li>Communication and Education</li> <li>Regular reviews and constant improvement</li> </ul>	<ul style="list-style-type: none"> <li>Gamuda Annual Scholarship awards</li> <li>Quantity Surveyor Apprenticeship Program</li> <li>Gamuda Plant Operator School</li> </ul>	<ul style="list-style-type: none"> <li>Calendar of events</li> <li>School sponsorship and academic engagement</li> <li>Road safety awareness</li> </ul>

- The New Doha International Airport team celebrated 23 million 'Man-hours without a Lost Time Incident' in July 2010
- During the Financial Year, the Quality Management System implemented according to ISO 9001:2000 requirements will be upgraded to 9001:2008 standard requirements
- Electronic Document Management System (EDMS) implementation for the Group and new projects
- Environmental Management System implementation compliance with ISO14001:2004 requirements at head office, Electrified Double Track Project (Ipoh-Padang Besar) and New Doha International Airport Project
- Safety achievement of record-breaking-hours without lost injury time (at New Doha International Airport project in Qatar and Electrified Double Track Project (Ipoh-Padang Besar), Malaysia)
- Human Capital Development programs for the community and employees
- Adoption of the Japanese 5S system for SMARTCo Sdn Bhd in an effort to improve document control and filing
- Achievements from the previous management review (2010), the Group has developed and is implementing a new standardised documentation system, improvisation for 'analysis of data' at project sites, adoption of Centralised Material Purchasing procedures, and transition from previous Quality, Safety & Health, and Environment Management System to Gamuda Management System



Committee members of Gamuda Quality Management System pose for a group photograph after a successful Fire Evacuation Drill together with members of the Fire & Rescue Department



Gamuda Nature Walk for instilling environmental awareness was held at Forest Research Institute of Malaysia

## Quality, Safety & Health and Environment (QSHE) Report

A comprehensive Gamuda Quality Management System has evolved from the previous Quality, Safety & Health and Environment system that has been successfully implemented to ensure the Gamuda Group can manage and improve its operations to consistently provide quality, safe and environmentally-responsible products, and services to our stakeholders.

The Gamuda Quality Management System is applied in all areas of the Group's operations to assist staff in meeting customer requirements, business commitments and social responsibilities while upholding quality, safety, health, and environment standards.

### QSHE Policy Statement

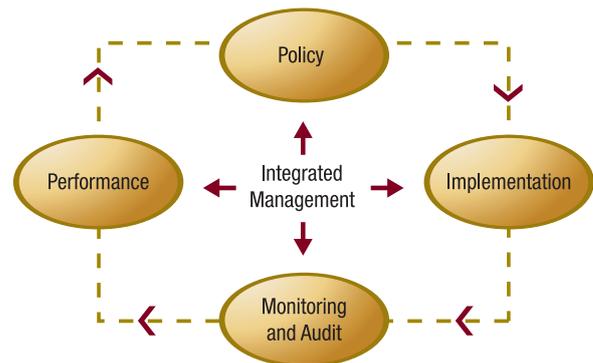
- Timely delivery of quality products and services to our customers.
- Improve operations to consistently provide high quality, cost effective, reliable, safe and environmental friendly products, and services.
- Commitment to providing a safe and healthy working environment for our employees through adoption of best practices.
- Prevent negative environmental impacts on project and neighbouring sites.
- Comply and provide training to stakeholders on safety, health, and environment legislations and regulations.
- Develop and inculcate a self regulating mindset to all stakeholders to ensure the success of the Group's CSR goals.

### Quality Programs & Achievements

Under the Quality Program, a number of objectives were set to improve work quality and to ensure that the respective projects fully comply with the goals of the client and authorities. The criteria used were quality assurance; monitoring of non-conformance, complaints, and customer satisfaction; cost and budgeting; and training and awareness programs conducted.

Among the successful initiatives by the project sites were the implementation of proper Electronic Document Management System and the standardisation of Document Control System Procedures. Additionally, sub-contractors were given further education to ensure they meet the Group's Quality Assurance and Quality Control (QAQC) requirements. All these played an integral role in the organisation's goal to improve quality performance.

Results from periodic audits which were carried out among employees showed that staff are aware of the quality guidelines and regulations that the Group is adopting. We also saw a significant reduction in non-conformance reports. These results attest to the successful training sessions which were conducted throughout the calendar year.



Our Integrated Management System (IMS) consists of the ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and the OHSAS 18001 and MS 1722 Occupational Health & Safety Management System. A full list of accreditations for the Group in 2009/2010 is as per the following:

1. Gamuda Berhad and Gamuda Engineering Sdn Bhd  
IMS OHSAS 18001:2007, MS ISO 1722:2005, MS ISO 14001:2004
2. Lingkaran Trans Kota Holdings Berhad (LITRAK) MS ISO 9002:1994
3. Kesas Sdn Bhd MS ISO 9002:1994
4. Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (SPLASH)  
MS ISO/IEC 17025:2005, OHSAS 18001:2007, IMS ISO 9001:2007
5. GB Kuari Sdn Bhd MS ISO 9002:1994
6. Megah Sewa Sdn Bhd MS ISO 9002:1994
7. Gamuda Land (Hicom-Gamuda Development Sdn Bhd, Valencia Development Sdn Bhd, Harum Intisari Sdn Bhd)  
MS ISO 9001:2000
8. Gamuda Land (Horizon-Hills Development Sdn Bhd)  
MS ISO 9001:2000

“...in our quest to raise the profile of occupational health and safety in Gamuda's CSR agenda, a more comprehensive measuring and reporting system will be employed to allow future improvement to take place.”

In addition, the Gamuda Quality Management System will be upgrading to the new ISO 9001:2008 standard requirements. The following are some of the improvement actions that are in the process of upgrading:

- a) Transition from ISO 9001:2000 to ISO 9001:2008 Amendment and implementation of new management procedures
- b) Electronic Document Management System (EDMS) implementation for head office and new projects

A new centralised document control management system has been developed for better standardisation between departments

- c) Constant review of Departmental Targets for projects and head office departments

Enhancing of department objectives and targets will be carried out in the new financial year to instil greater awareness and improve on the current track record of safety, health, and environment practices

### Safety & Health Programs & Achievements

Occupational safety and health outline an essential part of Gamuda Group's CSR program. In line to improve our working conditions and employment practices while minimising safety and health risks especially at project sites, the following major reporting guidelines were included in 2009/2010:

- 'Zero Violation' by constantly reviewing, monitoring, and improving the effectiveness of the Safety & Health procedures in provision for a safe and healthy working environment
- 'Zero Fatality' and 'Zero Accident' at site to reduce non-compliance cases on Safety & Health through risk assessment
- 'Zero Stop-Work' order or penalty to comply with relevant Safety & Health legislations and regulations
- Increase the number of trainings to all personnel to improve their awareness and knowledge on Safety & Health issues

In order to achieve the Group's Safety & Health objectives, awareness trainings and tool box meetings were conducted to staff and sub-contractors. Performed before commencement of work at site, the tool

box briefings cover a wide range of topics such as scaffolding, personal hygiene, safe handling, defensive driving, housekeeping, welfare, and other safe working methods.

To further ensure persistent compliance of Safety & Health procedures among stakeholders, site inspections with the Department of Occupational Safety & Health (DOSH) and Internal Audits were often carried out as per legislation and regulatory requirements.

From these initiatives, the Group managed to achieve a track record of:

- 23 million 'Man-hours without a Lost Time Injury' for the New Doha International Airport Project in Qatar
- 12 million 'Man-hours without a Lost Time Incident' for the Electrified Double Track Project (Ipoh to Padang Besar)
- Reduction of accidents, first aid cases, and incidents or offences related to traffic across all Gamuda Group's projects
- Increased number of training sessions for Safety & Health and Environment
- Site inspection requirements raised to 85% compliance due to satisfactory levels obtained from previous Financial Year

Going beyond this in our quest to raise the profile of occupational health and safety in Gamuda's CSR agenda, a more comprehensive measuring and reporting system will be employed to allow future improvement to take place.

For the coming calendar year, the Group will review and revise its existing standard operating procedures to better suit the current implementation. An accountability system will be developed at all levels of the organisation where every personnel will be aware of their responsibilities in meeting the Safety & Health requirements. Management and construction teams will be involved in risk and hazard assessment, and the result shall be communicated effectively to all employees.

In addition, hazard identification, risk assessment, and control measures will be consistently enhanced. Extra awareness on legal compliance and requirements with clients, authorities and regulatory bodies will be strongly emphasised among employees.



Proper disposal of scheduled waste at our Water Treatment Plants



Proper storage location and labelling of gas storage inventory for the Electrified Double Track Project (Ipoh-Padang Besar)

## Environmental Programs & Achievements

Environmental management is an essential part of Gamuda's operations. It is a responsibility which the Group takes seriously. From our early projects working on rural roads to major urban expressways, we strive to conduct our business activities with minimal environmental impact through proper environmental management plans while complying with environmental legislation and regulations.

To ensure the Group operates in a sustainable environment, a set of programs were executed in the past Financial Year. These were implemented in a comprehensive manner in concert with our joint venture partners, contractors, and suppliers, in application in the way we:

- Manage our construction site
- Use, dispose and recycle our non-hazardous construction materials (3R Approach - Reduce, Reuse and Recycle)
- Land, water and air (dust and noise) quality control
- Clear our land sites
- Maintain the ecosystem and biodiversity at the site

“Gamuda’s environmental protection policies were further enforced with strict regulations, compliance, and inspections whereby employees worked under the set ‘Aim Zero Violation’ authority...”

Environmental training classes on operational control, construction impact, waste management, and legal requirements were conducted by the QSHE team. Such aims to enhance the level of awareness and knowledge on environmental management and to inculcate best practices among employees and contractors.

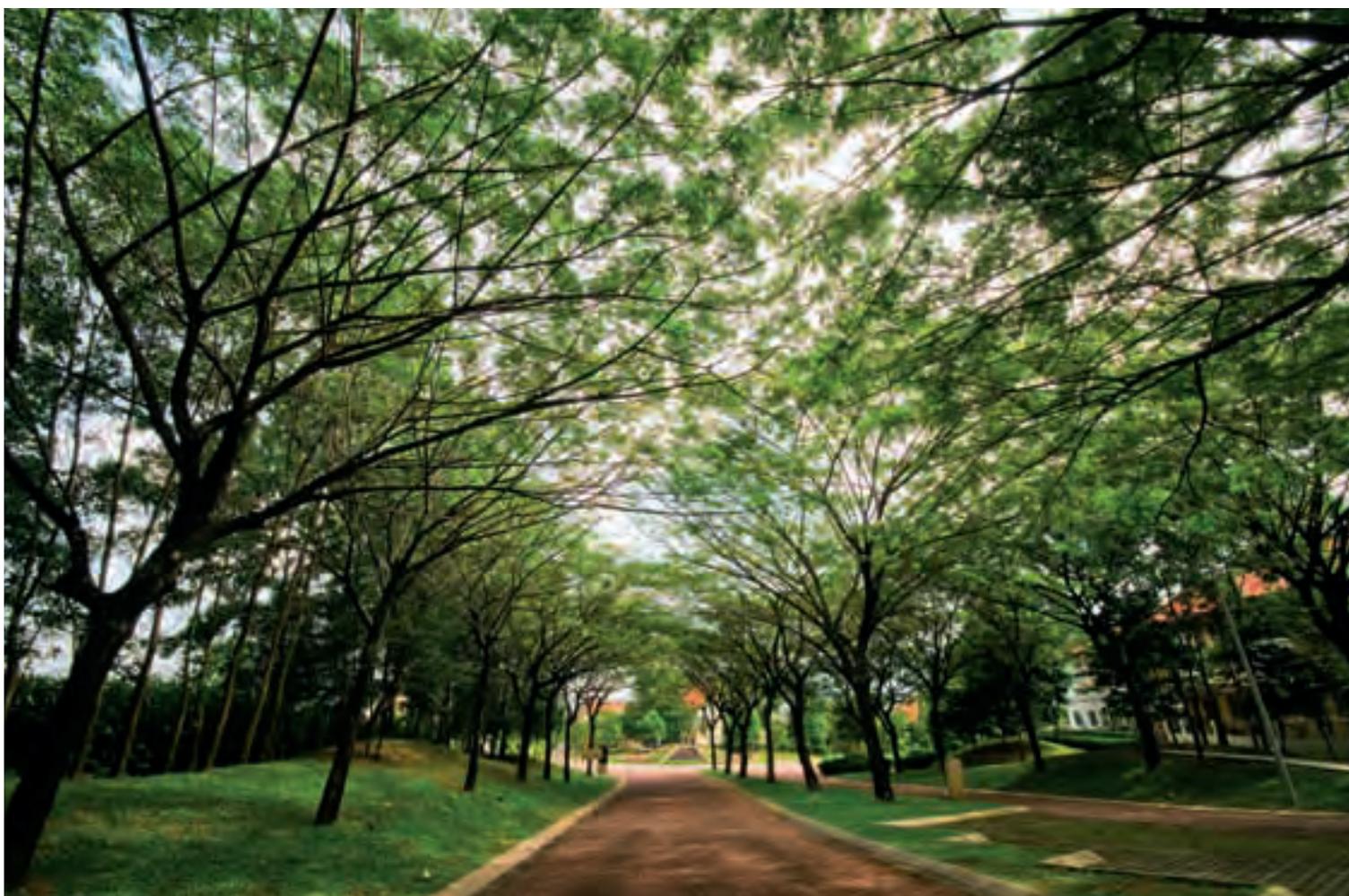
Gamuda's environmental protection policies were further enforced with strict regulations, compliance, and inspections whereby employees worked under the set 'Aim Zero Violation' authority. Constant reviews, monitoring and improvements were carried out without delays in regards to these policies. These were done with a purpose to minimise occurrence of non-conformance and complaints from clients, authorities, public, and other external parties.

Satisfactory results were accomplished from 2009/2010's environmental management plans:

- Recorded 100% compliance with zero incidents, complaints, or accidents across the Group in terms of environmental control and safeguarding
- Water quality monitoring results across Gamuda's project sites indicated that all parameters were well within permissible limits
- Air monitoring results denote 100% compliance for total suspended particulate (TSP), NOx and SOx at all Gamuda's monitoring locations
- Noise level monitoring results at Gamuda project sites showed it was within the standard limit of 65dBA during the day and 55dBA during the night
- Creation of Wetlands Park in Gamuda's township, Horizon Hills, Johor which is conserved as a natural habitat for flora and fauna
- Waste, fuel and chemical storage at project sites were collected and disposed of properly by licensed contractors



Proper storage and signages for handling flammable gas and liquids at all project sites. The above pictures were taken at Electrified Double Track Project (Ipoh-Padang Besar) fabrication yard in Taiping and Bukit Badong Water Treatment Plant



*Greening and environmental conservation was the key to Valencia winning this year's ILAM Landscape Architecture award*

- Substantial decline in environmental action/advisory notices at project sites
- Recycling stations for construction materials – paper, wood, metal and mixed materials – were placed at offices and construction sites. A significant amount of recycling items was collected from the 3R Approach (Reduce, Reuse and Recycle)
- 25% reduction of paper consumption within Gamuda's premises as compared with the previous year
- More than 92% of management attended trainings on environmental protection

Gamuda recognises the importance of preserving the natural environment for the benefit of our future generations. In our effort to further improve our future performance to safeguard the environment in various aspects, we will focus on continuing to remove specific compounds in our construction practices which can adversely impact the human and environmental health.

The Group will also begin to promote the use of environmental friendly products and materials in our business operations as our 2010 CSR's targets. Other environmental initiatives in plan are the means to conserve natural resources through efficient usage of water, electricity, and paper arising from our business activities. We believe in taking pro-active steps to apply the best practices in managing environmental protection. This will be carried on by increasing our education trainings to employees and contractors to exercise greater care for the environment.

## Human Capital Development

### Developing Human Capital through Education and Training

Remaining true to Gamuda's philanthropic spirit since 1995, we have a long standing tradition of contributing towards the society and nation's growth. As part of the Group's ongoing CSR commitment in developing human capital and improving people's lives through education and training, over RM90 million has been invested over the years for the benefit of Malaysians to create a better quality of life and a vibrant society.

Gamuda's CSR in education takes place via four platforms, as demonstrated through its Scholarship Awards, Learning Centre, Quantity Surveyor Apprenticeship Program, and Plant Operator School.

#### Gamuda Annual University Scholarship Awards

This year's scholarship which carried the theme, 'Education is the key' received the highest number of applications throughout the country. As many as 300 applications reached Gamuda offices within a period of 1 month. To accommodate the large turnout, the Group has opened its scholarship to include new institutions and foreign private universities.

We understand that education is key for young people to reach their full potential and create their own future. Therefore, enabling more deserving Malaysians to pursue tertiary education is the objective of our annual Gamuda Scholarship. Started in 1996, this educational initiative has since benefited more than 200 young Malaysians in achieving their Bachelor degrees from both local and foreign universities.

The Gamuda Scholarship is an education grant that offers financial funding as well as career guidance support. The scholarship covers both the student's tuition and living expenses. In the best interest of the scholar, a systematic program of mentoring, training, and career guidance is offered during the scholar's education and employment period with the Group. For the 2009 to 2010 calendar year Gamuda awarded scholarships amounting to RM2 million to 32 deserving students.



All 32 Gamuda scholars together with Gamuda Berhad Directors pose for a group photograph

#### Gamuda Continual Learning

We regard our employees as our partners because our success would not be possible without their contributions. In turn, we strive to provide the best possible workplace environment where our employees can have meaningful and rewarding careers. An array of job training and career guidance are offered to all employees within the Group through our dedicated training unit, Gamuda Learning Centre (GLC).

Since 1995, GLC has invested over RM15 million in staff training. More than 1,300 training sessions have been conducted for over 10,000 participants. These training sessions include in-house and external courses covering management, engineering and technical subjects, quantity surveying, and construction supervisory skill trainings.

#### Gamuda Quantity Surveyor (QS) Apprenticeship Program

Recognising that the Group's business involves engineering and construction, Gamuda initiated the Quantity Surveyor (QS) Training and Apprenticeship Program as part of its skills development program in 1996.

To date, over 100 QS trainees from six batches since 1996 to 2006 have graduated from this program. Including the current 7th QS intake in 2009, the overall commitment to this program will total RM12 million.

Taking the QS Apprenticeship Program to greater heights, we have collaborated with Tunku Abdul Rahman (TAR) College in 2009 to advance the program to a 4-year diploma course. This course will be equivalent to the first year of a Bachelor degree, and will be a stepping stone for trainees to pursue an Advanced Diploma or Bachelor (honours) degree with any local or private university.



The 6th batch of Gamuda Quantity Surveyors graduates posing with Gamuda management at a Special Graduation Incentives Ceremony. Seated in the middle is Gamuda Berhad Executive Director, Dato' Ng Kee Leen who initiated the Quantity Surveyors Apprenticeship Programme in 1995.

## Gamuda Plant Operator School

The Gamuda Group is Malaysia's only private non-profit provider of plant and heavy machinery training for the industry. Realising the need for skilled workers and improved safety practices, the Group started the Gamuda Plant Operator School (GPOS) in 1997. More than RM26 million has been invested in this training academy which is located in Kota Kemuning, Shah Alam. The school is accredited by the Construction Industry Development Board (CIDB), the Department of Occupational Safety and Health (DOSH), and the Human Resource Development Council (HRDC), and is recognised by the Master Builders Association of Malaysia (MBAM).

GPOS conducts skills training in mobile, crawler and tower crane operation, crane safety inspection and lifting gears, slinging and rigging operations, excavator, bulldozer, wheel loader, backhoe loader operation, hands-on maintenance of construction machinery and scaffolding. In 2009, GPOS included additional courses in trade skills such welding, bar-bending, and brick laying to meet the needs of our construction market.

Apart from skills training, GPOS also provides training and consultancy in environmental management and occupational safety and health.

Since its inception, GPOS has trained more than 26,500 skilled plant operators and heavy machinery operators.

“The school is accredited by the Construction Industry Development Board (CIDB), the Department of Occupational Safety and Health (DOSH), and the Human Resource Development Council (HRDC), and is recognised by the Master Builders Association of Malaysia (MBAM).”



*Gamuda Plant Operator School heavy machinery training in progress*



Staff of the Department of Irrigation and Drainage and SMART Highway pose for a group picture before the friendly bowling event organised by SMART Highway



Mok Wan Seng presenting a token to Institution of Engineers Malaysia delegates who visited SMART Motorway Control Centre

## Community & Social Development

We deem it crucial that wherever we operate, the Group supports the local communities involved. We have continued to be actively involved in diverse community and social programmes both locally and internationally during the past financial year.

As much as we give back to society we also aim to instil good civic values to our people so that they too can act as our ambassadors in advancing the worthy causes of organisations and welfare of individuals who need a helping hand.

The following calendar of events highlights the Group's community involvement during the Financial Year 2009/2010.

### 17 July 2009

1

SMART organised a friendly bowling match with the Department of Irrigation and Drainage at the Ampang Super Bowl to mark the 2-year joint operation of SMART Tunnel. The bowling friendly pitted staff from SMART Tunnel's floodwater operations and motorway operations.

### 29 July 2009

Gamuda Group Annual Scholarship Ceremony achieved a milestone with its 200th scholar. YB Datuk Ir Dr Wee Ka Siong, Deputy Minister of Education, officiated the event and presented scholarship awards to 28 scholars.

### 6 August 2009

2

SMART welcomed delegates from the tunnelling and underground space technical division of Institution of Engineers, Malaysia. As many as 18 delegates from various private sectors in Kuala Lumpur were briefed on SMART's concept and operations.

### 10 & 11 August 2009

In the spirit of community living, the Fire & Rescue Department of Pudu, Kuala Lumpur, invited SMART to their annual internal sports event which was known as the Sukan Bomba. The two-day sporting event included Sepak Takraw, Football, and Ping Pong. SMART which participated in the event for the first time managed to win the Ping Pong event.



En Sazally Saidi, CEO of LITRAK distributing flags to motorists in the spirit of Merdeka Day



SMART Director Datuk Ir Dr Hj Ahmad Zaidee Laidin presenting a mock-key to the Head of Hospital Kuala Lumpur for a Medical Response Vehicle



Members of the public attending the 'Open House' jointly organised by SPRINT and LITRAK as a token of appreciation to the local community

### 28 August 2009

3

LITRAK distributed 5,000 Malaysian flags to motorists in the spirit of Malaysia's Merdeka Day celebrations. Held at the toll plaza in Bandar Sunway, Chief Executive Officer, En Sazally Saidi accompanied by LITRAK's senior management team presented the flags and a 'goody bag' to road users.

### 14 October 2009

5

SPRINT and LITRAK jointly organised its annual 'Open House' at SPRINT's head quarters in Petaling Jaya as a token of appreciation to the community, local authorities, government officials, resident associations, highway concessions, suppliers, contractors, and more. As many as 1,300 guests turn up for the event.

### 17 September 2009

SMART organised a Road Safety Campaign in conjunction with Hari Raya Aidilfitri by giving away 4,200 free newspapers and car stickers to SMART Highway users at its Kuala Lumpur bound toll plaza. Launched by YB Dato' Shaziman Abu Mansor, Minister of Works, the event was also to foster good relations with motorists.

### 16 October 2009

SMART received a delegation of 30 Master's students of civil engineering from University Technology Malaysia. The students visit to the Motorway Control Centre was to learn about the civil engineering challenges that were faced by the SMART team during construction, as well as operations of the dual-purpose tunnel.

### 5 October 2009

4

SMART handed over the keys for a Medical Response Vehicle to Hospital Kuala Lumpur. The specially fitted vehicle is designed to access SMART Highway and is equipped to perform emergency rescue on the SMART dual purpose tunnel. SMART Director, Y Bhg Datuk Ir. Dr Hj Ahmad Zaidee Laidin presented the keys to the Head of Emergency Department of Hospital Kuala Lumpur, Prof. Dato' Dr Abu Hassan Asaari Abdullah.

### 5 November 2009

Secondary school students of SMK TTDI Jaya of Shah Alam visited SMART Motorway Control Centre. 33 students and 3 teaching staff were given a tour of the building and a presentation on the concept of SMART.

## Community & Social Development



Gamuda staff and their family members pose for a group picture during the 'Nature Walk' at Forest Research Institute of Malaysia



Dr Cheah Wing Ying, Damansara Utama Assemblyman and Bhavani Krishna Iyer, Head of Communications at LITRAK presenting donations to orphanage homes during the Lunar New Year

### 29 November 2009

LITRAK and SPRINT donated two cows to a charity home, Pusat Jagaan Lambaian Kasih in Kampung Sungai Pechala, for Hari Raya Korban. This was the seventh time that LITRAK and SPRINT have taken part in the event.

### 23 January 2010

SMART was one of selected Klang Valley highway companies invited to participate in the Kuala Lumpur Traffic Police Bowling Tournament. The bowling competition was held in conjunction with "Karnival Sukan Polis Trafik 2010".

### 19 December 2009

Gamuda Group organised a 'Nature Walk' at Forest Research Institute of Malaysia to bolster environmental awareness and appreciation for our eco-environment. The half day event featured the famed 'Canopy Walk', jungle trekking as well as a treasure hunt.

### 6 February 2010

To commemorate the Chinese New Year, LITRAK and SPRINT jointly participated in a Charity Chinese New Year event that was hosted by the Damansara Utama State Assemblyman, Dr Cheah Wing Ying. LITRAK and SPRINT gave donations to 250 children from various organisations that attended the event.

### 19 December 2009

Gamuda Land's 'A Fairytale Christmas' in conjunction with Miss Tourism International 2009, hosted 46 finalists from various countries at Jade Hills property development. Visitors and guests to the event were excited to participate in various activities and treats that were organised. To share the season of giving, children from TiRatana Orphanage Home were invited to the event.

### 11 February 2010

LITRAK launched a Road Safety Campaign for city folks to inculcate and promote good practices and safe driving among urban residents in the city.

### 14 January 2010

Gamuda organised a Fire Evacuation Drill together with the Fire & Rescue Department as a measure to evaluate and assess the effectiveness of Gamuda's safety & health and environment practices. Held at the support office in Petaling Jaya, all members of staff evacuated the building and assembled at the designated safe zone within the stipulated time frame and safety practices.

### 14 & 15 February 2010

56 young talents took to the stage with traditional and modern Chinese New Year melodies as part of RTM2 and Bandar Botanic's 'Chinese New Year Kids' Singing Competition 2010'. The competition which was open to children from the community of ages 12 and below thrilled the judges and crowd with various traditional and modern Chinese New Year melodies and performances.



Members of the media, Sinar Harian and staff of LITRAK pose for a group picture before the start of a friendly futsal match organised by LITRAK

### 16 & 18 March 2010

SMART was invited to participate in Petrosains public engagement programme. As part of Petrosains Bio-Diversity month, SMART was given the privilege to present a session on sustainable practices under the title "SMART Tunnel: Flood and Traffic Congestion in 1 Solution".

### 8 May 2010

8

LITRAK organised a friendly futsal match with local paper, Sinar Harian, to encourage team building with members of the media. Two teams each from Sinar Harian and LITRAK participated in the one day event.

### 13 May 2010

SMART hosted a visit from Sang Kancil Study Tour 2010 of University Twente, Netherlands, as part of its study tour to Malaysian institutes, universities, and companies. SMART was chosen as the most outstanding and innovative project as the students were interested in studying the concept of the project from the Applied Physics perspective.

### 7 June 2010

9

Vice Chancellor of Universiti Teknologi Melaka, Prof Datuk Dr Ahmad Yusof bin Hassan made a special visit to SMART Motorway Control Centre. The highlight of the educational visit was a briefing on the concept and operations of SMART presented by SMART's operational team.



SMART Highway's General Manager, En Mohd Fuad Kamal Ariffin presenting a token of appreciation to the Vice Chancellor of Universiti Teknologi Melaka during a special visit to SMART

### 24 June 2010

LITRAK organised a road safety talk for students and teachers of SMK Bandar Kinrara.

The road safety talk was aimed at building awareness of proper road etiquette and behaviour among the younger generation, especially school leavers.

### 13 July 2010

SMART welcomed Master's students from the School of Civil Engineering, Swiss Federal Institute of Technology Zurich. 35 students made their way to Kuala Lumpur for a study trip which involved visits to numerous construction projects including SMART Tunnel.

### 20 July 2010

32 undergraduates received full scholarship awards by Gamuda Berhad. In the 15th year running of the Group's Annual Scholarship Award, Gamuda Berhad awarded RM2 million worth of scholarship to 32 deserving Malaysians to pursue a first Bachelors degree at top local, private, and foreign universities.



Ir Chow Chee Wah, Managing Director of Gamuda Land receiving the CNBC Asia Pacific Property Awards for 'Best Golf Development' in Malaysia and Asia Pacific Award for Horizon Hills



General Manager of Kota Permai Golf & Country Club, Tang Meng Loon and the management team celebrate after winning the Best Course in Malaysia at the 2009 Asian Golf Monthly Awards.



Dato' Lin Yun Ling, Gamuda Group Managing Director presenting a token of appreciation to His Excellency Dr Nguyen The Thao, Chairman of the People's Committee of Hanoi during an official visit to SMART Motorway Control Centre

## Calendar of Events

### 15 August 2009

Jade Hills Resort Club was officially opened. The resort club features a modern tea house and sports facilities of a 50m Olympic-size lap pool, tennis courts, basketball court, table tennis, and more. Built exclusively for residents, Jade Hills Resort Club carries the hallmarks of Gamuda Land's enriching life philosophy.

### 1 September 2009

Gamuda Land's Horizon Hills added another feather in its cap when it bagged the prestigious CNBC Asia Pacific Property Awards for 'Best Golf Development' in Malaysia and Asia Pacific.

### 28 October 2009

Kota Permai Golf & Country Club claimed top honours in the Best Course in Malaysia category in the 2009 Asian Golf Monthly Awards.

Kota Permai was voted by readers of Asian Golf Monthly, scoring more than 22,000 online votes.

At the prize giving ceremony, legendary golf professionals Jack Nicklaus, Gary Player and Peter Thomson attended the lavish gala dinner at the Palace of the Golden Horses.

### 30 October 2009

Vietnamese government officials visited SMART Motorway Control Centre. Led by Gamuda Land Vietnam, the officials were given a briefing and presentation on SMART's tunnel operations.

### 4 November 2009

His Excellency Dr Nguyen The Thao, Chairman of the People's Committee of Hanoi, with an entourage of senior government officials visited SMART Motorway Control Centre. His Excellency and entourage were given a briefing by Gamuda Group's Managing Director, Dato' Lin Yun Ling.

## Calendar of Events



Turkish Mayors taking turns to sign the guestbook at SMART Motorway Control Centre during their visit to Kuala Lumpur



YB Dato' Seri Ong Tee Keat, former Minister of Transport giving out ex gratia payment to the squatters in Penang who were affected by the Electrified Double Track Project (Ipoh- Padang Besar)



Senior management teams of SMART Highway and Touch 'n Go at the launching ceremony of Touch 'n Go reload lanes for SMART Highway

### 9 November 2009

4

Six Turkish mayors visited SMART Motorway Control Centre as part of their 3-day visit to Kuala Lumpur. The mayors were given a presentation on SMART Highway operations.

### 5 January 2010

5

Former Minister of Transport, YB Dato' Seri Ong Tee Keat, handed out more than RM5 million in ex gratia payment to the squatters in Penang who were affected by the Electrified Double Track Project, Ipoh to Padang Besar. The goodwill payment was given by the Federal Government to some 134 squatters at the KTMB site office.

### 9 February 2010

6

In conjunction with the launching ceremony of Touch 'n Go reload lanes for SMART Highway, SMART presented prizes to 20 winners of its 'Get Spotted In The Tunnel Contest'. The winners were selected based on their answers and the best slogan.

### 3 & 4 March 2010

SMART adopted Japanese 5S for best management practices. The 5S is short for Seiri (Sorting), Seiton (Organising), Seiso (Cleaning), Seiketsu (Standardising), and Shitsuke (Discipline). The adoption was part of SMART's continuous effort to encourage and promote a healthier and systematic working environment.

### 10 March 2010

Gamuda Berhad announced its second Vietnam project, Celadon City in Ho Chi Minh City. The Group proposed to acquire 60% equity interest in Sai Gon Thuong Tin to jointly develop 85 hectares of land for medium-end and premium residential apartments, a sports complex, and an educational complex.

## Calendar Of Events



Egyptian TV crew from Khawater of Egypt documenting SMART Highway for a special Middle Eastern feature on engineering



Eddie Chan, General Manager of Architecture & Product Development, Gamuda Land, receiving the Landscape Architecture Award 2009 for Valencia property development



Directors of MMC-Gamuda accepting the Institution of Engineers Malaysia award for 'Construction and Design' of SMART

### 23 March 2010

Egyptian TV documented SMART Tunnel for its Middle Eastern TV programme. SMART again attracted foreign media when Khawater of Egypt covered the effectiveness of SMART's dual-purpose floodwater diversion and motorway tunnel.

### 12 April 2010

Gamuda Land's Valencia property development received top honours when it won the Malaysian Landscape Architecture Award 2009 by the Institute of Landscape Architects Malaysia (ILAM).

### 21 April 2010

MMC-Gamuda was awarded the Institution of Engineers Malaysia Award for Construction and Design of SMART.

### 30 April 2010

Perak Menteri Besar, YB Datuk Seri Dr Zambri Abd Kadir made a working visit to the Electrified Double Track Project (Ipoh to Padang Besar) Berapit Tunnel. The tunnel visit was the first by the Perak Menteri Besar.

### 15 May 2010

Winners of Gamuda Land '2-in-1 Photography Challenge' were feted at Jade Hills. Gamuda Land's Managing Director, Ir Chow Chee Wah presented the awards and prize money to the winners.



Perak Menteri Besar, YB Datuk Seri Dr Zambri Abd Kadir together with MMC-Gamuda senior management team from Taiping pose for a picture outside the Berapit tunnel

### 3 June 2010

Works Minister, YB Dato' Shaziman Abu Mansor officiated the opening of Mont Kiara Ramp for SPRINT's Penchala Link. The ramp is expected to provide traffic relief to as many as half of the 38,000 vehicles that utilise the Penchala Link each day.

### 16 July 2010

Bahrain's Minister of Works, Fahmi bin Ali Al Jowder officiated the opening ceremony for Sitra Causeway Bridge. The newly opened bridge is expected to contribute significantly to the future development and growth in the country as the bridge is a vital link from Sitra to Manama.

### 31 July 2010

Our team at the New Doha International Airport project in Qatar achieved a monumental safety & health achievement when it recorded 23 million 'Man-hours without a Lost Time Incident'.

### July 2010

In July 2010, Gamuda Berhad Executive Director, Dato' Ir. Ha Tiing Tai was awarded by Beijing the 'China's Top 10 Economic Talents'.



Dato' Ir. Ha Tiing Tai, Executive Director of Gamuda Berhad was awarded by Beijing the 'China's Top 10 Economic Talents'.

# Corporate Governance

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# Corporate Governance Statement

The Board firmly supports the highest standard of corporate governance. As a fundamental part of its commitment, the Board will continue to uphold high standards of business integrity, ethics and professionalism across all its activities and operations.

## Compliance

This Corporate Governance Statement explains the key features of the Company's governance structure and how the Company applies the best practices of corporate governance contained in the Malaysian Code on Corporate Governance (the Code).

The Board believes that the Company has throughout the financial year ended 31 July 2010 ("2010" or the year) complied with the best practices of the Code.

## Roles of the Board

The Board is focused on delivering strong and sustainable performance and the creation of long-term shareholder value. It regularly considers strategic issues, key projects and major investments, reviews internal controls and monitors financial performance. These and other key responsibilities are formally reserved powers of the Board. All members of the Board take ultimate and collective responsibility for the results and management of the Company.

## Board of Directors

The Company is overseen by a Board of Directors and they have the necessary skills and experience to effectively monitor and direct the business. There are thirteen Directors in total, of whom six are Non-executive Directors and seven are Executive Directors. Four of the Non-executive Directors are independent.

All of the Directors bring either extensive engineering and construction experience or a broad range of commercial, financial, legal and corporate governance experience appropriate to the requirements of the Company's business. The Executive Directors have close involvement with the operations of the business through their operational roles. They are complemented by a strong and experienced Non-executive team of Directors. Each of the Non-executive Directors brings considerable knowledge and independent perspective to the Board's deliberations in their advisory and monitoring roles.

## Chairman and Managing Director

The roles of the Chairman and Managing Director are exercised by different individuals. Whilst the Chairman and Managing Director collectively are responsible for the leadership of the Group, there is a clear division of duties and responsibilities between the Chairman and the Managing Director to ensure an appropriate balance of responsibility and accountability. The Chairman's primary role is to lead and manage the Board. The Managing Director is responsible for the development and implementation of strategy, and managing and supervising the day-to-day operations of the Group.

## Senior Independent Director

The Senior Independent Director is Tan Sri Dato' Mohd Ramli bin Kushairi. He is available to shareholders if they have concerns that cannot be resolved through the existing mechanisms for investor communication. Tan Sri Dato' Mohd Ramli bin Kushairi has served on Board since 2001 and the Board is satisfied with his independence and performance.

## Board Appointments

The Board decides, upon the Nomination Committee's recommendation, on the appointment of new Directors after a formal and transparent process of assessment of a potential candidate's suitability against a set of objective criteria. The assessment criteria are to ensure that the candidate would demonstrate the balance of skills and knowledge needed for his or her role in the Board. There were no new appointments to the Board during 2010.

## Meetings and Attendance

The Board scheduled four Board meetings during the year. Additional meetings may be scheduled as required and the Company has facilities in place for ad hoc conference calls to deal with specific matters which require attention between scheduled meetings. Board members will use their best endeavours to attend Board and Board Committee meetings.

## Corporate Governance Statement

### Board and Committee meetings attendance

	Board	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings held	4	5	1	1
Number of meetings attended:				
Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	4	-	1	1
Dato' Lin Yun Ling	3	-	1	-
Tan Sri Dato' Mohd Ramli bin Kushairi	4	5	-	1
Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	4	-	-	-
Raja Dato' Seri Eleena binti Raja Azlan Shah	4	-	-	-
Raja Dato' Seri Abdul Aziz bin Raja Salim	3	5	1	-
Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	3	-	-	-
Dato' Haji Azmi bin Mat Nor	3	-	-	-
Dato' Ir. Ha Tiing Tai	4	-	-	-
Dato' Goon Heng Wah	4	-	-	-
Dato' Ng Kee Leen	4	-	-	-
Ms Wong Chin Yen	4	5	-	1
Mr Saw Wah Theng	4	-	-	-
Ir. Chow Chee Wah, Alternate to Dato' Lin Yun Ling	4	-	-	-

- Indicates inapplicability, where a director is not a member of the committee.

### Information and development

The Directors receive tailored training programmes applicable to their roles and responsibilities. Necessary resources are also available for any Director's development needs including access to independent professional advice, services of the Company Secretary and any other services as may be necessary to discharge their responsibilities. Training programmes attended by the Directors during the year were:

## Corporate Governance Statement

Director	Seminar Title		
	Investor Relations In A Challenging And Uncertain Economic Environment	Implications Of The Companies (Amendment) Act 2007 On Companies And Directors	Enterprise Risk Management In Today's Economy; and Red-flags & Landmines In Financial Accounts
Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	✓	✓	✓
Dato' Lin Yun Ling	×	×	✓
Tan Sri Dato' Mohd Ramli bin Kushairi	×	×	✓
Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	✓	✓	×
Raja Dato' Seri Eleena binti Raja Azlan Shah	×	✓	×
Raja Dato' Seri Abdul Aziz bin Raja Salim	✓	✓	✓
Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	×	✓	✓
Dato' Haji Azmi bin Mat Nor	×	✓	×
Dato' Ir. Ha Tiing Tai	✓	✓	✓
Dato' Goon Heng Wah	✓	×	✓
Dato' Ng Kee Leen	×	×	✓
Ms Wong Chin Yen	✓	✓	×
Mr Saw Wah Theng	✓	✓	×
Ir. Chow Chee Wah	✓	✓	✓
Alternate to Dato' Lin Yun Ling			

During the year, the Company Secretary provided updates to the Board on regulatory changes and relevant governance matters, whilst the Audit Committee regularly reviews audit findings and other developments through presentations from the management. The Board programme includes presentations from management which, together with site visits, ensures the Non-executive Directors' understanding of key business issues and the projects. In addition, the Non-executive Directors have direct access to the management team of individual subsidiaries or projects through presentations on progress and results at Board meetings and at their request. Some of the Executive and Non-executive Directors, including the Non-executive Chairman, visited the Company's Yen So Park Development Project in Hanoi, Socialist Republic of Vietnam in November 2009, where they were provided with briefings and information by the management team to assist them in reviewing the progress of the project.

## Board performance evaluation

At least annually, the Board will evaluate its performance and effectiveness. The performance of the Board Committees was also reviewed. The performance evaluation of the Board is structured to ensure a balanced and objective review by using a feedback system intended to elicit the Directors' views concerning the performance of the Board, any committee of the Board and Director, the broader systems and controls of the Group and to identify areas for development.

The Company Secretary summarised the feedback for the Nomination Committee's discussion and the Chairman of the Nomination Committee then presented the findings to the Board, identifying what was working well and areas which could be improved or approached differently. The Board concluded that the Board as a whole, the Directors and its Committees were effective in the performance of their duties and were committed to their roles.

## Re-election

The Company's Articles of Association require all Directors to stand for election by the shareholders at the first AGM following their appointment and for re-election subsequently at least every three years. Further, the Companies Act, 1965 (Act) requires all Directors aged 70 or above to stand for re-appointment each year. Retiring Directors may offer themselves for re-election or re-appointment.

Brief biographies of all Board members, giving details of their background and experience, are included in the Annual Report, allowing shareholders to take an informed decision on those standing for re-election or re-appointment.

## Board Committees

The Board appoints committees to assist in carrying out its duties. In particular, Board Committees work on key issues in greater detail than would be possible at full Board meetings. The Chairman of each Committee reports the results of its meetings to the full Board. The Committees' members during the year were as follows:

### Audit Committee

Raja Dato' Seri Abdul Aziz bin Raja Salim (Chairman)  
Tan Sri Dato' Mohd Ramli bin Kushairi  
Ms Wong Chin Yen

### Remuneration Committee

Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim (Chairman)  
Dato' Lin Yun Ling  
Raja Dato' Seri Abdul Aziz bin Raja Salim

### Nomination Committee

Tan Sri Dato' Ir Talha bin Haji Mohd Hashim (Chairman)  
Tan Sri Dato' Mohd Ramli bin Kushairi  
Ms Wong Chin Yen

## Audit Committee

The Committee is comprised entirely of Independent Directors. The Chairman of the Committee is a member of the Malaysian Institute of Accountants (MIA) and has relevant experience in financial and accounting issues.

During the year, the Committee met five times and reviewed the Company's quarterly results, year-end financial statements and new accounting policies, assessed the effectiveness of the systems of internal control, considered the auditors' reports and reviewed the effectiveness of the external auditors and the in-house internal audit function. Further information concerning the activities of this Committee can be found in the Audit Committee Report on page 74.

Audit Committee meetings are also attended, by invitation, by the Finance Director and senior members of the finance and internal audit functions. During the year, on the invitation of the Committee, the external auditors attended one Committee meeting and also met privately with the Committee at a separate meeting, without Company executives present.

The Head of Internal Audit and the external auditors have direct access to the Committee at all times.

## Remuneration Committee

The Committee comprises two Non-executive Directors and one Executive Director.

During the year, the Committee met once and reviewed the Directors' remuneration packages. The Committee aims to ensure that Directors' remuneration is competitive, motivates good performance and loyalty, and supports growth in shareholder value.

Each Executive Director's remuneration package currently consists of basic salary, annual performance related bonus, contribution to the national pension fund and benefits-in-kind such as private medical care, car allowance and fuel, Group's club membership, and share options.

The remuneration of the Non-executive Directors takes the form primarily of fees and share options, which are agreed by the executive members of the Board and approved by the shareholders. The determination of the remuneration of the executive and non-executive Directors is a matter for the Board. None of the Directors votes on any proposal relating to his or her own remuneration. Further information on the Directors' remuneration can be found on page 115.

The Committee, whilst establishing the appropriate levels of the Directors' remuneration package for 2010, has considered the information in the salary survey compiled under the Top Management Remuneration Package Survey (financial year 2008/2009) of 16 comparator companies in the construction and property development industries, Ernst & Young 2009 Executive & Board Remuneration Survey Report, KPMG 2009 Non-executive Directors Profile, Practices & Pay Survey Report and Past 5 Years' Peer Analysis Of Historical Results of comparator listed companies, for benchmarking purposes.

# Corporate Governance Statement

## Nomination Committee

The Committee comprises three Non-executive Directors.

During the year, the Committee met once and evaluated the performance of the Board and its committees, identified suitable training programmes for the Directors for the new financial year commencing 1 August 2010 and undertook a review of all Directors who are due for re-election or re-appointment at the Company's AGM. The Committee makes recommendations to the Board as appropriate.

The Committee is satisfied that the evaluation has helped to identify and address important views held by the Directors on initiatives to further strengthen the effectiveness of the Board and the priorities going forward.

## Financial Reporting

The Group has a detailed budgeting system and a comprehensive system for reporting financial results to the Board.

Each business unit maintains financial controls and prepares monthly results with a comparison against budget. There are clearly defined guidelines for the review and approval of capital expenditure projects. These include annual budgets, periodic reviews, and designated levels of authority. The Group's centralised internal audit function reviews the systems and procedures in all business units and reports regularly to the Audit Committee which in turn, reports to the Board.

The Board is satisfied that it has met its obligations in presenting a balanced and clear assessment of the Group's position and prospects.

## Internal Control

The Board is responsible for all aspects of the Group's internal controls. The system of internal control, which is fully embedded into the operations of the Group, has been in place throughout the year, up to the date of this Annual Report. It covers all controls including financial, operating and compliance controls and risk management procedures. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the Company's business objectives. In pursuing these objectives, internal control can only provide reasonable and not absolute assurance against material misstatement or loss.

Significant risks faced by the business are identified and evaluated based on the likelihood and potential impact of each risk and where necessary, actions to mitigate the risks were also identified. The Board also takes account of the advice of the Audit Committee, reports received from the external auditors and any other related matters which have come to its attention.

## Directors' Responsibility Statement

The Directors are required by the Act to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and Company for the financial year.

- In preparing the financial statements, the Directors have applied appropriate and consistent accounting policies;
- made judgements and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on the 'going concern' basis as the Directors have a reasonable expectation, having made enquiries, that the Group and Company have adequate resources to continue operations for the foreseeable future.

The Directors have responsibility for ensuring that the Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and the Group, which enable them to ensure that financial statements comply with the requirements of the Act. The Directors have overall responsibilities for taking such steps as are reasonably available to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

# Corporate Governance Statement

## Shareholder and Investor Relations

Communication with shareholders and investors is of considerable importance to the Company. A full-time Investor Relations (IR) unit responds to any issues raised by the investment community.

The Company implements an active IR programme aimed at fostering high quality dialogue as well as building credibility and trust with the broad investment community. The Group Managing Director and/or the Senior Group General Manager, Investor Relations is primarily responsible for all IR activities.

Complementing the IR programme is Gamuda's representation on the Board of the Malaysian Investor Relations Association (MIRA). The Company has been a founding member of MIRA since its inception in June 2007.

Key IR activities during the year include holding regular investor briefings immediately after releasing the quarterly results and at other appropriate times during the year. Other activities include participating in international and domestic investor conferences, going on marketing road shows, hosting teleconferences, responding to email enquiries, catering to the numerous requests for private meetings for investors and analysts, and organising trips for investors to visit our overseas and domestic project sites.

The following is a summary of all IR activities during the financial year 2010.

Type of Event	Investment Centre	No. of Meetings
Investor Conferences	Kuala Lumpur, Singapore, Hong Kong, United Kingdom, Europe, United States	3 trips
Marketing Roadshows	Singapore	1 trip
Investor Briefings	Kuala Lumpur	4
Project site visits	Johor, Hanoi, Ho Chi Minh City	12 trips
Teleconference calls	various	7

Broader shareholder communication also takes place via our corporate website at [www.gamuda.com.my](http://www.gamuda.com.my) as well as through the Annual Report, AGM and Extraordinary General Meeting. The Chairmen of the Audit, Remuneration and Nomination Committees, together with other Directors will normally attend the AGM. Shareholders are encouraged to raise any pertinent issues at these meetings.

There is also a wealth of information online. All announcements made to Bursa Malaysia are updated on our corporate website as soon as practicable. In addition, slides and notes from the quarterly investor briefings are also updated on our website for the benefit of those unable to attend these meetings.

## Code of Practice

The Board is committed to ensuring that all its business activities operate with the highest standards of business ethics and integrity as summarised in the Company's written code on business practices, which are applicable Group-wide including Group facilities overseas.

## Corporate Social Responsibility

Information on the Group's corporate social responsibility activities can be found on page 49.

# Statement on Internal Control

## Board's Responsibility

The Board affirms the overall responsibility for maintaining a sound system of internal control and for reviewing their adequacy and integrity so as to safeguard shareholders' investment and the Group's assets. The system of internal control covers inter alia, financial, operational and compliance system controls, and risk management. However, the system of internal control is designed to manage rather than to eliminate the risk of failure to achieve business objectives. Accordingly, the internal control system can only provide reasonable and not absolute assurance against material misstatement or losses.

The Board confirms that there is an ongoing process of identifying, evaluating, and managing all significant risks faced by the Group that has been in place for the year and up to the date of approval of the Annual Report and Financial Statements. The process is regularly reviewed by the Board and is in accordance with the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

## Risk Management

The risk management framework, which is embedded in the Company's management systems, clearly defines the authority and accountability in implementing the risk management process and internal control system. The Management assists the Board in implementing the process of identifying, evaluating, and managing significant risks applicable to their respective areas of business and in formulating suitable internal controls to mitigate and control these risks.

The project task force is responsible for assessing and evaluating the feasibility and risk impact that prospective investments would have on the Group. For ongoing business operations, risk assessment and evaluation is an integral part of the annual business planning and budgeting process.

The Management of each business unit, in establishing its business objectives, is required to identify and document all possible risks that can affect their achievement taking into consideration the effectiveness of controls that are capable of mitigating such risks. By this process, each business unit's identified risks, the controls and processes for managing them are tabulated in a risk assessment report.

Significant risks of business units are summarised into risk maps and presented annually to the Audit Committee for their consideration.

## Key Internal Control Features

The Group's Internal Control system encompasses the following key control processes:

- Clearly defined operating structure, lines of responsibilities, and delegated authority. Various Board and Management Committees have been established to assist the Board in discharging its duties. Among the committees are:
  - Audit Committee
  - Nomination Committee
  - Remuneration Committee
  - Budget Committee
  - ESOS Committee
- Feasibility study and risk impact and assessment on new investments/projects are evaluated by Project Task Force for Board's deliberation.
- Internal Control activities have been established in all business units with clearly defined lines of responsibilities, authority limits for major capital expenditure, contract awards and other significant transactions, segregation of duties, performance monitoring, and safeguarding of assets.
- Systematically documented Policies, Procedures, and Standard Operating Procedures are in place to guide staff in their day-to-day work. These policies and procedures are reviewed regularly and updated when necessary.

## Statement on Internal Control

- An annual budgetary process that requires business units to prepare budgets, business plans, and control measures to mitigate identified risks for the forthcoming year. These budgets are deliberated by the Budget Committee before being presented to the Directors for approval.
- A comprehensive information system comprising budgets, key business indicators and performance results on operations are reported to Management and the Directors. The regular and comprehensive flow of information allows the Management and the Directors to review the business units' performance against budgets and performance indicators on monthly basis.
- An Integrated Management System, incorporating ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 and MS 1722: Part 1: 2005 requirements has been established and implemented to continuously provide high quality, cost effective, reliable, safe, and environmental friendly products and services.
- A Performance Management System whereby business objectives are clearly defined and targets are set for each individual employee. Employees' performances are monitored, appraised, and rewarded according to the achievement of targets set.
- Training and development programmes are identified and scheduled for employees to acquire the necessary knowledge and competency to meet their performance and job expectations.
- An adequately resourced Internal Audit Department which reports directly to the Audit Committee, conducts regular reviews on integrity and effectiveness of the Group's system of internal controls.
- Executive Directors and Senior Management conduct regular site visits and communicate with employees of different levels to have first-hand knowledge of significant operational matters and risks.
- Board representation in its associated companies. Information on the financial performance of these associated companies is provided regularly to the Management and Board of the Company via Group management reporting procedures and presentations at Board meetings respectively.
- In respect of joint ventures entered into by the Group, the Management of the joint ventures, which consist of representations from the Group and other joint venture partners are responsible to oversee the administration, operation, performance, and Executive Management of the joint venture. Financial and operational information of these joint ventures are provided regularly to the Management of the Company.

The Board confirms that the Group's system of Internal Control is being properly implemented throughout the Group and continuous reviews of the systems and controls are being carried out to ensure its adequacy and effectiveness. All Internal Control weaknesses identified during the period under review have been or are being addressed. There were no major Internal Control weaknesses that require disclosure in the Annual Report. The Management continues to take measures to strengthen the control environment.

### Review of the Statement by the External Auditors

The External Auditors have reviewed the Statement on Internal Control and reported to the Board that nothing has come to their attention that causes them to believe the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of The Group's Internal Control System.

# Audit Committee Report

## Membership

The current composition of the Audit Committee is as follows:

1. Y M Raja Dato' Seri Abdul Aziz bin Raja Salim  
Chairman / Independent Non-executive Director
2. Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi  
Member / Senior Independent Non-executive Director
3. Ms Wong Chin Yen  
Member / Independent Non-executive Director

## Attendance of Meetings

During the financial year ended 31 July 2010, the Audit Committee met five times. The meeting attendance of the Committee members is as follows:

Name of Directors	Attendance
Y M Raja Dato' Seri Abdul Aziz bin Raja Salim	5/5
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi	5/5
Ms Wong Chin Yen	5/5

## TERMS OF REFERENCE

### Membership

The Audit Committee shall be appointed by the Board of Directors from amongst its members and shall consist of not less than three members, all of whom must be Non-executive Directors with a majority of them being Independent Directors. The members of an Audit Committee must elect a chairman from among themselves who is an Independent Director. An Alternate Director must not be appointed as a member of the Audit Committee.

At least one member of the Audit Committee:

- i. must be a member of the Malaysian Institute of Accountants (MIA); or
- ii. if he is not a member of MIA, the member must have at least three years' working experience, and:
  - a. must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
  - b. must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- iii. fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad (Bursa Securities).

In the event of any vacancy in the Audit Committee resulting in non-compliance with Bursa Securities Main Market Listing Requirements (Listing Requirements) on the composition of the Audit Committee, the Board must fill the vacancy within three months.

The Board of Directors must review the term of office and performance of the Audit Committee and each of its members at least once every three years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

## Meetings and Minutes

### Meetings

Meetings shall be held not less than four times a year and the Finance Director, Head of Internal Audit and representatives of the External Auditors will be invited to assist the Audit Committee. Other Board members and Senior Management may attend meetings upon the invitation of the Audit Committee. At least twice a year, the Audit Committee shall meet with the External Auditors without any executive officer of the Group being present. Additional meetings may be held upon request by any Audit Committee member, the Management, Internal or External Auditors.

## Quorum

A quorum shall consist of a majority of Independent Directors and shall not be less than two.

## Secretary

The Company Secretary shall act as secretary of the Audit Committee.

## Reporting Procedure

The minutes of each meeting shall be distributed to the Audit Committee members and to all Board members. Key issues discussed are reported by the Chairman of the Audit Committee to the Board.

## Authority and Duties

### Authority

In carrying out their duties and responsibilities, the Audit Committee shall:

- i. have the authority to investigate any matter within its terms of reference;
- ii. have the resources which are required to perform its duties;
- iii. have full and unrestricted access to any information pertaining to the Group;
- iv. have direct communication channels with the External and Internal Auditors, as well as employees of the Group;
- v. be able to obtain independent professional or other advice it deems necessary; and
- vi. be able to convene meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

### Duties

The duties of the Audit Committee shall include a review of the following:

- i. the effectiveness of management information system and other systems of Internal Control within the Company and the Group;
- ii. the Management's compliance with laws, regulations, established policies, plans, and procedures;
- iii. with the assistance of the Management, the quarterly financial results and year-end financial statements prior to deliberation and approval by the Board, focusing particularly on:
  - a. changes in major accounting policies;
  - b. significant and unusual events;
  - c. the going concern assumption;
  - d. compliance with accounting standards and other legal requirements;
- iv. the independence and objectivity of the External Auditors and their services;
- v. together with the External Auditors, the scope of their audit plan, their evaluation of the system of Internal Control and the audit reports on the financial statements;
- vi. the selection, remuneration and resignation, or dismissal of the External Auditors;
- vii. the assistance given by the employees of the Company to the External Auditors;
- viii. significant audit findings and reservations arising from the interim

## Audit Committee Report

and final audits reported by the External Auditors together with their Management Letter and Management's response, where applicable;

- ix. the adequacy of the scope, function, competency and resources of the Internal Audit function, and whether or not it has the necessary authority to carry out its duties;
- x. the Internal Audit programme, processes and results of the audit work, process or investigation undertaken and whether or not appropriate action is taken on the recommendations of the Internal Audit function;
- xi. any appraisal or assessment of the performance of members of the Internal Audit function;
- xii. the appointment or termination of senior staff members of the Internal Audit function and take cognisance of resignations of Internal Audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
- xiii. any related party transaction and conflict of interests situation that may arise including any transaction, procedure or course of conduct that raises questions of Management's integrity;
- xiv. the allocation of options during the year under the Company's Employees Share Option Scheme (ESOS) to verify whether it is in accordance with the criteria determined by the ESOS Committee and in compliance with the ESOS by-laws;
- xv. matters conveyed to the Board that have not been satisfactorily resolved resulting in a breach of the Listing Requirements are promptly reported to Bursa Securities; and
- xvi. any other matters as may be directed by the Board from time to time.

## Summary Of Audit Committee's Activities

During the financial year, the Audit Committee met five times. Activities carried out by the Audit Committee included the deliberation and review of:

- i. the Group's quarterly and year-end financial results prior to submission to the Board for consideration, and approval;
- ii. the audit planning memorandum of the External Auditors in a meeting to discuss their audit strategy, audit focus, and resources prior to commencement of their annual audit;
- iii. matters arising from the audit of the Group in a meeting with the External Auditors without the presence of any executive officer of the Group;
- iv. the performance of the External Auditors and the recommendations to the Board on their re-appointment and remuneration;
- v. the Audit Committee Report and its recommendation to the Board for inclusion in the Annual Report;
- vi. the Statement on Internal Control and Statement of Corporate Governance and its recommendation to the Board for inclusion in the Annual Report;
- vii. the summaries of risk assessment results arising from risk evaluations conducted by the Management prior to their submission to the Board for their consideration and approval;
- viii. the risk-based annual audit plan and resource requirement proposed by the Internal Auditors for the Group;
- ix. the audit reports presented by the Internal Auditors on major findings, recommendations, and Management's responses thereto;

## Audit Committee Report

- x. the results of follow-up audits conducted by the Internal Auditors on the Management's implementation of audit recommendations;
- xi. related party transactions as required under the Listing Requirements to ascertain that the transactions are conducted at arm's length prior to submission for the Board's consideration and, where appropriate, shareholders' approval; and
- xii. share option allocations pursuant to the ESOS of the Company during the financial year under review that had been verified by the Internal Auditors. The Audit Committee was satisfied that the allocation of share options pursuant to the ESOS during the financial year ended 31 July 2010 was in compliance with the criteria set out in the ESOS by-laws and by the ESOS Committee.

### Internal Audit Function Activities

The Internal Audit function of the Company is performed in-house by its Internal Audit Department. The Internal Audit Department reports directly to the Audit Committee. The Internal Audit Department adopts a risk-based audit approach when preparing its annual audit plan which is approved by the Audit Committee. The annual audit plan covers the business units and projects of the Group.

The principal role of the Internal Audit Department is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units and projects of the Group.

During the year, the Internal Audit Department has undertaken independent audit assignments on business units and projects of the Group in accordance with the approved annual audit plan. The resultant audit reports were presented to the Audit Committee for deliberation and forwarded to the Management for the necessary corrective actions to be taken.

A summary of the Internal Audit activities during the financial period is as follows:

- i. prepared its annual audit plan for consideration by the Audit Committee;
- ii. performed operational audits on business units and projects of the Group to ascertain the adequacy and integrity of their system of internal controls and made recommendations for improvement where weaknesses were found;
- iii. conducted follow-up reviews to determine the adequacy, effectiveness, and timeliness of action taken by the Management on audit recommendations and provided updates on their status to the Audit Committee;
- iv. reviewed related party transactions; and
- v. reviewed the allocations of share options pursuant to the ESOS during the financial year to verify whether they were in accordance with the criteria set out in the ESOS by-laws and by the ESOS Committee.

Total cost incurred for the Internal Audit Department for the financial year ended 31 July 2010 was RM 876,020.

# Additional Compliance Information

## 1. Non-audit Fees

The amount of non-audit fees paid by the Company and its subsidiaries to the external auditors and their affiliated company/firm for the financial year 2010 was RM163,500.

## 2. Share Buy-back

The Company did not purchase any of its own shares during the financial year 2010.

## 3. Exercise of Options, Warrants or Convertible Securities

During the financial year 2010,

- i) 14,961,000 options in relation to the Employees' Share Option Scheme were exercised.
- ii) 1,669,723 Warrants 2010/2015 were exercised and converted into ordinary shares.

## 4. Material Contracts Involving Directors'/Major Shareholders' Interests

Other than as disclosed in Note 40 of the Financial Statements, there were no material contracts entered into by the Company or its subsidiaries involving Directors' and major shareholders' interests since 1 August 2009.

## 5. Revaluation Policy on Landed Properties

The Group does not adopt a policy of regular revaluation.

## 6. Sanctions or Penalties

There were no material sanctions or penalties imposed by the relevant regulatory bodies on the Company or its subsidiaries, directors or management during the financial year 2010.

## 7. Status of Utilisation of Proceeds Raised from Corporate Proposals

The Company's proposed Rights Issue of Warrants was completed on 1 June 2010 with the issuance of 252,306,013 Warrants. The net proceeds raised shall be utilised for working capital and/or to fund existing and future job opportunities and/or invested in interest bearing deposit accounts or other readily realisable short-term investments.

Other than as disclosed, there were no proceeds raised from corporate proposals during the financial year 2010.

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# Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 July 2010.

## Principal activities

The principal activities of the Company are that of investment holding and civil engineering construction.

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

## Results

	Group RM'000	Company RM'000
Profit for the year	289,488	97,489
Attributable to:		
Equity holders of the Company	280,693	97,489
Minority interests	8,795	-
	<u>289,488</u>	<u>97,489</u>

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statements of changes in equity.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

## Dividends

The amount of dividends declared and paid by the Company since 31 July 2009 were as follows:

	RM'000
<b>In respect of the financial year ended 31 July 2010:</b>	
First interim dividend of 6 sen less 25% taxation declared on 22 December 2009 and paid on 8 February 2010	90,787
Second interim dividend of 6 sen less 25% taxation declared on 24 June 2010 and paid on 18 August 2010	91,275
	<u>182,062</u>

The directors do not recommend the payment of any final dividend in respect of the current financial year.

## Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim  
Y Bhg Dato' Lin Yun Ling  
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi  
Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain  
YAM Raja Dato' Seri Eleena binti Raja Azlan Shah  
Y M Raja Dato' Seri Abdul Aziz bin Raja Salim  
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali  
Y Bhg Dato' Haji Azmi bin Mat Nor  
Y Bhg Dato' Ir. Ha Tiing Tai  
Y Bhg Dato' Goon Heng Wah  
Y Bhg Dato' Ng Kee Leen  
Wong Chin Yen  
Saw Wah Theng  
Chow Chee Wah (Alternate to Y Bhg Dato' Lin Yun Ling)

## Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted pursuant to the Employees' Share Option Scheme ("ESOS").

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 6 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 40 to the financial statements.

## Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, options over shares and warrants in the Company and its related corporations during the financial year were as follows:

	<----- Number of ordinary shares of RM1 each ----->			
	1 August 2009	Transferred in/Exercise of ESOS	Transferred out/Sold	31 July 2010
<b>Gamuda Berhad</b>				
<b>Direct holding</b>				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	751,656	-	-	751,656
Y Bhg Dato' Lin Yun Ling	600,000	-	(600,000)	-
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi	-	20,000	-	20,000
Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	120,000	-	(50,000)	70,000
YAM Raja Dato' Seri Eleena binti Raja Azlan Shah	200,000	-	-	200,000
YM Raja Dato' Seri Abdul Aziz bin Raja Salim	40,000	80,000	(40,000)	80,000
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	101,000	152,000	(100,000)	153,000
Y Bhg Dato' Haji Azmi bin Mat Nor	239,000	-	-	239,000
Y Bhg Dato' Ir. Ha Tiing Tai	18,015,876	-	-	18,015,876
Y Bhg Dato' Goon Heng Wah	13,080,000	-	-	13,080,000
Y Bhg Dato' Ng Kee Leen	32,024,898	-	-	32,024,898
Wong Chin Yen	-	40,000	(40,000)	-
Saw Wah Theng	250,000	75,000	-	325,000
Chow Chee Wah	108,000	-	-	108,000
<b>Indirect holding</b>				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim <sup>#</sup>	128,000	-	-	128,000
Y Bhg Dato' Lin Yun Ling <sup>^</sup>	34,097,636	600,000	-	34,697,636
YAM Raja Dato' Seri Eleena binti Raja Azlan Shah <sup>*</sup>	150,500,000	-	(1,000,000)	149,500,000
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali <sup>#</sup>	2,747,630	-	(330,000)	2,417,630
Y Bhg Dato' Ir. Ha Tiing Tai <sup>#</sup>	14,200	-	-	14,200
Y Bhg Dato' Goon Heng Wah <sup>#</sup>	5,104,032	-	-	5,104,032
Y Bhg Dato' Ng Kee Leen <sup>#</sup>	1,522,472	-	-	1,522,472

<sup>#</sup> Deemed interest through spouse

<sup>^</sup> Deemed interest through HSBC (Malaysia) Trustee Berhad

<sup>\*</sup> Deemed interest through Generasi Setia (M) Sdn. Bhd.

# Directors' Report

## Directors' interests (cont'd)

### Employees' share option scheme ("ESOS")

	Option price RM	Number of options			
		1 August 2009	Allotted	Exercised	31 July 2010
Y Bhg Dato' Lin Yun Ling	2.49 *	-	1,500,000	-	1,500,000
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi	1.54 *	200,000	-	(20,000)	180,000
Y M Raja Dato' Seri Abdul Aziz bin Raja Salim	1.73	80,000	-	(80,000)	-
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	1.54 *	404,000	-	(152,000)	252,000
	2.49 *	-	540,000	-	540,000
	3.24 *	270,000	-	-	270,000
Y Bhg Dato' Haji Azmi bin Mat Nor	2.49 *	-	800,000	-	800,000
Y Bhg Dato' Ir. Ha Tiing Tai	2.49 *	-	900,000	-	900,000
Y Bhg Dato' Goon Heng Wah	2.49 *	-	900,000	-	900,000
Y Bhg Dato' Ng Kee Leen	2.49 *	-	900,000	-	900,000
Wong Chin Yen	1.54 *	80,000	-	(40,000)	40,000
Saw Wah Theng	1.94	75,000	-	(75,000)	-
	2.49 *	-	900,000	-	900,000
Chow Chee Wah	1.73 *	35,000	-	-	35,000
	2.49 *	-	800,000	-	800,000

\* Adjusted on 3 May 2010 pursuant to the Rights Issue of Warrants.

### Warrants 2010/2015

	Number of warrants			
	At date of issue on 26 May 2010	Transferred in	Transferred out/sold	31 July 2010
<b>Direct holding</b>				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	94,100	-	-	94,100
Y Bhg Dato' Lin Yun Ling	75,000	-	(75,000)	-
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi	2,600	-	-	2,600
Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	9,000	-	-	9,000
YAM Raja Dato' Seri Eleena binti Raja Azlan Shah	25,000	-	-	25,000
YM Raja Dato' Seri Abdul Aziz bin Raja Salim	10,100	-	-	10,100
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	900	-	(900)	-
Y Bhg Dato' Haji Azmi bin Mat Nor	36,600	-	-	36,600
Y Bhg Dato' Ir. Ha Tiing Tai	2,278,400	-	-	2,278,400
Y Bhg Dato' Goon Heng Wah	1,648,300	-	-	1,648,300
Y Bhg Dato' Ng Kee Leen	4,016,500	-	-	4,016,500
Saw Wah Theng	47,375	-	-	47,375
Chow Chee Wah	20,200	-	-	20,200

	Number of warrants			
	At date of issue on 26 May 2010	Transferred in	Transferred out/sold	31 July 2010
<b>Indirect holding</b>				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim #	16,000	-	-	16,000
Y Bhg Dato' Lin Yun Ling ^	4,328,100	75,000	-	4,403,100
YAM Raja Dato' Seri Eleena binti Raja Azlan Shah *	18,687,500	-	(9,687,500)	9,000,000
Y Bhg Dato' Seri Ir. Kamarul Zaman bin Mohd Ali #	339,800	-	(339,800)	-
Y Bhg Dato' Ir. Ha Tiing Tai #	1,800	-	-	1,800
Y Bhg Dato' Goon Heng Wah #	651,400	-	-	651,400
Y Bhg Dato' Ng Kee Leen #	197,100	-	-	197,100

# Deemed interest through spouse

^ Deemed interest through HSBC (Malaysia) Trustee Berhad

\* Deemed interest through Generasi Setia (M) Sdn. Bhd.

## Directors' interests (cont'd)

## Warrants 2010/2015 (cont'd)

Each Warrant 2010/2015 entitled the registered holder to subscribe for one new share in the Company at the exercise price of RM2.66 each at any time within five years, from the date of issue on 26 May 2010 until it expires on 25 May 2015.

Other than as disclosed above, none of the Directors in office at the end of the financial year had any interest in shares, options over shares or warrants of the Company or its related corporations during the financial year.

## Issue of shares

During the financial year, the Company increased its issued and paid up capital from RM2,009,257,108 to RM2,025,887,831 by way of:

- (a) The issuance of 14,961,000 new ordinary shares of RM1.00 each for cash arising from the exercise of options under the Company's ESOS at the option prices as disclosed in Note 27(e).
- (b) The issuance of 1,669,723 new ordinary shares of RM1.00 each for cash arising from the exercise of Warrants 2010/2015 at the exercise price of RM2.66 per share in accordance with the Deed Poll dated 15 April 2010.

The new ordinary shares issued from the exercise of options and Warrants 2010/2015 shall rank parri passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares.

## Employees' share option scheme

The Gamuda Berhad Employees' Share Option Scheme ("ESOS") was approved by shareholders at the Extraordinary General Meeting held on 5 July 2006 and is effective for 5 years from 6 July 2006 to 5 July 2011 ("Expiry Date"). On 22 December 2009, the Expiry Date was subsequently extended to 5 July 2014, pursuant to By-law 17.3 of the ESOS.

The principal features of the ESOS, details of share options exercised during the financial year and outstanding at the end of the financial year are disclosed in Note 27(c) and Note 27(e).

## Warrants 2010/2015

On 26 May 2010, the Company allotted and issued 252,306,013 new Warrants 2010/2015 at an issue price of RM0.10 each on the basis of 1 Warrant 2010/2015 for every 8 existing ordinary shares held in the Company on 30 April 2010 ("Rights Issue of Warrants"). Each Warrant 2010/2015 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 26 May 2010 to 25 May 2015, at an exercise price of RM2.66 in accordance with the Deed Poll. Any Warrant 2010/2015 not exercised by the date of maturity will lapse thereafter and cease to be valid for all purposes. As at the balance sheet date, 250,636,290 Warrants 2010/2015 remained unexercised.

The ordinary shares issued from the exercise of Warrants 2010/2015 shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares arising from the exercise of Warrants 2010/2015.

The Warrants 2010/2015 are constituted by a Deed Poll dated 15 April 2010.

## Other statutory information

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision for doubtful debts had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

# Directors' Report

## Other statutory information (cont'd)

- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.
- (g) The Company has been granted exemption by the Companies Commission of Malaysia for its two subsidiaries, Gamuda-Nam Long Development Limited Liability Company and Gamuda Land Vietnam Limited Liability Company, with June financial year end from having to comply with Section 168(1)(b) of the Companies Act, 1965 to adopt a financial year end which coincides with that of its holding company for the financial year ended 31 July 2010.

## Significant events

The significant events are as disclosed in Note 41.

## Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2010.

**Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim**  
Chairman

**Saw Wah Theng**  
Finance Director

# Statement by Directors

Pursuant to Section 169(15) of the Companies Act, 1965

We, Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim and Saw Wah Theng, being two of the directors of Gamuda Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 88 to 163 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2010 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 October 2010.

**Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim**  
Chairman

**Saw Wah Theng**  
Finance Director

# Statutory Declaration

Pursuant to Section 169(16) of the Companies Act, 1965

I, Saw Wah Theng, being the director primarily responsible for the financial management of Gamuda Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 88 to 163 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by )  
the abovenamed Saw Wah Theng )  
at Petaling Jaya in Selangor Darul Ehsan )  
on 18 October 2010 )

**Saw Wah Theng**

Before me,

**Faridah bt Sulaiman (No: B228)**  
Commissioner of Oaths

# Independent Auditors' Report

To the members of Gamuda Berhad

## Report on the financial statements

We have audited the financial statements of Gamuda Berhad, which comprise the balance sheets as at 31 July 2010 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 88 to 163.

### *Directors' responsibility for the financial statements*

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2010 and of their financial performance and cash flows for the year then ended.

## Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 17 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

# Independent Auditors' Report

## Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

## Ernst & Young

AF: 0039

Chartered Accountants

Kuala Lumpur, Malaysia

## George Koshy

No. 1846/07/11(J)

Chartered Accountant

# Consolidated Income Statement

For the year ended 31 July 2010

	Note	2010 RM'000	2009 RM'000
Revenue	3	2,455,143	2,727,302
Other income		42,193	37,679
Construction contract costs recognised as contract expenses		(1,580,125)	(2,009,778)
Land and development costs		(363,348)	(289,880)
Changes in inventory of finished goods and work in progress		(8,595)	(622)
Purchases - raw materials		(19,973)	(39,888)
- trading materials		(19,260)	(39,753)
Production overheads		(40,866)	(42,911)
Staff costs	5	(84,380)	(79,379)
Depreciation		(14,681)	(14,373)
Other operating expenses		(106,256)	(64,616)
<b>Profit from operations</b>	4	<b>259,852</b>	<b>183,781</b>
Finance costs	7	(43,813)	(44,834)
Share of profits of associated companies		153,996	143,210
<b>Profit before taxation</b>		<b>370,035</b>	<b>282,157</b>
Taxation	8	(80,547)	(78,003)
<b>Profit for the year</b>		<b>289,488</b>	<b>204,154</b>
Attributable to:			
Equity holders of the Company		280,693	193,689
Minority interests	8,795	10,465	
		<b>289,488</b>	<b>204,154</b>
Earnings per share (sen)			
Basic	9	13.91	9.65
Diluted	9	13.68	9.62
Net dividends per ordinary share (sen)	10	9	6

The accompanying notes form an integral part of the financial statements.

# Consolidated Balance Sheet

As at 31 July 2010

	Note	2010 RM'000	2009 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	300,731	364,419
Land held for property development	12(a)	278,279	482,678
Investment properties	13	2,604	2,648
Prepaid land lease payments	14	6,205	6,650
Motorway development expenditure	15	324,869	326,271
Concession and quarry rights	16	62,649	65,747
Interests in associated companies	18	1,310,515	1,286,680
Other investments	20	733	733
Deferred tax assets	32	21,824	23,114
Receivables	22(b)	39,328	40,306
		2,347,737	2,599,246
<b>Current assets</b>			
Property development costs	12(b)	551,357	440,186
Inventories	21	79,738	101,082
Receivables	22(a)	1,607,772	1,459,134
Tax recoverable		14,652	24,114
Short term investments	23	784,104	100,668
Cash and bank balances	26	1,165,550	1,154,029
		4,203,173	3,279,213
<b>Total assets</b>		<b>6,550,910</b>	<b>5,878,459</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	27	2,025,888	2,009,257
Reserves		1,231,637	1,151,754
Shareholders' equity		3,257,525	3,161,011
Minority interests		50,198	46,763
<b>Total equity</b>		<b>3,307,723</b>	<b>3,207,774</b>
<b>Non-current liabilities</b>			
Other payables	31	17,184	15,651
Deferred tax liabilities	32	17,026	17,083
Long term borrowings	33	1,278,736	1,210,500
		1,312,946	1,243,234
<b>Current liabilities</b>			
Short term borrowings	34	511,273	328,165
Payables	35	1,400,738	1,072,642
Provision for liabilities	37	10,285	11,826
Tax payable		7,945	14,818
		1,930,241	1,427,451
<b>Total liabilities</b>		<b>3,243,187</b>	<b>2,670,685</b>
<b>Total equity and liabilities</b>		<b>6,550,910</b>	<b>5,878,459</b>

The accompanying notes form an integral part of the financial statements.

# Consolidated Statement of Changes in Equity

For the year ended 31 July 2010

Group	Note	Attributable to equity holders of the Company					Total RM'000	Minority interests RM'000	Total equity RM'000
		Share capital RM'000	Share premium RM'000	Option reserves RM'000	Other reserves (Note 28) RM'000	Retained profits RM'000			
<b>At 1 August 2008</b>		2,005,016	27,353	15,366	89,150	914,697	3,051,582	45,901	3,097,483
Currency translation differences		-	-	-	13,076	-	13,076	(988)	12,088
Share of capital reserve in an associated company		-	-	-	3,064	-	3,064	-	3,064
Net income/(expense) recognised directly in equity		-	-	-	16,140	-	16,140	(988)	15,152
Profit for the year		-	-	-	-	193,689	193,689	10,465	204,154
Total recognised income and expense for the year		-	-	-	16,140	193,689	209,829	9,477	219,306
Issue of ordinary shares pursuant to:									
Exercise of ESOS	27	4,241	3,432	-	-	-	7,673	-	7,673
Share options granted under ESOS		-	-	14,780	-	-	14,780	-	14,780
Share options exercised under ESOS		-	1,204	(3,467)	-	-	(2,263)	-	(2,263)
Dividends	10	-	-	-	-	(120,590)	(120,590)	-	(120,590)
Distribution of profit to minority partners of unincorporated subsidiaries		-	-	-	-	-	-	(8,615)	(8,615)
<b>At 31 July 2009</b>		2,009,257	31,989	26,679	105,290	987,796	3,161,011	46,763	3,207,774

## Consolidated Statement of Changes in Equity

Group	Note	← Attributable to equity holders of the Company →							Total equity RM'000
		← Non-distributable →			Distributable				
		Share capital RM'000	Share premium RM'000	Option reserves RM'000	Other reserves (Note 28) RM'000	Retained profits RM'000	Total RM'000	Minority interests RM'000	
<b>At 1 August 2009</b>		2,009,257	31,989	26,679	105,290	987,796	3,161,011	46,763	3,207,774
Currency translation differences		-	-	-	(81,756)	-	(81,756)	(2,761)	(84,517)
Share of capital reserve in an associated company		-	-	-	3,072	-	3,072	-	3,072
Net expense recognised directly in equity		-	-	-	(78,684)	-	(78,684)	(2,761)	(81,445)
Profit for the year		-	-	-	-	280,693	280,693	8,795	289,488
Total recognised income and expense for the year		-	-	-	(78,684)	280,693	202,009	6,034	208,043
Issuance of warrants		-	-	-	25,231	-	25,231	-	25,231
Issue of ordinary shares pursuant to:									
Exercise of ESOS	27	14,961	15,901	-	-	-	30,862	-	30,862
Exercise of Warrants	27	1,670	2,939	-	(167)	-	4,442	-	4,442
Share options granted under ESOS		-	-	18,416	-	-	18,416	-	18,416
Share options exercised under ESOS		-	6,105	(7,315)	-	-	(1,210)	-	(1,210)
Expenses relating to rights issue of warrants		-	(1,174)	-	-	-	(1,174)	-	(1,174)
Acquisition of additional interest from minority shareholders		-	-	-	-	-	-	(2,599)	(2,599)
Dividends	10	-	-	-	-	(182,062)	(182,062)	-	(182,062)
<b>At 31 July 2010</b>		2,025,888	55,760	37,780	51,670	1,086,427	3,257,525	50,198	3,307,723

The accompanying notes form an integral part of the financial statements.

# Consolidated Cash Flow Statement

For the year ended 31 July 2010

	2010 RM'000	2009 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	370,035	282,157
Adjustments for:		
Amortisation of concession and quarry rights	3,098	2,442
Amortisation of prepaid land lease payments	445	582
Amortisation of motorway development expenditure	1,402	538
Depreciation	14,681	14,373
Property, plant and equipment written off	167	1,888
Impairment loss on property, plant and equipment	-	12,903
Net provision for contracts	11,940	9,890
Provision for doubtful debts	27	2,128
(Reversal of)/provision for liabilities	(1,541)	4,527
Provision for retirement benefits	3,669	2,074
Provision for short term accumulating compensated absences	703	1,157
Loss/(gain) on disposal of property, plant and equipment	2,625	(1,275)
Share of profits from associated companies	(153,996)	(143,210)
Share based payments	18,416	14,780
Unrealised loss/(gain) on foreign exchange	53,316	(14,804)
Distribution from investment management funds	(6,873)	(1,844)
Gain on acquisition of additional interest in a subsidiary	(1,599)	-
Interest income	(22,043)	(24,557)
Interest expense	43,813	44,834
Operating profit before working capital changes	338,285	208,583
Decrease/(increase) in development properties	117,268	(66,663)
Decrease in inventories	21,344	9,040
(Increase)/decrease in receivables	(163,569)	275,161
Increase in payables	267,551	192,395
Cash generated from operations	580,879	618,516
Income taxes paid	(76,725)	(106,231)
Interest paid	(85,608)	(75,953)
Retirement benefits paid	(2,495)	(95)
Net cash generated from operating activities	416,051	436,237

## Consolidated Cash Flow Statement

	2010 RM'000	2009 RM'000
<b>Cash flows from investing activities</b>		
Purchase of land held for property development	(10,000)	(42,032)
Purchase of property, plant and equipment	(15,903)	(55,372)
Proceeds from disposal of property, plant and equipment	11,636	11,095
Interests in associated companies	-	(20,522)
Purchase of short term investments	(683,436)	(80,668)
Capital repayment from an associated company	13,247	213,953
Acquisition of additional interest from minority interest	(1,000)	-
Distribution received from investment management funds	6,873	1,844
Dividend received from associated companies	106,389	172,407
Interest received	22,043	24,557
<b>Net cash (used in)/generated from investing activities</b>	<b>(550,151)</b>	<b>225,262</b>
<b>Cash flows from financing activities</b>		
Net repayment of short term borrowings	(92,935)	(496,059)
Drawdown of term loan	24,279	169,000
Net drawdown of medium term notes	320,000	30,000
Net proceeds from issuance of warrants	25,231	-
Net proceeds from exercise of ESOS	30,862	7,673
Net proceeds from exercise of warrants	4,442	-
Expenses relating to rights issue of warrants	(1,174)	-
Dividend paid to shareholders	(151,192)	(60,185)
Distribution of profit to minority partners of unincorporated subsidiaries	-	(8,615)
<b>Net cash generated from/(used in) financing activities</b>	<b>159,513</b>	<b>(358,186)</b>
<b>Net increase in cash and cash equivalents</b>	<b>25,413</b>	<b>303,313</b>
<b>Effects of exchange rate changes</b>	<b>(13,892)</b>	<b>5,106</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,154,029</b>	<b>845,610</b>
<b>Cash and cash equivalents at end of year (Note 26)</b>	<b>1,165,550</b>	<b>1,154,029</b>

The accompanying notes form an integral part of the financial statements.

# Income Statement

For the year ended 31 July 2010

	Note	2010 RM'000	2009 RM'000
Revenue	3	290,951	447,129
Other income		25,988	25,026
Construction contract costs recognised as contract expenses		(100,298)	(230,243)
Staff costs	5	(34,760)	(32,461)
Depreciation		(3,136)	(2,347)
Other operating expenses		(18,653)	(40,749)
Profit from operations	4	160,092	166,355
Finance costs	7	(39,354)	(32,774)
Profit before taxation		120,738	133,581
Taxation	8	(23,249)	(39,387)
Profit for the year		97,489	94,194
Net dividends per ordinary share (sen)	10	9	6

The accompanying notes form an integral part of the financial statements.

# Balance Sheet

As at 31 July 2010

	Note	2010 RM'000	2009 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	25,788	29,060
Investment properties	13	11,311	11,462
Prepaid land lease payments	14	811	833
Investments in subsidiaries	17	1,001,535	654,450
Interests in associated companies	18	694,549	694,549
Interests in jointly controlled entities	19	244,476	224,476
Other investments	20	733	733
Deferred tax assets	32	4,724	3,092
		1,983,927	1,618,655
<b>Current assets</b>			
Receivables	22(a)	72,832	127,663
Due from subsidiaries	25	1,462,793	1,237,523
Tax recoverable		-	11,641
Short term investments	23	93,876	59,150
Cash and bank balances	26	207,013	455,606
		1,836,514	1,891,583
<b>Total assets</b>		<b>3,820,441</b>	<b>3,510,238</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	27	2,025,888	2,009,257
Reserves		463,645	482,024
<b>Shareholders' equity</b>		<b>2,489,533</b>	<b>2,491,281</b>
<b>Non-current liabilities</b>			
Other payables	31	1,772	3,055
Long term borrowings	33	800,000	480,000
		801,772	483,055
<b>Current liabilities</b>			
Short term borrowings	34	175,230	268,165
Payables	35	147,553	132,761
Due to subsidiaries	36	205,215	134,976
Tax payable	1,138	-	-
		529,136	535,902
<b>Total liabilities</b>		<b>1,330,908</b>	<b>1,018,957</b>
<b>Total equity and liabilities</b>		<b>3,820,441</b>	<b>3,510,238</b>

The accompanying notes form an integral part of the financial statements.

# Statement of Changes in Equity

For the year ended 31 July 2010

Company	Note	Share capital RM'000	Non-distributable			Other reserves (Note 28) RM'000	Distributable Retained profits (Note 29) RM'000	Total RM'000
			Share premium RM'000	Option reserves RM'000				
<b>At 1 August 2008</b>		2,005,016	27,353	15,366		832	449,501	2,498,068
Currency translation differences, representing net expense recognised directly in equity		-	-	-		(581)	-	(581)
Profit for the year		-	-	-		-	94,194	94,194
Total recognised income and expense for the year		-	-	-		(581)	94,194	93,613
Issue of ordinary shares pursuant to:								
Exercise of ESOS	27	4,241	3,432	-		-	-	7,673
Share options granted under ESOS		-	-	14,780		-	-	14,780
Share options exercised under ESOS		-	1,204	(3,467)		-	-	(2,263)
Dividends	10	-	-	-		-	(120,590)	(120,590)
<b>At 31 July 2009</b>		2,009,257	31,989	26,679		251	423,105	2,491,281
<b>At 1 August 2009</b>		2,009,257	31,989	26,679		251	423,105	2,491,281
Currency translation differences, representing net income recognised directly in equity		-	-	-		6,258	-	6,258
Profit for the year		-	-	-		-	97,489	97,489
Total recognised income for the year		-	-	-		6,258	97,489	103,747
Issuance of warrants		-	-	-		25,231	-	25,231
Issue of ordinary shares pursuant to:								
Exercise of ESOS	27	14,961	15,901	-		-	-	30,862
Exercise of Warrants	27	1,670	2,939	-		(167)	-	4,442
Share options granted under ESOS		-	-	18,416		-	-	18,416
Share options exercised under ESOS		-	6,105	(7,315)		-	-	(1,210)
Expenses relates to right issue of warrant		-	(1,174)	-		-	-	(1,174)
Dividends	10	-	-	-		-	(182,062)	(182,062)
<b>At 31 July 2010</b>		2,025,888	55,760	37,780		31,573	338,532	2,489,533

The accompanying notes form an integral part of the financial statements.

# Cash Flow Statement

For the year ended 31 July 2010

	2010 RM'000	2009 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	120,738	133,581
Adjustments for:		
Appropriation of profits from unincorporated subsidiaries	(40,281)	(53,701)
Amortisation of prepaid land lease payments	22	22
Depreciation	3,136	2,347
Impairment loss on property, plant and equipment	-	12,903
Provision for retirement benefits	310	312
Provision for short term accumulating absences	312	101
Gain on disposal of property, plant and equipment	(604)	(476)
Property, plant and equipment written off	88	5
Unrealised loss on foreign exchange	22,616	1,559
Share based payments	18,416	14,780
Dividend income	(148,132)	(213,699)
Distribution from investment management funds	(3,379)	(1,507)
Interest income	(19,260)	(18,974)
Interest expense	39,354	32,774
Operating loss before working capital changes	(6,664)	(89,973)
(Increase)/decrease in due from subsidiaries	(255,190)	129,361
Increase in due to subsidiaries	70,239	22,214
Decrease/(increase) in receivables	108,803	(17,454)
Increase in payables	28,812	40,646
Cash (used in)/generated from operations	(54,000)	84,794
Dividend received	136,363	197,582
Income taxes paid	(42,972)	(36,909)
Interest paid	(39,354)	(32,774)
Retirement benefits paid	(307)	(25)
Net cash (used in)/generated from operating activities	(270)	212,668
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,544)	(2,613)
Proceeds from disposal of property, plant and equipment	664	590
Purchase of short term investments	(34,726)	(59,150)
Capital repayment from an associated company	-	213,953
Investment in subsidiaries	(347,085)	(51,024)
Interests in associated companies	-	(20,522)
Interests in jointly controlled entities	(20,000)	-
Distribution received from investment management funds	3,379	1,507
Interest received	19,260	18,974
Net cash (used in)/generated from investing activities	(383,052)	101,715

## Cash Flow Statement

	2010 RM'000	2009 RM'000
<b>Cash flows from financing activities</b>		
Drawdown of medium term notes	320,000	-
Net repayment of revolving credit	(92,935)	(182,528)
Net proceeds from conversion of warrants	25,231	-
Net proceeds from exercise of ESOS	30,862	7,673
Net proceeds from exercise of warrants	4,442	-
Expenses relating to rights issue of warrants	(1,174)	-
Dividend paid to shareholders	(151,192)	(60,185)
<hr/>		
Net cash generated from/(used in) financing activities	135,234	(235,040)
<hr/>		
<b>Net (decrease)/increase in cash and cash equivalents</b>	(248,088)	79,343
<b>Effects of exchange rate changes</b>	(505)	-
<b>Cash and cash equivalents at beginning of year</b>	455,606	376,263
<hr/>		
<b>Cash and cash equivalents at end of year (Note 26)</b>	207,013	455,606

The accompanying notes form an integral part of the financial statements.

# Notes to the Financial Statements

31 July 2010

## 1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and civil engineering construction. The principal activities of the subsidiaries are described in Note 17. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 October 2010.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The financial statements of the Group and of the Company comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRS") in Malaysia.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

### 2.2 Summary of significant accounting policies

#### (a) Subsidiaries and basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

##### (ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company. When the reporting dates of the Company and certain subsidiaries are different, the subsidiaries have prepared, for consolidation purposes, additional financial statements as of the same date as the financial statements of the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. A joint venture is deemed to be a subsidiary when the Group has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (b) Associated companies

Associated companies are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Interests in associated companies are accounted for in the consolidated financial statements by the equity method of accounting. Under the equity method of accounting, the Group's share of profits less losses of associated companies during the financial year is included in the consolidated income statement. Where there has been a change recognised directly in the equity of the associated companies, the Group recognises its share of such changes. The Group's interest in associated companies is carried in the consolidated balance sheet at cost plus the Group's share of post-acquisition reserves.

Unrealised gains on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated unless the cost cannot be recovered. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net interests in the associated company. The associated company is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company.

Goodwill relating to an associated company is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associated company's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associated company's profit or loss in the period in which the interest is acquired.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any long-term interests that, in substance, form part of the Group's net interests in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The most recent available audited financial statements of the associated companies are used by the Group. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, interests in associated companies are stated at cost less impairment losses.

On disposal of such interests, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

#### (c) Jointly controlled entities

The Group has interests in joint ventures which are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Interests in jointly controlled entities are accounted for in the consolidated financial statements using the proportionate consolidation method of accounting. The Group combines its share of each of the assets, liabilities, income and expenses of the joint ventures with the similar items, line by line, in its consolidated financial statements. The financial statements of the joint ventures are prepared for the same reporting dates as the parent company using consistent accounting policies. When the reporting dates of the parent company and certain jointly controlled entities are different, the jointly controlled entities have prepared, for consolidation purposes, additional financial statements as of the same date as the financial statements of the parent company.

The joint ventures are proportionately consolidated until the date on which the Group ceases to have joint control over the joint ventures.

In the Company's separate financial statements, interests in jointly controlled entities are stated at cost less impairment losses.

On disposal of such interests, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (d) Concession and quarry rights

Concession and quarry rights arising from acquisition of subsidiaries are attributable to costs incurred which are related to arrangements whereby the Group is able to obtain economic benefits over future years. The useful lives of the concession and quarry rights are assessed to be finite. Concession and quarry rights with finite life are amortised on a straight-line basis over the estimated useful economic life of 30 years and assessed for impairment whenever there is indication that they may be impaired. The amortisation period and the amortisation method for the concession and quarry rights are reviewed at least at each balance sheet date.

Concession and quarry rights are stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.2(j).

#### (e) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction-in-progress are stated at cost and not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight line basis to write off the cost or valuation of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2%
Plant, machinery and golf, gym and club house equipment	12% - 33%
Office equipment, furniture and fittings	10% - 33%
Motor vehicles	12% - 25%

Certain land and buildings of the Group and of the Company have not been revalued since they were first revalued in 1991. The directors have not adopted a policy of regular revaluation of such assets. As permitted under the transitional provision of IAS 16 (Revised): Property, Plant and Equipment, these assets continue to be stated at their 1991 valuation less accumulated depreciation and impairment losses.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

#### (f) Investment properties

Investment properties consist of land and buildings which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs.

Investment properties are stated at cost less accumulated depreciation and impairment losses. The depreciation policy for investment properties is consistent with that for depreciable property, plant and equipment as described in Note 2.2(e).

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.2(e) up to the date of change in use.

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (g) Motorway development expenditure

Motorway development expenditure ("MDE") is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.2(j). MDE comprises construction and development expenditure (including interest and fee charges relating to financing of the construction and development of the Motorway) incurred by the Group in connection with the Concession. Upon completion of the construction works of the Motorway and commencement of tolling operations, at each balance sheet date, the cumulative actual expenditure incurred is amortised to the income statement based on the following formula:

$$\left( \frac{\text{Cumulative Actual Toll Revenue to date}}{\text{(Cumulative Actual Toll Revenue to date + Projected Total Toll Revenue for the remaining Concession)}} \times \text{Cumulative Actual MDE} \right) \text{ Less Accumulated amortisation at beginning of the financial year}$$

The projected total toll revenue of the Concession is based on the "base case" traffic volumes projected by an independent professional firm of traffic consultants in a projection study commissioned by the Group, taking into account the toll rates as provided in the Concession Agreement. The effects of changes in the estimates are included in the amortisation for the year.

#### (h) Land held for property development and property development costs

##### (i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.2(j).

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

##### (ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (i) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the total costs incurred on construction contracts plus recognised profits (less recognised losses) exceed progress billings, the balance is shown as amount due from customers on contracts. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amount due to customers on contracts.

#### (j) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than construction contract assets, property development costs, deferred tax assets and inventories, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

An impairment loss is recognised as an expense in the income statement in the period in which it arises, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset. Reversal of impairment losses recognised in prior years is recorded when the impairment losses recognised for the asset no longer exist or have decreased.

#### (k) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average cost method. The cost of raw materials includes the cost of purchase and other direct charges. The cost of finished goods and work-in-progress comprise raw materials, direct labour, other direct costs and appropriate proportions of production overheads. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (k) Inventories (cont'd)

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (l) Leases

##### (i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases.

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (Note 2.2(f)); and
- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

##### (ii) Finance leases - the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for lease assets is consistent with that for depreciable property, plant and equipment as described in Note 2.2(e).

##### (iii) Finance leases - the Group as lessor

Assets sold by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less provision for doubtful debts. The lease receivable is included in the balance sheet as an asset. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease.

Lease payments are apportioned between the earned carrying charges and the reduction of the outstanding asset. Unearned carrying charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an income in the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

##### (iv) Operating leases - the Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (l) Leases (cont'd)

##### (v) Operating leases - the Group as lessor

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease (Note (p)(vii)). Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### (m) Provisions for liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

#### (n) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

#### (o) Employee benefits

##### (i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### (ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (o) Employee benefits (cont'd)

##### (iii) Defined benefit plans

The Group operates an unfunded Retirement Benefit Scheme ("the Scheme") for its eligible employees. The Group's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted in order to determine its present value.

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date. Actuarial gains and losses are recognised as income or expense over the expected average remaining working lives of the participating employees when the cumulative unrecognised actuarial gains or losses for the Scheme exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of plan assets. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the balance sheet represents the present value of the defined benefit obligations adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of any unrecognised actuarial losses and past service costs, and the present value of any economic benefits in the form of refunds or reductions in future contributions to the plan.

##### (iv) Share based compensation

The Gamuda Berhad Employees' Share Option Scheme ("ESOS"), an equity-settled, share based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share options reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained earnings.

#### (p) Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

##### (i) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.2(i).

##### (ii) Development properties

Revenue from sale of development properties is accounted for by the stage of completion method in respect of all building units that have been sold. The stage of completion is determined by reference to the costs incurred to date to the total estimated costs where the outcome of the projects can be reliably estimated. All anticipated losses are fully provided for.

##### (iii) Sale of goods and services

Revenue relating to the sale of goods is recognised net of sales taxes and discounts upon the transfer of risks and rewards. Revenue from services rendered is recognised net of service taxes and discount as and when the services are performed.

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (p) Revenue recognition (cont'd)

##### (iv) Supply of water and related services

Revenue from management, operation and maintenance of dams and water treatment facilities are recognised net of discounts as and when the services are performed.

##### (v) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

##### (vi) Dividend income

Dividend income is recognised when the right to receive payment is established.

##### (vii) Rental income

Rental income is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

#### (q) Foreign currencies

##### (i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

##### (ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

##### (iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the date of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (q) Foreign currencies (cont'd)

##### (iii) Foreign operations (cont'd)

The principal exchange rates used for every unit of foreign currency ruling at the balance sheet date are as follows:

	2010 RM	2009 RM
United States Dollar	3.186	3.534
Indian Rupee	0.067	0.073
New Taiwan Dollar	0.100	0.108
Qatari Riyal	0.876	0.971
Bahraini Dinar	8.482	9.410
100 Vietnam Dong	0.016	0.021

#### (r) Financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

##### (i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

##### (ii) Other non-current investments

Non-current investments other than investments in subsidiaries, associated companies, joint ventures and investment properties are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.2(j).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

##### (iii) Short term investments

Short term investments consist of investment in private debt securities and investment management funds at cost, and are carried at the lower of cost and market value, where applicable.

On disposal of short term investments, the difference between net disposal proceeds and the carrying amount is recognised in income statement.

##### (iv) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

##### (v) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

##### (vi) Interest-bearing loans and borrowings

Interest-bearing bank loans and borrowings, including the Medium Term Notes ("MTN"), are recorded at the face value of the loan amount, net of transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

## 2. Significant accounting policies (cont'd)

### 2.2 Summary of significant accounting policies (cont'd)

#### (r) Financial instruments (cont'd)

##### (vii) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

##### (viii) Derivative financial instruments

Derivative financial instruments are not recognised in the financial statements.

#### (s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The borrowing costs eligible for capitalisation is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of that borrowing.

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

### 2.3 (a) Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year except for FRS 8 Operating Segments ("FRS 8") which is mandatory for annual financial periods beginning on or after 1 August 2009. FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 43.

### 2.3 (b) Standards and Interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following new/revised FRSs, Amendments to FRSs, Interpretations and Amendments to Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

#### FRSs, Amendments to FRSs and Interpretations

##### Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Amendment to FRSs	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.3 (b) Standards and Interpretations issued but not yet effective (cont'd)

#### Effective for financial periods beginning on or after 1 March 2010:

Amendments to FRS 132	Classification of Rights Issues
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#### Effective for financial periods beginning on or after 1 July 2010:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statements (amended)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

#### Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1	Limited Exemption from Comparatives FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemption for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a lease
IC Interpretation 18	Transfers of Assets from Customers

#### Effective for financial periods beginning on or after 1 January 2012:

IC Interpretation 15	Agreements for the Construction of Real Estate
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The above new/revised FRSs, Amendments to FRSs, Interpretations and Amendments to Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except FRS 7, FRS 139, FRS 101, FRS 127 and IC Interpretation 12.

#### FRS 101: Presentation of Financial Statements (revised)

The new FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. This is a disclosure standard with no impact on the financial position or financial performance of the Group and of the Company.

#### FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement and Amendments to FRS 7: Financial Instruments: Disclosures

The new Standard on FRS 139: Financial Instruments: Recognition and Measurement establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132: Financial Instruments: Presentation and the requirements for disclosing information about financial instruments are in FRS 7: Financial Instruments: Disclosures.

FRS 7: Financial Instruments: Disclosures is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's and Company's exposure to risks, enhanced disclosure regarding components of the Group's and Company's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

In accordance with the respective transitional provisions, the Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application.

## 2. Significant accounting policies (cont'd)

### 2.3 (b) Standards and Interpretations issued but not yet effective (cont'd)

#### IC Interpretation I2: Service Concession Arrangements

This IC applies to service concession operators and explains how to account for the obligations undertaken and rights received in service concession arrangements. The transitional provision exempts the disclosure of the possible impact to the financial statements upon the initial application of the IC.

In accordance with the respective transitional provisions, the Group is exempted from disclosing the possible impact to the financial statements upon the initial application.

#### IC Interpretation I5: Agreements for the Construction of Real Estate:

This IC clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 *Construction Contracts* or FRS 118 *Revenue*. The implementation of IC Interpretation 15 is effective for financial periods beginning on or after 1 January 2012.

#### FRS 127: Consolidated and Separate Financial Statements

The revised Standard requires that a change in the ownership interest of a subsidiary that do not result in a loss of control be accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS127 (amended) will be applied prospectively and only affect future loss of control of subsidiaries.

## 2.4 Significant accounting estimates and judgements

### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### (a) Depreciation and impairment of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of the property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescences and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property, plant and equipment is based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimate of useful lives and residual values of property, plant and equipment brought about by changes in factors mentioned above. The Group also performs annual review of the assumptions made on useful lives and residual values to ensure that they continue to be valid.

The Group also carried out impairment test, which required the estimation of the value-in-use of certain property, plant and equipment.

#### (b) Amortisation of motorway development expenditure

The cost of MDE is amortised over the concession period by applying the formula in Note 2.2(g). The denominator of the formula includes projected total toll revenue for subsequent years and is based on the latest available base case traffic volume projections prepared by independent traffic consultants multiplied by the toll rates in accordance with the Concession Agreement. The assumptions to arrive at the traffic volume projections take into consideration the growth rate based on current market and economical conditions. Changes in the expected traffic volume could impact future amortisation charges.

#### (c) Amount due from/(to) customers for construction contracts and property development

The Group and the Company recognise contract or property development revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that contract or property development costs incurred for work performed to date compared to the estimated total contract or property development costs.

# Notes to the Financial Statements

## 2. Significant accounting policies (cont'd)

### 2.4 Significant accounting estimates and judgements (cont'd)

#### (c) Amount due from/(to) customers for construction contracts and property development (cont'd)

Significant judgement is required in determining the stage of completion, the extent of the contract or property development costs incurred, the estimated total contract or property development revenue and costs, as well as the recoverability of the contracts or development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

Where the total actual revenue and cost incurred are different from the total estimated revenue and cost incurred, such differences will impact the contract profit or losses recognised.

#### (d) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of recognised and unrecognised tax losses, capital allowances and other deductible temporary differences of the Group and of the Company are as disclosed in Note 32.

#### (e) Impairment of investments

At balance sheet date, management determines whether the carrying amounts of its investments are impaired. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include the use of discounted cash flow analysis, considering the current market value indicators and recent arms-length market transactions. These estimates provide reasonable approximations to the computation of recoverable amounts.

In performing discounted cash flow analysis, discount rate and growth rates used reflect, amongst others, the maturity of the business development cycle as well as the industry growth potential. The discount rates applied to the respective cash flow projections range between 6.19% to 9.17% (2009: 6.19% to 9.17%). The growth rates used to forecast the projected cash flow for the following year approximate the performances of the respective investments based on the latest available management accounts. The growth rate used to extrapolate the cash flow beyond the following year reflects a progressive decline to a rate lower than industry average, however a minimum growth rate of 4% to 7% (2009: 4% to 7%) is maintained.

Based on management's review, no further adjustments for impairment is required for the investments of the Group and the Company during the current financial year.

#### (f) Share-based payments to employees

The cost of providing share-based payments to employees and directors is charged to the income statement over the vesting period of the related share options. The cost is based on the fair value of the options and the number of options expected to vest. The fair value of each option is determined using the binomial model valued by an independent valuer.

The valuation of these share based payments requires judgements to be made in respect of the fair value of the options and the number of options to be vested. Details of assumptions made in respect of the share based payment scheme are disclosed in Note 27(f).

#### (g) Defined benefit pension plans

The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return of assets, future salary increases, mortality rates and future pension increases. The net employee liability of the Group and the Company as at 31 July 2010 is RM11,630,000 (2009: RM10,456,000) and RM3,097,000 (RM3,094,000) respectively.

#### (h) Provision for liabilities

The Group recognises a provision for liabilities in respect of development projects undertaken by its subsidiaries. In determining the provision, the Group has made assumptions in relation to the expected cost to be incurred on the completed phases and the expected timing of those costs. As at 31 July 2010, the carrying amount of provision for liabilities was RM10,285,000 (2009: RM11,805,000). Further details are provided in Note 37.

## 2. Significant accounting policies (cont'd)

### 2.4 Significant accounting estimates and judgements (cont'd)

#### (i) Recoverability assessment of cost capitalised for Nam Theun 1 Project

Included in the amount due from customers is the costs incurred for Nam Theun 1 Project amounting to RM24,023,000 ("the project cost") as at year end, which in the opinion of the directors, the amount is recoverable. As disclosed in Note 41(a), the Group is negotiating a new tariff structure with Electricity Generating Authority of Thailand ("EGAT") and the project cost would be recoverable upon finalisation of the Power Purchase Agreement.

#### (j) Recoverability of amount due from customers - MMC Gamuda JV

Included in amount due from customers is an amount due from Wayss & Freytag (Malaysia) Sdn. Bhd. ("W&F") to a jointly controlled entity, MMC-Gamuda JV ("Joint Venture") amounting to RM41,525,000 which is subject to arbitration. This represents the Group's share of the total of RM83,050,000 for the cost incurred to complete the works as a result of the termination of the contract as disclosed in Note 39(i).

Significant judgement is required in the assessment of the expected outcome of this legal case. There will be a financial impact if the amount is not recoverable and provision for compensation is required.

The directors are of the opinion that this amount is recoverable as the Joint Venture has a high probability of succeeding in its claims against the W&F after consulting external legal counsel.

#### (k) Recoverability of amount due from customers - Gamuda Land Vietnam Limited Liability Company

Included in amount due from customers on contract is an amount due from the Government of the Socialist Republic of Vietnam ("Govt") to a subsidiary, Gamuda Land Vietnam Limited Liability Company ("GLVN") amounting to RM343,505,000 (2009: RM134,044,000) which is pending legal ownership of land ("land use rights") to be transferred by Govt to GLVN for property development in Hanoi, Vietnam.

As at balance sheet date, the land use rights to be transferred by Govt as consideration for the construction works by GLVN has yet to be finalised.

The directors do not foresee any issue in obtaining the land use rights and therefore are of the opinion that this amount is recoverable. Significant judgement is required in the assessment and there will be a financial impact if the amount is not recoverable.

## 3. Revenue

Revenue of the Group and of the Company consists of the following:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Engineering and construction contracts	1,645,368	2,062,730	102,538	179,729
Sales of development properties	513,879	407,364	-	-
Quarry sales	51,530	67,388	-	-
Trading of construction materials	48,481	44,101	-	-
Sales of manufactured products	41,059	34,114	-	-
Supply of water and related services	108,795	90,496	-	-
Dividend income	-	-	148,132	213,699
Appropriation of profits from unincorporated subsidiaries	-	-	40,281	53,701
Others	46,031	21,109	-	-
	<b>2,455,143</b>	<b>2,727,302</b>	<b>290,951</b>	<b>447,129</b>

# Notes to the Financial Statements

## 4. Profit from operations

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>Profit from operations is stated after charging:</b>				
Amortisation of prepaid land lease payments (Note 14)	445	582	22	22
Amortisation of motorway development expenditure (Note 15)	1,402	538	-	-
Amortisation of concession and quarry rights (Note 16)	3,098	2,442	-	-
Auditors' remuneration				
- Statutory audits				
- Group's auditors	343	333	75	70
- Other auditors	180	156	-	-
- Other services	164	60	164	50
Depreciation				
- Property, plant and equipment (Note 11)	14,637	14,329	2,985	2,196
- Investment properties (Note 13)	44	44	151	151
Non-executive directors' fees (Note 6)	363	334	363	334
Property, plant and equipment written off	167	1,888	88	5
Impairment loss on property, plant and equipment (Note 11)	-	12,903	-	12,903
Net loss on disposal of property, plant and equipment	2,625	-	-	-
Net provision for contracts	11,940	9,890	-	-
Provision for liabilities (Note 37)	-	4,527	-	-
Provision for doubtful debts	27	2,128	-	-
Rental expense of land	603	535	-	-
Rental expense of premises	2,425	2,496	611	651
Net foreign exchange losses	30,775	-	6,973	16,363
<b>Profit from operations is stated after crediting:</b>				
Reversal of provision for liabilities (Note 37)	1,541	-	-	-
Net gain on disposal of property, plant and equipment	-	1,275	604	476
Distribution from investment management funds	6,873	1,844	3,379	1,507
Interest income	22,043	24,557	19,260	18,974
Rental income				
- Subsidiaries	-	-	675	675
- Others	959	532	286	286
Gain on acquisition of additional interests in a subsidiary (Note 17)	1,599	-	-	-
Net foreign exchange gain	-	157	-	-

## 5. Staff costs

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages and salaries	172,805	125,321	14,077	13,655
Directors' salaries and emoluments (Note 6)	6,353	6,413	4,637	4,661
Short term accumulating compensated absences	703	1,157	312	101
Pension costs-defined contribution plans	15,278	10,832	818	875
Pension costs-defined benefit plans	3,423	1,915	108	179
Share options granted under ESOS	18,231	14,528	18,266	14,602
Social security costs	1,177	781	47	48
Other staff related expenses	40,112	33,877	3,682	11,592
	258,082	194,824	41,947	45,713
Less: Amount capitalised in qualifying assets:				
Property development costs (Note 12)	(8,186)	(10,668)	-	-
Costs of construction contracts (Note 24)	(165,516)	(104,777)	(7,187)	(13,252)
	84,380	79,379	34,760	32,461

## 6. Directors' remuneration

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>Directors</b>				
Executive:				
Salaries and other emoluments	4,632	4,383	3,333	3,152
Bonus	718	1,014	518	732
Pension costs-defined contribution plans	572	605	434	466
Pension costs-defined benefit plan	246	159	202	133
Share options granted under ESOS	185	252	150	178
Benefits-in-kind	244	120	131	61
	6,597	6,533	4,768	4,722
Non-executive:				
Fees	363	334	363	334
Benefits-in-kind	60	73	60	73
	423	407	423	407
<b>Total</b>	<b>7,020</b>	<b>6,940</b>	<b>5,191</b>	<b>5,129</b>
<b>Analysis excluding benefits-in-kind:</b>				
Total executive directors' remuneration excluding benefits-in-kind (Note 5)	6,353	6,413	4,637	4,661
Total non-executive directors' remuneration excluding benefits-in-kind (Note 4)	363	334	363	334
<b>Total directors' remuneration excluding benefits-in-kind</b>	<b>6,716</b>	<b>6,747</b>	<b>5,000</b>	<b>4,995</b>

The number of directors of the Company whose total remuneration (including benefits-in-kind) during the year fall within the following bands are:

	Number of Directors	
	2010 RM'000	2009 RM'000
Executive directors:		
RM350,001 – RM400,000	1	1
RM650,001 – RM700,000	3	3
RM750,001 – RM800,000	2	3
RM950,001 – RM1,000,000	1	-
RM1,400,001 – RM1,450,000	1	-
RM1,500,001 – RM1,550,000	-	1
	8	8
Non-executive directors:		
RM1 – RM50,000	2	2
RM50,001 – RM100,000	3	3
RM150,001 – RM200,000	1	1
	6	6
<b>Total</b>	<b>14</b>	<b>14</b>

# Notes to the Financial Statements

## 7. Finance costs

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Interest expense on:				
Murabahah medium term notes	48,820	43,413	29,342	23,776
Revolving credits	15,596	19,861	10,012	8,998
Term loan	20,721	11,423	-	-
Others	471	1,256	-	-
	85,608	75,953	39,354	32,774
Less: Amount capitalised in qualifying assets:				
Property development costs (Note 12)	(30,544)	(21,968)	-	-
Costs of construction contracts (Note 24)	(11,251)	(9,151)	-	-
	43,813	44,834	39,354	32,774

## 8. Taxation

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Income tax:				
Malaysian income tax	51,736	74,453	18,558	39,819
Foreign income tax	11,690	8,440	-	-
Under provision in prior years	15,888	4,913	6,323	2,769
	79,314	87,806	24,881	42,588
Deferred tax (Note 32):				
Relating to origination and reversal of temporary differences	2,067	(2,009)	(267)	1,225
Relating to changes in tax rate	-	184	-	172
Overprovision in prior years	(834)	(7,978)	(1,365)	(4,598)
	1,233	(9,803)	(1,632)	(3,201)
	80,547	78,003	23,249	39,387

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	2010 RM'000	2009 RM'000
<b>Group</b>		
Profit before taxation	370,035	282,157
Taxation at Malaysian statutory tax rate of 25% (2009: 25%)	92,509	70,539
Effect of different tax rates in other countries	4,635	(3,879)
Effect of changes in tax rates on opening balance of deferred tax	-	184
Income not subject to tax	(7,417)	(1,105)
Expenses not deductible for tax purposes	15,535	22,600
Effects of share of profits of associated companies	(38,499)	(35,803)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(5,181)	(556)
Deferred tax assets not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	3,911	29,088
Overprovision of deferred tax in prior years	(834)	(7,978)
Underprovision of income tax in prior years	15,888	4,913
Tax expense for the year	80,547	78,003

## 8. Taxation (cont'd)

Company	2010 RM'000	2009 RM'000
Profit before taxation	120,738	133,581
Taxation at Malaysian statutory tax rate of 25% (2009: 25%)	30,185	33,395
Effect of changes in tax rates on opening balance of deferred tax	-	172
Income not subject to tax	(19,799)	(21,040)
Expenses not deductible for tax purposes	7,905	15,970
Deferred tax assets not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	-	12,719
Overprovision of deferred tax in prior years	(1,365)	(4,598)
Underprovision of income tax in prior years	6,323	2,769
<b>Tax expense for the year</b>	<b>23,249</b>	<b>39,387</b>

Tax savings during the financial year arising from:

	2010 RM'000	Group 2009 RM'000
Utilisation of previously unrecognised tax losses	5,087	463
Utilisation of previously unabsorbed capital allowances	94	93

## 9. Earnings per share

## (a) Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	2010	2009
Profit for the year attributable to ordinary equity holders of the Company (RM'000)	280,693	193,689
Weighted average number of ordinary shares in issue ('000)	2,017,754	2,006,658
<b>Basic earnings per share (sen)</b>	<b>13.91</b>	<b>9.65</b>

## (b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the effects of dilutive potential ordinary shares from exercise of ESOS and exercise of Warrants. The adjusted weighted average number of ordinary shares is the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares which would be issued on conversion of all dilutive potential ordinary shares from exercise of ESOS and Warrants into ordinary shares. The ESOS and Warrants are deemed to have been converted into ordinary shares at the date of the issue of the ESOS and Warrants.

	2010	2009
Profit for the year (RM'000)	280,693	193,689
Weighted average number of ordinary shares in issue ('000)	2,017,754	2,006,658
Adjusted for:		
Assumed shares issued from the exercise of ESOS ('000)*	7,860	5,997
Assumed shares issued from the conversion of Warrants 2010/2015 ('000)*	26,914	-
<b>Adjusted weighted average number of ordinary shares in issue and issuable ('000)</b>	<b>2,052,528</b>	<b>2,012,655</b>
<b>Fully diluted earnings per share (sen)</b>	<b>13.68</b>	<b>9.62</b>

\* Assume a portion of shares issued from exercise of ESOS/Warrants when average market price exceeds the exercise price.

# Notes to the Financial Statements

## 10. Dividends

	Amount		Net dividends per ordinary share	
	2010 RM'000	2009 RM'000	2010 sen	2009 sen
<b>Dividends paid/payable in respect of:-</b>				
<b>Financial year ended 31 July 2009:-</b>				
- First interim dividend of 4% less 25% taxation	-	60,185	-	3.0
- Second interim dividend of 4% less 25% taxation	-	60,405	-	3.0
<b>Financial year ended 31 July 2010:-</b>				
- First interim dividend of 6% less 25% taxation	90,787	-	4.5	-
- Second interim dividend of 6% less 25% taxation*	91,275	-	4.5	-
	182,062	120,590	9.0	6.0

The directors do not recommend the payment of any final dividend in respect of the current financial year.

\* For the year ended 31 July 2010, the approved second interim dividend of 6 sen less 25% taxation was declared on 24 June 2010 and paid on 18 August 2010.

## 11. Property, plant and equipment

Group	RM'000	Land and buildings * RM'000	Other property, plant and equipment ** RM'000	Total
<b>At 31 July 2010</b>				
<b>Valuation/Cost</b>				
At 1 August 2009		155,957	462,143	618,100
Additions		723	15,180	15,903
Disposals		-	(42,083)	(42,083)
Write-offs		-	(1,361)	(1,361)
Exchange differences		-	(22,567)	(22,567)
At 31 July 2010		156,680	411,312	567,992
Representing:				
At cost	155,405	411,312	566,717	
At valuation	1,275	-	1,275	
		156,680	411,312	567,992
<b>Accumulated depreciation</b>				
At 1 August 2009		4,326	249,355	253,681
Charge for the year:				
Recognised in income statement (Note 4)		1,454	13,183	14,637
Capitalised in property development costs (Note 12)		-	169	169
Capitalised in construction costs (Note 24)		-	39,547	39,547
Disposals		-	(27,822)	(27,822)
Write-offs		-	(1,194)	(1,194)
Exchange differences		-	(11,757)	(11,757)
At 31 July 2010		5,780	261,481	267,261
<b>Net carrying amount</b>				
At 31 July 2010				
At cost		149,987	149,831	299,818
At valuation		913	-	913
		150,900	149,831	300,731

## 11. Property, plant and equipment (cont'd)

Group	Land and buildings * RM'000	Construction -in-progress RM'000	Other property, plant and equipment ** RM'000	Total RM'000
<b>At 31 July 2009</b>				
<b>Valuation/Cost</b>				
At 1 August 2008	59,876	12,903	421,428	494,207
Additions	1,498	-	53,874	55,372
Transfer from property development cost (Note 12(b))	93,883	-	-	93,883
Transfer from investment properties (Note 13)	700	-	-	700
Disposals	-	-	(26,702)	(26,702)
Impairment loss (Note 4)	-	(12,903)	-	(12,903)
Write-offs	-	-	(4,175)	(4,175)
Exchange differences	-	-	17,718	17,718
At 31 July 2009	155,957	-	462,143	618,100
Representing:				
At cost	154,682	-	462,143	616,825
At valuation	1,275	-	-	1,275
	155,957	-	462,143	618,100
<b>Accumulated depreciation</b>				
At 1 August 2008	2,822	-	203,255	206,077
Charge for the year:				
Recognised in income statement (Note 4)	1,400	-	12,929	14,329
Capitalised in property development costs (Note 12)	-	-	262	262
Capitalised in construction costs (Note 24)	-	-	46,598	46,598
Transfer from investment properties (Note 13)	104	-	-	104
Disposals	-	-	(16,882)	(16,882)
Write-offs	-	-	(2,287)	(2,287)
Exchange differences	-	-	5,480	5,480
At 31 July 2009	4,326	-	249,355	253,681
<b>Net carrying amount</b>				
At 31 July 2009				
At cost	150,655	-	212,788	363,443
At valuation	976	-	-	976
	151,631	-	212,788	364,419

# Notes to the Financial Statements

## 11. Property, plant and equipment (cont'd)

### \* Land and buildings

Group	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>At 31 July 2010</b>			
<b>Valuation/Cost</b>			
At 1 August 2009	49,101	106,856	155,957
Additions	-	723	723
At 31 July 2010	49,101	107,579	156,680
Representing:			
At cost	48,689	106,716	155,405
At valuation	412	863	1,275
	49,101	107,579	156,680
<b>Accumulated depreciation</b>			
At 1 August 2009	-	4,326	4,326
Charge for the year	-	1,454	1,454
At 31 July 2010	-	5,780	5,780
<b>Net carrying amount</b>			
At 31 July 2010			
At cost	48,689	101,298	149,987
At valuation	412	501	913
	49,101	101,799	150,900
<b>At 31 July 2009</b>			
<b>Valuation/Cost</b>			
At 1 August 2008	16,330	43,546	59,876
Additions	101	1,397	1,498
Transfer from property development cost (Note 12(b))	32,258	61,625	93,883
Transfer from investment properties (Note 13)	412	288	700
At 31 July 2009	49,101	106,856	155,957
Representing:			
At cost	48,689	105,993	154,682
At valuation	412	863	1,275
	49,101	106,856	155,957
<b>Accumulated depreciation</b>			
At 1 August 2008	-	2,822	2,822
Charge for the year	-	1,400	1,400
Transfer from investment properties (Note 13)	-	104	104
At 31 July 2009	-	4,326	4,326
<b>Net carrying amount</b>			
At 31 July 2009			
At cost	48,689	101,966	150,655
At valuation	412	564	976
	49,101	102,530	151,631

## 11. Property, plant and equipment (cont'd)

## \*\* Other property, plant and equipment

Group	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant and machinery RM'000	Total RM'000
<b>At 31 July 2010</b>				
<b>Cost</b>				
At 1 August 2009	50,894	39,254	371,995	462,143
Additions	1,915	8,844	4,421	15,180
Disposals	(2,963)	(205)	(38,915)	(42,083)
Write-offs	(145)	(940)	(276)	(1,361)
Exchange differences	(1,350)	(809)	(20,408)	(22,567)
At 31 July 2010	48,351	46,144	316,817	411,312
<b>Accumulated depreciation</b>				
At 1 August 2009	25,797	31,158	192,400	249,355
Charge for the year:				
Recognised in income statement	989	1,993	10,201	13,183
Capitalised in property development costs (Note 12)	143	22	4	169
Capitalised in construction costs (Note 24)	6,612	3,121	29,814	39,547
Disposals	(3,309)	(8,412)	(16,101)	(27,822)
Write-offs	(75)	(935)	(184)	(1,194)
Exchange differences	(749)	(309)	(10,699)	(11,757)
At 31 July 2010	29,408	26,638	205,435	261,481
<b>Net carrying amount</b>				
At 31 July 2010	18,943	19,506	111,382	149,831
<b>At 31 July 2009</b>				
<b>Cost</b>				
At 1 August 2008	45,127	37,703	338,598	421,428
Additions	11,712	4,832	37,330	53,874
Disposals	(6,940)	(2,167)	(17,595)	(26,702)
Write-offs	(89)	(1,242)	(2,844)	(4,175)
Exchange differences	1,084	128	16,506	17,718
At 31 July 2009	50,894	39,254	371,995	462,143
<b>Accumulated depreciation</b>				
At 1 August 2008	22,226	26,419	154,610	203,255
Charge for the year:				
Recognised in income statement	1,117	2,173	9,639	12,929
Capitalised in property development costs (Note 12)	150	60	52	262
Capitalised in construction costs (Note 24)	5,870	4,866	35,862	46,598
Disposals	(4,211)	(1,247)	(11,424)	(16,882)
Write-offs	(86)	(1,231)	(970)	(2,287)
Exchange differences	731	118	4,631	5,480
At 31 July 2009	25,797	31,158	192,400	249,355
<b>Net carrying amount</b>				
At 31 July 2009	25,097	8,096	179,595	212,788

# Notes to the Financial Statements

## 11. Property, plant and equipment (cont'd)

Company	Land and buildings *	Other property, plant and equipment **	Total
	RM'000	RM'000	RM'000
<b>At 31 July 2010</b>			
<b>Valuation/Cost</b>			
At 1 August 2009	13,122	44,787	57,909
Additions	447	4,097	4,544
Disposals	-	(2,471)	-
Write-offs	-	(934)	-
Exchange difference	-	(2,571)	(2,571)
<b>At 31 July 2010</b>	<b>13,569</b>	<b>42,908</b>	<b>56,477</b>
Representing:			
At cost	13,295	42,908	56,203
At valuation	274	-	274
	<b>13,569</b>	<b>42,908</b>	<b>56,477</b>
<b>Accumulated depreciation</b>			
At 1 August 2009	734	28,115	28,849
Charge for the year:			
Recognised in income statement (Note 4)	67	2,918	2,985
Capitalised in construction costs (Note 24)	-	3,132	3,132
Disposals	-	(2,411)	(2,411)
Write-offs	-	(846)	(846)
Exchange difference	-	(1,020)	(1,020)
<b>At 31 July 2010</b>	<b>801</b>	<b>29,888</b>	<b>30,689</b>
<b>Net carrying amount</b>			
At 31 July 2010			
At cost	12,587	13,020	25,607
At valuation	181	-	181
	<b>12,768</b>	<b>13,020</b>	<b>25,788</b>

## 11. Property, plant and equipment (cont'd)

Company	Land and buildings *	Construction -in-progress	Other property, plant and equipment **	Total
	RM'000	RM'000	RM'000	RM'000
<b>At 31 July 2009</b>				
<b>Valuation/Cost</b>				
At 1 August 2008	13,122	12,903	43,042	69,067
Additions	-	-	2,613	2,613
Disposals	-	-	(2,581)	(2,581)
Impairment loss (Note 4)	-	(12,903)	-	(12,903)
Write-offs	-	-	(87)	(87)
Exchange difference	-	-	1,800	1,800
At 31 July 2009	13,122	-	44,787	57,909
Representing:				
At cost	12,848	-	44,787	57,635
At valuation	274	-	-	274
	13,122	-	44,787	57,909
<b>Accumulated depreciation</b>				
At 1 August 2008	667	-	24,875	25,542
Charge for the year:				
Recognised in income statement (Note 4)	67	-	2,129	2,196
Capitalised in construction costs (Note 24)	-	-	3,306	3,306
Disposals	-	-	(2,467)	(2,467)
Write-offs	-	-	(82)	(82)
Exchange difference	-	-	354	354
At 31 July 2009	734	-	28,115	28,849
<b>Net carrying amount</b>				
At 31 July 2009				
At cost	12,202	-	16,672	28,874
At valuation	186	-	-	186
	12,388	-	16,672	29,060

# Notes to the Financial Statements

## 11. Property, plant and equipment (cont'd)

### \* Land and buildings

Company	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>At 31 July 2010</b>			
<b>Valuation/Cost</b>			
At 1 August 2009/31 July 2010	9,763	3,359	13,122
Additions	-	447	447
At 31 July 2010	9,763	3,806	13,569
Representing:			
At cost	9,763	3,532	13,295
At valuation	-	274	274
	9,763	3,806	13,569
<b>Accumulated depreciation</b>			
At 1 August 2009	-	734	734
Charge for the year	-	67	67
At 31 July 2010	-	801	801
<b>Net carrying amount</b>			
At 31 July 2010			
At cost	9,763	2,824	12,587
At valuation	-	181	181
	9,763	3,005	12,768
<b>At 31 July 2009</b>			
<b>Valuation/Cost</b>			
At 1 August 2008/31 July 2009	9,763	3,359	13,122
Representing:			
At cost	9,763	3,085	12,848
At valuation	-	274	274
	9,763	3,359	13,122
<b>Accumulated depreciation</b>			
At 1 August 2008	-	667	667
Charge for the year	-	67	67
At 31 July 2009	-	734	734
<b>Net carrying amount</b>			
At 31 July 2009			
At cost	9,763	2,439	12,202
At valuation	-	186	186
	9,763	2,625	12,388

## 11. Property, plant and equipment (cont'd)

## \*\* Other property, plant and equipment

Company	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant and machinery RM'000	Total RM'000
<b>At 31 July 2010</b>				
<b>Cost</b>				
At 1 August 2009	7,618	14,309	22,860	44,787
Additions	1,347	1,732	1,018	4,097
Disposals	(2,408)	(63)	-	(2,471)
Write-offs	(51)	(711)	(172)	(934)
Exchange difference	(370)	(240)	(1,961)	(2,571)
At 31 July 2010	6,136	15,027	21,745	42,908
<b>Accumulated depreciation</b>				
At 1 August 2009	5,317	12,686	10,112	28,115
Charge for the year:				
Recognised in income statement	1,484	623	811	2,918
Capitalised in construction costs (Note 24)	589	316	2,227	3,132
Disposals	(2,352)	(59)	-	(2,411)
Write-offs	(51)	(711)	(84)	(846)
Exchange difference	(188)	(127)	(705)	(1,020)
At 31 July 2010	4,799	12,728	12,361	29,888
<b>Net carrying amount</b>				
At 31 July 2010	1,337	2,299	9,384	13,020
<b>At 31 July 2009</b>				
<b>Cost</b>				
At 1 August 2008	9,289	13,838	19,915	43,042
Additions	602	467	1,544	2,613
Disposals	(2,498)	(83)	-	(2,581)
Write-offs	-	(76)	(11)	(87)
Exchange difference	225	163	1,412	1,800
At 31 July 2009	7,618	14,309	22,860	44,787
<b>Accumulated depreciation</b>				
At 1 August 2008	6,777	11,926	6,172	24,875
Charge for the year:				
Recognised in income statement	250	413	1,466	2,129
Capitalised in construction costs (Note 24)	618	388	2,300	3,306
Disposals	(2,391)	(76)	-	(2,467)
Write-offs	-	(76)	(6)	(82)
Exchange difference	63	111	180	354
At 31 July 2009	5,317	12,686	10,112	28,115
<b>Net carrying amount</b>				
At 31 July 2009	2,301	1,623	12,748	16,672

# Notes to the Financial Statements

## 11. Property, plant and equipment (cont'd)

- (i) Certain land and buildings of the Group and of the Company have not been revalued since they were first revalued in 1991. The directors have not adopted a policy of regular revaluation of such assets. As permitted under the transitional provision of FRS116<sub>2004</sub>, Property, Plant and Equipment, these assets continue to be stated at their 1991 valuation less accumulated depreciation and impairment losses.

Had the revalued land and buildings been carried at historical cost less accumulated depreciation, the net book value of the land and buildings that would have been included in the financial statements of the Group and of the Company are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Land and buildings	1,941	2,060	1,452	1,505

- (ii) The net carrying amount of property, plant and equipment pledged as securities for borrowings (Note 33(b)(i)) is RM627,000 (2009: RM471,000).

## 12. Land held for property development and property development costs

### (a) Land held for property development

	Freehold land RM'000	Leasehold land RM'000	Development costs RM'000	Total RM'000
<b>Group</b>				
<b>Cost</b>				
At 1 August 2009	357,627	718	124,333	482,678
Additions	10,000	-	13,511	23,511
Reversal (i)	(16,995)	-	-	(16,995)
Transfer to property development costs (Note 12(b))	(163,080)	-	(47,835)	(210,915)
At 31 July 2010	187,552	718	90,009	278,279
<b>Cost</b>				
At 1 August 2008	381,419	3,467	134,391	519,277
Additions	10,000	-	25,986	35,986
Transfer to property development costs (Note 12(b))	(33,792)	(2,749)	(36,044)	(72,585)
At 31 July 2009	357,627	718	124,333	482,678

- (i) Reversal of land held for development is attributable to the termination of a sales and purchase agreement on a freehold land.

### (b) Property development costs

	Freehold land RM'000	Leasehold land RM'000	Development costs RM'000	Total RM'000
<b>Group</b>				
<b>At 31 July 2010</b>				
<b>Cumulative property development costs</b>				
At 1 August 2009	124,052	17,105	530,685	671,842
Costs incurred during the year	-	-	263,866	263,866
Transfer from land held for property development (Note 12(a))	163,080	-	47,835	210,915
Reversal of completed projects	(11,759)	(10,303)	(84,083)	(106,145)
Unsold units transferred to inventories	(6,621)	-	(20,345)	(26,966)
At 31 July 2010	268,752	6,802	737,958	1,013,512

## 12. Land help for property development and property development costs (cont'd)

## (b) Property development costs (cont'd)

Group	Freehold land RM'000	Leasehold land RM'000	Development costs RM'000	Total RM'000
<b>Cumulative costs recognised in income statement</b>				
At 1 August 2009	(10,818)	(1,892)	(218,946)	(231,656)
Recognised during the year	(61,573)	(9,376)	(265,695)	(336,644)
Reversal of completed projects	11,759	10,303	84,083	106,145
At 31 July 2010	(60,632)	(965)	(400,558)	(462,155)
<b>Property development costs at 31 July 2010</b>	<b>208,120</b>	<b>5,837</b>	<b>337,400</b>	<b>551,357</b>

**At 31 July 2009****Cumulative property development costs**

At 1 August 2008	147,070	25,770	435,793	608,633
Costs incurred during the year	3,450	-	362,863	366,313
Transfer from land held for property development (Note 12(a))	33,792	2,749	36,044	72,585
Reversal of completed projects	(27,427)	(11,414)	(221,563)	(260,404)
Transfer to property, plant and equipment (Note 11)	(32,258)	-	(61,625)	(93,883)
Unsold units transferred to inventories	(575)	-	(20,827)	(21,402)
At 31 July 2009	124,052	17,105	530,685	671,842
<b>Cumulative costs recognised in income statement</b>				
At 1 August 2008	(23,483)	(7,529)	(189,108)	(220,120)
Recognised during the year	(14,762)	(5,777)	(251,401)	(271,940)
Reversal of completed projects	27,427	11,414	221,563	260,404
At 31 July 2009	(10,818)	(1,892)	(218,946)	(231,656)
<b>Property development costs at 31 July 2009</b>	<b>113,234</b>	<b>15,213</b>	<b>311,739</b>	<b>440,186</b>

Included in property development costs incurred during the year are:

	Group	
	2010 RM'000	2009 RM'000
Finance costs (Note 7)	30,544	21,968
Depreciation (Note 11)	169	262
Staff costs (Note 5)	8,186	10,668

## Notes to the Financial Statements

### 13. Investment properties

Group	Land RM'000	Buildings RM'000	Total RM'000
<b>At 31 July 2010</b>			
<b>Cost</b>			
At 1 August 2009/31 July 2010	1,096	2,006	3,102
<b>Accumulated depreciation</b>			
At 1 August 2009	-	454	454
Depreciation charge for the year	-	44	44
At 31 July 2010	-	498	498
<b>Net carrying amount</b>			
At 31 July 2010	1,096	1,508	2,604
<b>Fair value</b>			
At 31 July 2010	3,965	5,853	9,818
<b>At 31 July 2009</b>			
<b>Cost</b>			
At 1 August 2008	1,508	2,294	3,802
Transfer to property, plant and equipment (Note 11)	(412)	(288)	(700)
At 31 July 2009	1,096	2,006	3,102
<b>Accumulated depreciation</b>			
At 1 August 2008	-	514	514
Depreciation charge for the year	-	44	44
Transfer to property, plant and equipment (Note 11)	-	(104)	(104)
At 31 July 2009	-	454	454
<b>Net carrying amount</b>			
At 31 July 2009	1,096	1,552	2,648
<b>Fair value</b>			
At 31 July 2009	2,491	3,596	6,087

## 13. Investment properties (cont'd)

Company	Land RM'000	Buildings RM'000	Total RM'000
<b>At 31 July 2010</b>			
<b>Cost</b>			
At 1 August 2009/31 July 2010	5,697	7,560	13,257
<b>Accumulated depreciation</b>			
At 1 August 2009	-	1,795	1,795
Depreciation charge for the year	-	151	151
At 31 July 2010	-	1,946	1,946
<b>Net carrying amount</b>			
At 31 July 2010	5,697	5,614	11,311
<b>Fair value</b>			
At 31 July 2010	12,709	15,395	28,104
<b>At 31 July 2009</b>			
<b>Cost</b>			
At 1 August 2008/31 July 2009	5,697	7,560	13,257
<b>Accumulated depreciation</b>			
At 1 August 2008	-	1,644	1,644
Depreciation charge for the year	-	151	151
At 31 July 2009	-	1,795	1,795
<b>Net carrying amount</b>			
At 31 July 2009	5,697	5,765	11,462
<b>Fair value</b>			
At 31 July 2009	6,847	10,802	17,649

Fair value of investment properties was estimated by the directors based on internal appraisal of market values of comparable properties, instead of a valuation by an independent professional valuer.

## 14. Prepaid land lease payments

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At beginning of year	6,650	7,232	833	855
Amortisation for the year	(445)	(582)	(22)	(22)
At end of year	6,205	6,650	811	833
Analysed as:				
Long term leasehold land	193	195	98	100
Short term leasehold land	6,012	6,455	713	733
	6,205	6,650	811	833

# Notes to the Financial Statements

## 15. Motorway development expenditure

	Group	
	2010 RM'000	2009 RM'000
<b>Cost</b>		
At beginning/end of year	327,647	327,647
<b>Accumulated amortisation</b>		
At beginning of year	1,376	838
Amortisation for the year	1,402	538
At end of year	2,778	1,376
<b>Net carrying amount</b>		
At end of year	324,869	326,271

The motorway development expenditure is pledged as securities for borrowings (Note 33(b)(i)).

## 16. Concession and quarry rights

	Group	
	2010 RM'000	2009 RM'000
<b>Cost</b>		
At beginning/end of year	95,048	95,048
<b>Accumulated amortisation</b>		
At beginning of year	29,301	26,859
Amortisation for the year	3,098	2,442
At end of year	32,399	29,301
<b>Net carrying amount</b>		
At end of year	62,649	65,747

The concession and quarry rights are attributable to the acquisition of Gamuda Water Sdn. Bhd. and G.B. Kuari Sdn. Bhd. respectively, which have been granted the rights to operate and maintain the water treatment plants of Sungai Selangor Water Supply Scheme Phase 3 and the quarry for a period of 30 years ending Year 2031 and Year 2022 respectively.

## 17. Investments in subsidiaries

	Company	
	2010 RM'000	2009 RM'000
Unquoted shares, at cost	1,017,825	670,740
Less: Accumulated impairment losses	(16,290)	(16,290)
	1,001,535	654,450

During the year, the Company subscribed for:

- (i) 1,800,000 new redeemable preference shares of RM1 at premium of RM99 each in a wholly owned subsidiary, Gamuda Engineering Sdn. Bhd. for a total cash consideration of RM180,000,000.
- (ii) 49,370,000 ordinary shares of USD1 each in a wholly owned subsidiary, Gamuda Land Vietnam Limited Liability Company comprising for a cash consideration of USD49,370,000 (RM166,085,065).

## 17. Investments in subsidiaries (cont'd)

Name of Company	Paid-up capital RM	Proportion of ownership		Principal activities
		2010 %	2009 %	
<b>Subsidiaries incorporated in Malaysia</b>				
Gammau Construction Sdn. Bhd.	6,000,000	100	100	Property investment and holding
Gamuda Engineering Sdn. Bhd.	4,050,000	100	100	Civil engineering and construction
Ganaz Bina Sdn. Bhd.	3,000,000	100	100	Civil engineering and construction
G.B. Kuari Sdn. Bhd.	750,000	100	100	Operation of quarry, laying of road and manufacture of premix
Gamuda Land Sdn. Bhd.	2	100	100	Dormant
Gamuda Paper Industries Sdn. Bhd.	18,000,000	95	95	Rental of properties
GPI Trading Sdn. Bhd.	2	95	95	Ceased operations
Gamuda Trading Sdn. Bhd.	109,000	100	100	Trading of construction materials
Gamuda Water Sdn. Bhd.	2,000,000	80	80	Operation and maintenance of water treatment plants
GIT Services Sdn. Bhd.	100,000	100	100	Information technology services
Jade Homes Sdn. Bhd.	1,980,000	100	100	Property investment and development
Megah Landscape Sdn. Bhd.	500,000	100	100	Supply of landscaping materials and provision of landscaping services
Jade Homes Resort Berhad	1,000,000	100	100	Proprietor and operator of a clubhouse
Jade Homes Property Services Sdn Bhd (Formerly known as Jiwa Rangkaian Sdn. Bhd.)	2	100	100	Dormant
Harum Intisari Sdn. Bhd.	6,450,000	100	100	Property investment and development
Bandar Botanic Resort Berhad	1,000,000	100	100	Proprietor and operator of a clubhouse
Botanic Property Services Sdn. Bhd.	2	100	100	Property maintenance services
GL (MM2H) Sdn. Bhd. *	50,000	100	100	Agent of "Malaysia My Second Home" Programme
Masterpave Sdn. Bhd.	2,500,000	100	100	Manufacture, supply and laying of road surfacing materials
Megah Capital Sdn. Bhd.	2	100	100	Investment holding and trading
Megah Management Services Sdn. Bhd.	50,000	100	100	Insurance agency
Megah Sewa Sdn. Bhd.	100,002	100	100	Hire and rental of plant and machinery
Valencia Development Sdn. Bhd.	5,370,000	100	99	Property investment and development
Valencia Township Sdn. Bhd.	2	100	99	Management of township and golf club and related maintenance services
Rebung Property Services Sdn. Bhd. *	2	100	99	Property maintenance and management services
Madge Mansions Sdn. Bhd.	599,000	100	100	Property investment and development
Reka Strategi Sdn. Bhd. *	2	100	100	Dormant
Idaman Lantas Sdn. Bhd. *	2	100	100	Property investment and development
Setara Hati Sdn. Bhd. *	2	100	100	Dormant
Gamuda Land (HCMC) Sdn. Bhd.	2	100	100	Property investment and development

# Notes to the Financial Statements

## 17. Investments in subsidiaries (cont'd)

Name of Company	Paid-up capital RM	Proportion of ownership		Principal activities
		2010 %	2009 %	
<b>Subsidiary incorporated in British Virgin Islands</b>				
Gamuda Overseas Investment Ltd.	US\$100,000	100	100	Investment holding
<b>Subsidiary incorporated in Mauritius</b>				
Gamuda (Offshore) Private Limited *	US\$1,000	100	100	Investment holding
<b>Subsidiary incorporated In India</b>				
Gamuda (India) Private Limited *	Rps100,000	100	100	Dormant
Held by Gamuda (Offshore) Private Limited:				
Gamuda - WCT (India) Private Limited *	Rps100,000	70	70	Civil engineering and construction
<b>Subsidiary incorporated in Saudi Arabia</b>				
Gamuda Saudi Arabia L.L.C. *	SR500,000	100	100	Construction
<b>Subsidiary incorporated in the Kingdom of Bahrain</b>				
Gamuda (Bahrain) W.L.L *	BD20,000	100	100	Civil engineering and construction
<b>Subsidiary incorporated in the Socialist Republic of Vietnam</b>				
Gamuda-NamLong Development Limited Liability Company *	USD4,667,000	70	70	Construction of villas for sale and lease
Gamuda Land Vietnam Limited Liability Company *	USD71,060,000	100	100	Undertakes the Yen So Park Development Project in Hanoi, Socialist Republic of Vietnam
<b>Unincorporated subsidiaries in Malaysia</b>				
Gamuda Berhad - Kumpulan Darul Ehsan Berhad - The Sweet Water Alliance Sdn. Bhd. Joint Venture ("GKTJV")	-	70	70	Civil engineering and construction
Gamuda Berhad - Mujur Minat Sdn. Bhd. Joint Venture ("GMMJV")	-	70	70	Civil engineering and construction

\* Audited by firms of auditors other than Ernst & Young, Malaysia

## 17. Investments in subsidiaries (cont'd)

The details of the unincorporated subsidiaries are as follows:

Entity	Joint venture partners	Economic activity
GKTJV	Gamuda Berhad, Kumpulan Darul Ehsan Berhad and The Sweet Water Alliance Sdn. Bhd.	Undertakes civil engineering construction of the dam and water treatment facilities of Sungai Selangor Water Supply Scheme Phase 3
GMMJV	Gamuda Berhad and Mujur Minat Sdn. Bhd.	Undertakes civil engineering construction of the Western Kuala Lumpur Traffic Dispersal Scheme

Both GKTJV and GMMJV are unincorporated joint ventures formed under a contractual agreement. Pursuant to FRS 131: Financial Reporting of Interests in Joint Ventures, both GKTJV and GMMJV are deemed to be subsidiaries of Gamuda Berhad by virtue of its power to exercise control over the financial and operating policies of the economic activities of these entities.

## Acquisition of additional interests in a subsidiary

During the year, the Company acquired 60,000 ordinary shares of RM1.00 each, representing 1% of the total issued and paid-up share capital of Valencia Development Sdn. Bhd., for a total cash consideration of RM1 million. On completion of the acquisition, the Company equity interest in Valencia Development Sdn. Bhd. increased from 99% to 100%.

The effects of the acquisition of additional 1% equity interest are:

	RM'000
Purchase consideration satisfied by cash	1,000
Book value of net assets acquired	(2,599)
Gain on acquisition	(1,599)

## 18. Interests in associated companies

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unquoted shares, in Malaysia:				
At cost:				
- Ordinary shares	142,185	142,185	142,185	142,185
- Redeemable preference shares	562,625	562,625	562,625	562,625
	704,810	704,810	704,810	704,810
Group's share of post-acquisition reserves, net of dividends receivable	36,400	21,947	-	-
Less: Accumulated impairment losses	(28,235)	(28,235)	(69,885)	(69,885)
	712,975	698,522	634,925	634,925
Unquoted shares, outside Malaysia:				
At cost:				
- Ordinary shares	11	11	-	-
- Redeemable preference shares	169,887	183,134	-	-
	169,898	183,145	-	-
Group's share of post-acquisition reserves	84,286	76,157	-	-
	254,184	259,302	-	-
	967,159	957,824	634,925	634,925

# Notes to the Financial Statements

## 18. Interests in associated companies (cont'd)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Quoted shares, in Malaysia:				
Ordinary shares, at cost:	59,624	59,624	59,624	59,624
Group's share of post acquisition capital reserves	91,911	88,839	-	-
Group's share of post-acquisition profits, net of dividends receivable	191,821	180,393	-	-
	343,356	328,856	59,624	59,624
	1,310,515	1,286,680	694,549	694,549
Market value:				
Quoted shares, in Malaysia	733,882	577,443	733,882	577,443

The Group's interests in the associated companies are analysed as follows:

Name of Company	Paid-up capital RM	Proportion of ownership		Principal activities
		2010 %	2009 %	
<b>Associated companies incorporated in Malaysia</b>				
Syarikat Pengeluar Air Selangor Holdings Berhad	172,300,000	40	40	Investment holding and provision of management services, holding company to the concession holder of Sungai Selangor Water Supply Scheme Phase 1 and 3
Hicom-Gamuda Development Sdn. Bhd.	6,053,004	50	50	Property development
Kesas Holdings Berhad	470,914,840	30	30	Investment holding, holding company to the concession holder of an expressway
Lingkar Trans Kota Holdings Berhad (Quoted shares in Malaysia)	100,111,524	46	46	Investment holding and provision of management services, holding company to the concession holder of an expressway
Madang Permai Sdn. Bhd. *	5,000,000	36	36	Concession holder of an expressway
Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.	12,040,000	53	53	Investment holding, holding company to the concession holder of an expressway
Dyna Plastics Sdn. Bhd. *	48,001,720	41	41	In winding-up
<b>Associated companies incorporated in Mauritius</b>				
Held by Gamuda (Offshore) Private Limited:				
Suria Holding (O) Pvt. Ltd. * #	US\$13,909,096	50	50	Investment holding, holding company to the concession holder of an expressway
Gamuda - WCT (Offshore) Private Limited * #	US\$13,484,429	50	50	Investment holding, holding company to the concession holder of an expressway

\* Audited by firms other than Ernst & Young, Malaysia

# Financial year end of 31 July

**18. Interests in associated companies (cont'd)**

All associated companies have financial year end of 31 March, other than those marked with #. For the purpose of applying the equity method of accounting for associated companies with financial year end of 31 March, the last audited financial statements available and the management financial statements to the end of the accounting period of the associated companies have been used.

Pursuant to FRS 128: Investments in Associates, Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd ("SPRINT") is deemed to be an associate of Gamuda Berhad as the Company has significant influence in the financial and operating policy decisions of SPRINT but not control over those policies.

The summarised financial information of the associated companies, adjusted for the Group's share are as follows:

	2010 RM'000	2009 RM'000
<b>Assets and liabilities</b>		
Current assets	934,957	794,345
Non-current assets	3,665,795	3,582,339
<b>Total assets</b>	4,600,752	4,376,684
Current liabilities	(487,674)	(302,739)
Non-current liabilities	(2,895,608)	(2,873,882)
<b>Total liabilities</b>	(3,383,282)	(3,176,621)
<b>Results</b>		
Revenue	705,283	651,826
Profit for the year	153,996	143,210

**19. Interests in jointly controlled entities**

	Company	
	2010 RM'000	2009 RM'000
Unquoted shares, at cost	244,476	224,476

During the year, the Company subscribed for additional 200,000 preference shares of RM1 each in a jointly controlled entity, Horizon Hills Development Sdn. Bhd. for a total cash consideration of RM20,000,000.

Details of the jointly controlled entities are as follows:

Name of jointly controlled entity	Proportion of ownership		Economic activity
	2010 %	2009 %	
<b>Unincorporated in Malaysia</b>			
Malaysia Mining Corporation Berhad - Gamuda Berhad Joint Venture ("MMC Gamuda JV")	50	50	Undertake engineering, procurement and construction of an integrated Bypass Tunnel cum Motorway in Kuala Lumpur
Malaysia Mining Corporation Berhad - Gamuda Berhad Joint Venture Electrified Double Track Project ("MMC - Gamuda JV 2T")	50	50	Undertake engineering, procurement and construction of the Electrified Double-Tracking from Ipoh to Padang Besar Project

# Notes to the Financial Statements

## 19. Interests in jointly controlled entities (cont'd)

Name of jointly controlled entity	Proportion of ownership		Economic activity
	2010 %	2009 %	
<b>Incorporated in Malaysia</b>			
Projek Smart Holdings Sdn. Bhd.	50	50	Undertake, carry out and implement integrated Bypass Tunnel cum Motorway in Kuala Lumpur
MMC-Gamuda Joint Venture Sdn. Bhd.	50	50	Undertake, carry out and implement the Electrified Double-Tracking from Ipoh to Padang Besar Project
Horizon Hills Development Sdn. Bhd.	50	50	Undertake and carry out a mixed development mainly for residential purposes and a golf club in Johor Darul Takzim
<b>Unincorporated in Taiwan</b>			
New Asia Construction & Development Corporation - Gamuda Berhad Joint Venture ("New Asia - Gamuda JV") *	50	50	Undertake civil engineering construction of the Orange Line Package CO4 of the Kaohsiung Metropolitan Mass Rapid Transit System in Kaohsiung, Taiwan, Republic of China
<b>Unincorporated in Qatar</b>			
Sinohydro Corporation - Gamuda Berhad - WCT Engineering Berhad Joint Venture ("Sinohydro - Gamuda - WCT JV") ^	51	51	Design and construct the airfield facilities, tunnel and detention ponds of the New Doha International Airport in the State of Qatar
Gamuda Berhad - WCT Engineering Berhad Joint Venture ("Gamuda - WCT JV") ^ #	51	51	Undertake civil engineering construction of a new highway from the town of Shahaniya to the existing Zekreet interchange near the Dukhan industrial area in the State of Qatar
Gamuda Berhad - WCT Bahrain Berhad Joint Venture ("Gamuda - WCT Bahrain JV") ^	51	51	Supply materials for the construction of the New Doha International Airport in the State of Qatar

\* Audited by firms other than Ernst & Young

^ Audited by member firms of Ernst & Young Global in the respective countries

# The financial statements have been prepared on a going concern basis as the Joint Venture partners have agreed to provide adequate financial support

The summarised financial information of the jointly controlled entities, adjusted for Group's share are as follows:

	2010 RM'000	2009 RM'000
<b>Assets and liabilities</b>		
Current assets	1,720,163	1,936,472
Non-current assets	458,059	566,722
<b>Total assets</b>	<b>2,178,222</b>	<b>2,503,194</b>
Current liabilities	(1,744,358)	(2,131,080)
Non-current liabilities	(261,500)	(261,924)
<b>Total liabilities</b>	<b>(2,005,858)</b>	<b>(2,393,004)</b>
<b>Results</b>		
Revenue	1,392,741	1,773,253
Expenses, net	1,292,456	1,703,340

## 20. Other investments

	Group and Company	
	2010 RM'000	2009 RM'000
<b>At cost</b>		
Unquoted shares, in Malaysia	50	50
Investment in transferable club memberships	683	683
	<b>733</b>	<b>733</b>

## 21. Inventories

	Group	
	2010 RM'000	2009 RM'000
<b>Cost:</b>		
Raw materials	19,571	38,734
Finished goods	475	2,536
Crusher run and aggregates	2,284	1,200
Consumable stores and spares	6,990	4,435
Properties held for sale	44,160	47,709
	<b>73,480</b>	<b>94,614</b>
<b>Net realisable value:</b>		
Properties held for sale	6,258	6,468
	<b>79,738</b>	<b>101,082</b>

During the year, the amount of inventories recognised as an expense was RM47,560,000 (2009: 57,806,000).

## 22. Receivables

Receivables of the Group and of the Company are analysed as follows:

		Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current	(a)	1,607,772	1,459,134	72,832	127,663
Non-current	(b)	39,328	40,306	-	-
		<b>1,647,100</b>	<b>1,499,440</b>	<b>72,832</b>	<b>127,663</b>
<b>(a) Current</b>					
<b>Trade receivables</b>					
Trade receivables	(i)	620,447	647,927	9,841	26,818
Associated companies		145,103	102,178	-	-
Joint ventures		23,207	25,635	-	10,433
Retention sums		152,213	147,182	54,784	60,949
Accrued billing		61,645	45,874	-	-
Due from customers on contracts (Note 24)		411,155	379,319	-	10,640
		<b>1,413,770</b>	<b>1,348,115</b>	<b>64,625</b>	<b>108,840</b>
Less: Provision for doubtful debts		(2,714)	(2,687)	-	-
		<b>1,411,056</b>	<b>1,345,428</b>	<b>64,625</b>	<b>108,840</b>

## Notes to the Financial Statements

### 22. Receivables (cont'd)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>(a) Current (cont'd)</b>				
<b>Other receivables</b>				
Associated companies	115	3,267	49	82
Joint ventures	6,017	468	-	468
Deposits (ii)	87,181	18,064	711	8,225
Prepayments	22,059	7,859	3,938	4,924
Sundry receivables (iii)	81,344	84,048	3,509	5,124
	196,716	113,706	8,207	18,823
	1,607,772	1,459,134	72,832	127,663

#### (i) Trade receivables

Included in the trade receivables, is an amount due from the Government of Malaysia ("GOM") on construction contract on tunnel portion of the Stormwater Channel and Motorway Works as follows:

	Group	
	2010 RM'000	2009 RM'000
Amount due from the Government on:		
- Progress billings on construction contract	337,969	474,793
- Land acquisition costs	21	20,821
	337,990	495,614
Interest receivable	73,383	90,581
Total amount due from the Government	411,373	586,195
(Off set with):		
- SMARTSB MTN	(323,223)	(480,847)
- Interest payable on SMARTSB MTN	(73,383)	(90,581)
	14,767	14,767

The manner and time of payment of these costs shall be the same as the manner and the time for the repayment of the MTN by SMARTSB to the Principal Subscriber as may be certified by the GOM in the Facility Payment Certificate, as mentioned below.

To acknowledge its debts due, the GOM shall, from time to time, issue a Facility Payment Certificate ("FPC"), in which a jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd. ("SMARTSB") can sell, assign or transfer to another person (provided that the GOM has consented to such sale, assignment or transfer and received notice of the same). As part of the terms of the FPC, the GOM unconditionally and irrevocably agree and undertake to pay SMARTSB or, if the FPC has been sold, transferred or assigned to another person, to such person, the Net Amount Due as stated in the FPC. The Net Amount Due shall upon assignment, transfer or sale be conclusive evidence of a debt due and payable by the GOM to the assignee and payment of monies under the FPC shall be made without deduction, set-off or adjustments on any account.

On 4 August 2004, SMARTSB entered into an agreement with the Primary Subscriber to issue Medium Term Notes ("SMARTSB MTN") to finance the construction and land acquisition costs relating to the Stormwater Channel. The SMARTSB MTN is to be issued from time to time upon terms and conditions as agreed with the Primary Subscriber, and upon the assignment of all SMARTSB's rights, interests, title and benefits in and to each of the FPC mentioned above to the Primary Subscriber. The SMARTSB MTN is a zero coupon note and is to be issued at a discount by SMARTSB.

## 22. Receivables (cont'd)

## (a) Current (cont'd)

## (i) Trade receivables (cont'd)

The details of security arrangement in connection with the SMARTSB MTN are as follows:

1. Fixed and floating charge over all the assets and property of SMARTSB in relation to the Stormwater Channel Project.
2. An assignment of SMARTSB's rights, interests, title and benefits in and to each FPC and acknowledgement of the GOM to such assignment of FPC linked to the issuance of SMARTSB MTN.

As at the balance sheet date, SMARTSB has issued SMARTSB MTN with a nominal amount of RM426,179,000 (2009: RM631,678,000). The net proceeds received from the issuance of SMARTSB MTN have been used to off set against the amount due from the GOM.

The breakdown of SMARTSB MTN issued are as follows:

	2010 RM'000	Group 2009 RM'000
Principal amount:		
- Construction costs	323,202	460,025
- Land acquisition costs	21	20,822
Total off set against trade receivable	323,223	480,847
Unearned interests	102,956	150,831
Nominal value	426,179	631,678

The Group's and the Company's normal trade credit term ranges from 14 to 90 days (2009: 14 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

## (ii) Deposits

Included in deposits is an amount of RM55,067,000 (2009: Nil) paid for acquisition of shares. (Note 41(d))

## (iii) Sundry receivables

Included in sundry receivables is an amount of lease receivable as follows:

	2010 RM'000	Group 2009 RM'000
Gross receivables	3,312	14,875
Less: Unearned interests	(103)	(791)
	3,209	14,084
Minimum lease receivables:		
Not later than 1 year	3,125	6,920
Later than 1 year and not later than 5 years	187	7,955
	3,312	14,875
Less: Unearned Interests	(103)	(791)
	3,209	14,084
Present value of lease receivables:		
Not later than 1 year	3,023	6,334
Later than 1 year and not later than 5 years	186	7,750
	3,209	14,084

The tenure and the finance charge of the finance leases are 24 months (2009: 36 months) and 5.85% (2009: 5.85%) respectively.

The non-trade amount due from joint ventures is in respect of advances for construction contracts and the amount is unsecured, interest free and repayable through contra with future progress billings.

The non-trade amounts due from associated companies are unsecured, interest free and repayable on demand.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors, other than an amount due from the Government of Malaysia amounting to RM81,310,000 (2009: RM105,106,000).

# Notes to the Financial Statements

## 22. Receivables (cont'd)

### (b) Non-current

		Group	
		2010 RM'000	2009 RM'000
Amount due from an associated company	(i)	20,784	22,912
Amount due from a third party	(ii)	18,544	17,394
		39,328	40,306

#### (i) Amount due from an associated company

The amount due from an associated company to a subsidiary of the Group is in respect of the supply of bulk quantity of treated water supplied to the associated company. The amount is repayable in ten annual instalments commencing December 2006.

#### (ii) Amount due from a third party

The amount due from a third party represents present value of future cash flows repayable to the subsidiary in July 2013, analysed as follows:

		Group	
		2010 RM'000	2009 RM'000
Receivable within 1 year		-	19,531
Receivable later than 1 year and not later than 5 years		18,544	17,394
		18,544	36,925

## 23. Short term investments

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Private debt securities	20,000	20,000	-	-
Investment management funds	764,104	80,668	93,876	59,150
	784,104	100,668	93,876	59,150

Investment management funds represent funds placed with licensed fund managers. The portfolio of securities managed by the fund managers comprise of money market funds, commercial papers, government bonds and fixed deposits which are subject to insignificant risk of changes in value.

## 24. Amount due from/(to) customers on contracts

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Construction contract costs incurred to date	7,701,064	6,572,815	1,480,043	1,390,270
Recognised profits less recognised losses	315,307	205,695	52,229	58,512
Progress billings received and receivable	(8,211,591)	(6,792,679)	(1,534,905)	(1,438,142)
	(195,220)	(14,169)	(2,633)	10,640
Represented by:				
Due from customers on contracts (Note 22(a))	411,155	379,319	-	10,640
Due to customers on contracts (Note 35)	(606,375)	(393,488)	(2,633)	-
	(195,220)	(14,169)	(2,633)	10,640

**24. Amount due from/(to) customers on contracts (cont'd)**

The costs incurred to date on construction contracts include the following charges made during the financial year:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Finance costs (Note 7)	11,251	9,151	-	-
Depreciation (Note 11)	39,547	46,598	3,132	3,306
Staff costs (Note 5)	165,516	104,777	7,187	13,252
Hire of plant and equipment	41,858	39,669	-	-

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors, other than an amount due from the Government of the Socialist Republic of Vietnam amounting to RM343,505,000 (2009: RM134,044,000).

**25. Due from subsidiaries**

	Company	
	2010 RM'000	2009 RM'000
Due from subsidiaries		
- trade	623,542	898,753
- non-trade	839,251	338,770
	1,462,793	1,237,523

The trade amounts due from subsidiaries have a normal credit term which ranges from 30 to 90 days (2009: 30 to 90 days).

The non-trade amounts due from subsidiaries are unsecured, interest free and are repayable on demand except for advances of RM61,456,000 (2009: RM99,208,000) given to subsidiaries which bear interest at 6.0% to 7.0% (2009: 6.0% to 7.0%) per annum.

**26. Cash and bank balances**

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash on hand and at banks	304,458	181,601	70,819	10,130
Deposits with licensed banks	837,121	763,425	124,388	386,714
Investment in unit trusts	23,971	209,003	11,806	58,762
	1,165,550	1,154,029	207,013	455,606

Included in deposits with licensed banks is an amount of deposits of RM213,180,000 (2009: Nil) held pursuant to an Escrow Agreement entered with a third party and is restricted from use in other operations. (Note 41(d)).

Included in cash at banks of the Group is an amount of RM170,043,000 (2009: RM122,234,000) which are Housing Development Accounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

The investment in unit trusts is a scheme that invests in fixed deposit placements which allows prompt redemption at any time.

The range of interest rates of deposits as at balance sheet date was as follows:

	Group		Company	
	2010 %	2009 %	2010 %	2009 %
Licensed banks				
Malaysia	2.79	1.86	2.68	1.80
Qatar	2.67	2.83	3.40	5.50
Vietnam	9.67	7.30	-	-
Bahrain	0.43	-	0.68	-

The range of maturities of deposits as at balance sheet date were as follows:

	Group		Company	
	2010 Days	2009 Days	2010 Days	2009 Days
Licensed banks	3 - 192	1 - 365	21 - 184	1 - 147

# Notes to the Financial Statements

## 27. Share capital

	Number of ordinary shares of RM1 each		Amount	
	2010 '000	2009 '000	2010 RM'000	2009 RM'000
<b>Authorised:</b>				
At beginning/end of year	3,000,000	3,000,000	3,000,000	3,000,000
<b>Issued and fully paid:</b>				
At beginning of year	2,009,257	2,005,016	2,009,257	2,005,016
Exercise of ESOS	14,961	4,241	14,961	4,241
Conversion of warrants	1,670	-	1,670	-
At end of year	2,025,888	2,009,257	2,025,888	2,009,257

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

- (a) During the financial year, the Company increased its issued and paid-up share capital from RM2,009,257,108 (2009: RM2,005,016,108) to RM2,025,887,831 (2009: RM2,009,257,108) by way of:
- Issuance of 14,961,000 new ordinary shares of RM1.00 each for cash arising from the exercise of options under the Company's ESOS; and
  - Issuance of 1,669,723 new ordinary shares of RM1.00 each for cash arising from the exercise of Warrants 2010/2015 at the exercise price of RM2.66 per share in accordance with the Deed Poll dated 15 April 2010.
- (b) On 26 May 2010, the Company allotted and issued 252,306,013 new Warrants 2010/2015 at an issue price of RM0.10 each on the basis of 1 Warrant 2010/2015 for every 8 existing ordinary shares held in the Company on 30 April 2010. Each Warrant 2010/2015 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 26 May 2010 to 25 May 2015, at an exercise price of RM2.66 in accordance with the Deed Poll. Any Warrant 2010/2015 not exercised by the date of maturity will lapse thereafter and cease to be valid for all purposes.

The total number of warrants converted and expired during the year is as follows:

	Warrants 2010/2015	
	2010 '000	2009 '000
Allotted during the year	252,306	-
Converted	(1,670)	-
At end of year	250,636	-

- (c) The Gamuda Berhad Employees' Share Option Scheme ("ESOS") was approved by shareholders at the Extraordinary General Meeting held on 5 July 2006 and became effective for 5 years from 6 July 2006 to 5 July 2011 ("Expiry Date"). The Expiry Date was subsequently extended to 5 July 2014 on 22 December 2009 pursuant to By-law 17.3 of the ESOS.

The principal features of the ESOS are as follows:

- Eligible employees are full-time monthly paid employees and Executive Directors of the Group (including contract and non-Malaysian employees with a minimum three years of contract of service) whose employment has been confirmed. The selection of eligible employee for participation in the ESOS shall be at the discretion of the Options Committee.
- The ESOS shall be in force for a period of 5 years from 6 July 2006 subject however to any extension or renewal for a further period of not exceeding 5 years commencing from the day after the date of expiration of the original 5 years period as may be approved by all relevant parties.
- The total number of shares to be offered shall not exceed 10% of the issued and paid-up share capital of the Company at any point of time during the duration of the ESOS.
- The subscription price under the ESOS shall be the weighted average market price of the shares as shown in the Daily Official List issued by the Bursa Malaysia Securities Berhad for the 5 market days immediately preceding the date of offer of the options subject to a discount of not more than 10%, or at par value of the share, whichever is higher.

## 27. Share capital (cont'd)

The principal features of the ESOS are as follows: (cont'd)

- (v) The aggregate number of shares to be offered to an eligible employee in accordance with the ESOS shall be determined at the discretion of the Options Committee after taking into consideration, amongst other factors, the position, performance, seniority and the length of service that the eligible employee has rendered and subject to the maximum allowable allotment of shares for each eligible employee.
- (vi) The number of shares under the ESOS which remained unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company during the option period, whether such alteration is by way of capitalisation of profits or reserves, right issues, consolidation of shares, sub-division of shares or reduction of capital or otherwise howsoever taking place, made by the Company.
- (vii) The options shall not carry any right to vote at any general meeting of the Company and a grantee shall not be entitled to any dividends, right or other entitlements on his unexercised options.
- (viii) The options granted under ESOS are not assignable.
- (ix) There is no restriction on the employee in exercising and selling their Gamuda Shares which were allotted and issued pursuant to the exercise of their options.

If the net proceeds from the disposal is less than the Exercise Value (being the Exercise Price multiplied by the number of Gamuda Shares sold), the entire net proceeds will be released to the employee.

However, if the net proceeds is more than the Exercise Value, an amount equivalent to the Exercise Value will be released to the employee. The balance proceeds not released to the employee will be placed in an interest bearing account for the benefit of the employee. The balance proceeds (being the net proceeds less Exercise Value) together with the attributable interest, if any, will be released to the employee over the period of the scheme in accordance with Gamuda's ESOS By-Law on each anniversary of the effective date of the scheme.

- (x) The new shares allotted upon any exercise of the option shall rank pari passu in all respects with the then existing issued and paid-up ordinary shares of the Company except that the new shares so issued will not rank for any dividends, rights, allotments and/or other distributions, the entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments or other distributions) of which is prior to the date of allotment of the new shares.
- (xi) The employees to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.
- (xii) Options to subscribe for ordinary shares of RM1.00 each under ESOS were granted in the following phases:

	Exercise price (before rights issue of warrants) RM	Exercise price (after rights issue of warrants) RM	Number of options '000	Exercise period
6 July 2006	1.73	1.54	63,436	6 July 2006 - 5 July 2014
15 January 2007	2.60	2.32	14,064	15 January 2007 - 5 July 2014
8 August 2007	3.63	3.24	34,856	8 August 2007 - 5 July 2014
24 March 2008	2.98	2.66	11,852	24 March 2008 - 5 July 2014
1 July 2008	2.29	2.04	7,239	1 July 2008 - 5 July 2014
15 January 2009	1.94	1.73	8,009	15 January 2009 - 5 July 2014
15 July 2009	2.72	2.42	4,111	15 July 2009 - 5 July 2014
17 March 2010	2.79	2.49	5,129	17 March 2010 - 5 July 2014
19 March 2010	2.79	2.49	51,542	19 March 2010 - 5 July 2014

# Notes to the Financial Statements

## 27. Share capital (cont'd)

- (d) Breakdown of aggregate proceeds received from share options exercised during the financial year and the fair value, at exercise date, of ordinary shares issued are as follows:

	2010 RM'000	2009 RM'000
Ordinary shares	14,961	4,241
Share premium	15,901	3,432
<b>Aggregate proceeds received on shares issued</b>	<b>30,862</b>	<b>7,673</b>
<b>Aggregate fair value of ordinary shares at exercise date</b>	<b>47,386</b>	<b>10,942</b>

- (e) The number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year are as follows:

ESOS exercise price	←----- Movement during the year -----→				Outstanding and exercisable at 31 July 2010 '000
	Outstanding at 1 August 2009 '000	Granted '000	Exercised '000	Resigned '000	
	RM1.73	8,485	-	(3,518)	
RM1.54*			(1,672)	(81)	
RM2.60	7,170	-	(775)	(189)	5,150
RM2.32*			(1,039)	(17)	
RM3.63	29,315	-	-	(57)	29,198
RM3.24*			(19)	(41)	
RM2.98	11,852	-	(254)	(135)	11,032
RM2.66*			(391)	(40)	
RM2.29	6,982	-	(1,943)	(106)	4,603
RM2.04*			(287)	(43)	
RM1.94	7,318	-	(2,473)	(89)	4,169
RM1.73*			(533)	(54)	
RM2.72	4,111	-	(177)	-	3,698
RM2.42*			(224)	(12)	
RM2.79	-	56,671	(51)	-	55,008
RM2.49*			(1,605)	(7)	
	75,233	56,671	(14,961)	(2,040)	114,903
WAEP	2.88	2.79	2.06	2.04	2.62

\* Adjustments to option price following the completion of the Rights Issue of Warrants in accordance with Gamuda's ESOS By-law.

ESOS exercise price	←----- Movement during the year -----→				Outstanding and exercisable at 31 July 2009 '000
	Outstanding at 1 August 2008 '000	Granted '000	Exercised '000	Resigned '000	
	RM1.73	12,557	-	(3,239)	
RM2.60	7,224	-	(54)	-	7,170
RM3.63	29,643	-	-	(328)	29,315
RM2.98	11,852	-	-	-	11,852
RM2.29	-	7,239	(257)	-	6,982
RM1.94	-	8,009	(691)	-	7,318
RM2.72	-	4,111	-	-	4,111
	61,276	19,359	(4,241)	(1,161)	75,233
WAEP	2.99	2.24	1.81	2.27	2.88

## 27. Share capital (cont'd)

## (f) Fair value of share options granted

The fair value of share options granted during the year was estimated by an external valuer using a binomial model, taking into account of the terms and conditions upon which the options were granted. During the year, the modifications made to the share options are as follows:

- (i) extension of Expiry Date to 5 July 2014, pursuant By-Law 17.3 of the ESOS effective on 22 December 2009.
- (ii) price adjustment, pursuant to the Rights Issue of Warrants effective on 3 May 2010.

The fair value of share options measured at the respective date and the assumptions are as follows:

	ESOS								
Option price, before rights issue of warrants (RM)	1.73	2.60	3.63	2.98	2.29	1.94	2.72	2.79	2.79
Option price, after rights issue of warrants (RM)	1.54	2.32	3.24	2.66	2.04	1.73	2.42	2.49	2.49
Fair value of share options, at the following grant dates and modification dates (RM):									
- Grant date	0.23	-	-	-	-	-	-	-	-
- 22 December 2009	0.93	-	-	-	-	-	-	-	-
- 3 May 2010	1.39	-	-	-	-	-	-	-	-
- Grant date	-	0.29	-	-	-	-	-	-	-
- 22 December 2009	-	0.34	-	-	-	-	-	-	-
- 3 May 2010	-	0.61	-	-	-	-	-	-	-
- Grant date	-	-	0.39	-	-	-	-	-	-
- 22 December 2009	-	-	0.16	-	-	-	-	-	-
- 3 May 2010	-	-	0.27	-	-	-	-	-	-
- Grant date	-	-	-	0.18	-	-	-	-	-
- 22 December 2009	-	-	-	0.29	-	-	-	-	-
- 3 May 2010	-	-	-	0.42	-	-	-	-	-
- Grant date	-	-	-	-	0.53	-	-	-	-
- 22 December 2009	-	-	-	-	0.37	-	-	-	-
- 3 May 2010	-	-	-	-	0.89	-	-	-	-
- Grant date	-	-	-	-	-	0.46	-	-	-
- 22 December 2009	-	-	-	-	-	0.72	-	-	-
- 3 May 2010	-	-	-	-	-	1.20	-	-	-
- Grant date	-	-	-	-	-	-	0.64	-	-
- 22 December 2009	-	-	-	-	-	-	0.32	-	-
- 3 May 2010	-	-	-	-	-	-	0.50	-	-
- Grant date	-	-	-	-	-	-	-	0.38	-
- 3 May 2010	-	-	-	-	-	-	-	0.43	-
- Grant date	-	-	-	-	-	-	-	-	0.31
- 3 May 2010	-	-	-	-	-	-	-	-	0.43
Weighted average share price (RM):									
- Grant date	3.52 ^	5.20 ^	7.20 ^	2.98	2.33	1.97	2.87	2.80	2.72
- 22 December 2009	2.66	2.66	2.66	2.66	2.66	2.66	2.66	*	*
- 3 May 2010	2.92	2.92	2.92	2.92	2.92	2.92	2.92	2.92	2.92
Expected volatility									
- Grant date	30.00%	30.00%	30.00%	40.00%	40.00%	45.00%	45.00%	45.00%	45.00%
- 22 December 2009	30.00%	30.00%	30.00%	40.00%	40.00%	45.00%	45.00%	*	*
- 3 May 2010	30.00%	30.00%	30.00%	40.00%	40.00%	45.00%	45.00%	45.00%	45.00%

# Notes to the Financial Statements

## 27. Share capital (cont'd)

The fair value of share options measured at the respective date and the assumptions are as follows: (cont'd)

	ESOS								
Option price, before rights issue of warrants (RM)	1.73	2.60	3.63	2.98	2.29	1.94	2.72	2.79	2.79
Option price, after rights issue of warrants (RM)	1.54	2.32	3.24	2.66	2.04	1.73	2.42	2.49	2.49
Risk free rate									
- Grant date	4.22%	3.56%	3.43%	3.38%	3.79%	2.76%	2.01%	2.66%	2.67%
- 22 December 2009	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	*	*
- 3 May 2010	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%
Expected dividend yield <sup>†</sup>	3.20%	3.20%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

The expected volatility is based on historical data and is not necessarily indicative of exercise patterns that may occur.

\* Share options are granted after modification on extension of Expiry Date.

<sup>†</sup> Expected dividend yield is assumed to be the same for all dates.

<sup>^</sup> Before bonus issue on 25 October 2007.

## 28. Other reserves (non-distributable)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>Capital reserve</b>				
At beginning of year	88,839	85,775	-	-
Movement in capital reserve in an associated company	3,072	3,064	-	-
At end of year	91,911	88,839	-	-
<b>Foreign exchange reserve</b>				
At beginning of year	16,451	3,375	251	832
Currency translation differences	(81,756)	13,076	6,258	(581)
At end of year	(65,305)	16,451	6,509	251
<b>Warrants reserve</b>				
At beginning of year	-	-	-	-
Issuance of warrants	25,231	-	25,231	-
Conversion of warrants	(167)	-	(167)	-
At end of year	25,064	-	25,064	-
<b>Total other reserves</b>	<b>51,670</b>	<b>105,290</b>	<b>31,573</b>	<b>251</b>

## 29. Retained profits

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 July 2010, the Company has sufficient credit in the 108 balance to pay franked dividends amounting to RM62,039,000 (2009: RM 244,101,000) out of its retained earnings. If the balance of the retained earnings of RM276,493,000 (2009: RM179,004,000) were to be distributed as dividends, the Company may distribute such dividends under its tax exempt income and under the single tier system.

**30. Retirement benefit obligations**

The Group operates an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its employees. Under the Scheme, eligible employees are entitled to retirement benefits of 2.5% on the last drawn monthly basic salary for each completed months of services on attainment of the retirement age of 55.

The amounts recognised in the balance sheet are determined as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Present value of unfunded defined benefit obligations	11,302	9,609	3,837	3,094
Actuarial gains/(loss), net	328	847	(740)	-
<b>Net liability</b>	<b>11,630</b>	<b>10,456</b>	<b>3,097</b>	<b>3,094</b>
Analysed as:				
Current (Note 35)	1,774	252	1,325	39
Non-current:				
Later than 1 year but not later than 2 years	1,410	351	854	235
Later than 2 years but not later than 5 years	2,283	3,878	324	1,580
Later than 5 years	6,163	5,975	594	1,240
Amount included in other payables (Note 31)	9,856	10,204	1,772	3,055
	11,630	10,456	3,097	3,094

The amounts recognised in the income statements are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current service cost	2,959	953	218	163
Interest cost	339	525	218	149
Actuarial loss/(gain) recognised in the year	371	596	(126)	-
<b>Total, included in staff costs and directors' remuneration (Notes 5 and 6)</b>	<b>3,669</b>	<b>2,074</b>	<b>310</b>	<b>312</b>

Movements in the net liabilities in the current year were as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At beginning of year	10,456	8,477	3,094	2,807
Recognised in income statement	3,669	2,074	310	312
Contributions paid	(2,495)	(95)	(307)	(25)
<b>At end of year</b>	<b>11,630</b>	<b>10,456</b>	<b>3,097</b>	<b>3,094</b>

Principal actuarial assumptions used:

	2010 %	2009 %
Discount rate	6.1	6.3
Expected rate of salary increases	6.0 - 8.0	6.0
Price inflation	3.5	3.5

# Notes to the Financial Statements

## 31. Other payables

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Advance membership fees	7,328	5,447	-	-
Retirement benefit obligations (Note 30)	9,856	10,204	1,772	3,055
	17,184	15,651	1,772	3,055

Advance membership fees received are in connection with the provision of services by way of golfing, sporting and other recreational facilities. The advance membership fees are recognised as income on a fixed annualised basis over the duration of the membership which is 62 years.

## 32. Deferred tax

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At beginning of year	(6,031)	3,772	(3,092)	109
Recognised in income statement (Note 8)	1,233	(9,803)	(1,632)	(3,201)
At end of year	(4,798)	(6,031)	(4,724)	(3,092)
Presented after appropriate offsetting as follows:				
Deferred tax assets	(21,824)	(23,114)	(4,724)	(3,092)
Deferred tax liabilities	17,026	17,083	-	-
	(4,798)	(6,031)	(4,724)	(3,092)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

### Deferred tax liabilities of the Group:

	Accelerated capital allowances RM'000
At 1 August 2009	20,551
Recognised in income statement	781
At 31 July 2010	21,332
At 1 August 2008	20,848
Recognised in income statement	(297)
At 31 July 2009	20,551

## 32. Deferred tax (cont'd)

## Deferred tax assets of the Group:

	Retirement benefit obligations RM'000	Provisions and accruals RM'000	Property development costs RM'000	Total RM'000
At 1 August 2009	(2,218)	(21,260)	(3,104)	(26,582)
Recognised in income statement	(421)	1,472	(599)	452
At 31 July 2010	(2,639)	(19,788)	(3,703)	(26,130)
At 1 August 2008	(1,974)	(12,844)	(2,258)	(17,076)
Recognised in income statement	(244)	(8,416)	(846)	(9,506)
At 31 July 2009	(2,218)	(21,260)	(3,104)	(26,582)

## Deferred tax liabilities of the Company:

	Accelerated capital allowances RM'000
At 1 August 2009	1,042
Recognised in income statement	(716)
At 31 July 2010	326
At 1 August 2008	2,567
Recognised in income statement	(1,525)
At 31 July 2009	1,042

## Deferred tax assets of the Company:

	Retirement benefit obligations RM'000	Provisions and accruals RM'000	Total RM'000
At 1 August 2009	(773)	(3,361)	(4,134)
Recognised in income statement	(1)	(915)	(916)
At 31 July 2010	(774)	(4,276)	(5,050)
At 1 August 2008	(702)	(1,756)	(2,458)
Recognised in income statement	(71)	(1,605)	(1,676)
At 31 July 2009	(773)	(3,361)	(4,134)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2010 RM'000	2009 RM'000
Unused tax losses	114,690	119,515
Unabsorbed capital allowances	11,058	10,237
Unutilised reinvestment allowances	1,457	1,457
Other deductible temporary differences	596	1,673
	127,801	132,882

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group are subject to no substantial changes in shareholdings of the Group and guidelines issued by the tax authority. The availability of unused tax losses of foreign jointly controlled entities has a utilisation period of 3 years as pre-determined by the tax legislations of the respective countries.

# Notes to the Financial Statements

## 33. Long term borrowings

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Murabahah medium term notes ("MTN") (a)	900,000	880,000	800,000	480,000
Term loans - secured (b)	378,736	330,500	-	-
	1,278,736	1,210,500	800,000	480,000

### (a) Murabahah medium term notes ("MTN")

The MTN are drawdown by the following entities:

		Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Gamuda Berhad	(i)	800,000	480,000	800,000	480,000
Harum Intisari Sdn. Bhd. ("HISB")		-	300,000	-	-
Horizon Hills Developments Sdn. Bhd. ("HHDSB")	(ii)	100,000	100,000	-	-
		900,000	880,000	800,000	480,000

- (i) The MTN amounting to RM800 million was drawdown by the Company in three tranches.

The amount drawdown, issuance date, maturity date and yield as at issuance date of the MTN are as follows:

	Amount drawdown RM'000	Issuance date	Maturity date %	Yield at issuance date %
Issue No. 1	180,000	24.1.2008	24.1.2013	4.59
Issue No. 2	300,000	04.6.2008	04.6.2013	5.16
Issue No. 3	320,000	01.4.2010	01.4.2015	5.25
	800,000			

- (ii) This represents the Group's share of the RM200 million MTN drawdown by HHDSB.

The amount drawdown, issuance date, maturity date and yield as at issuance date of the MTN are as follows:

	Amount drawdown RM'000	Issuance date	Maturity date %	Yield at issuance date %
Issue No. 1	35,000	14.6.2007	14.6.2012	3.95
Issue No. 2	10,000	16.11.2007	16.11.2012	4.35
Issue No. 3	15,000	10.5.2008	10.5.2013	4.45
Issue No. 4	10,000	8.7.2008	8.7.2011	5.50
Issue No. 5	15,000	12.8.2008	12.8.2011	4.50
Issue No. 6	15,000	12.12.2008	12.12.2013	4.30
	100,000			

The MTN and CP as disclosed in Note 34(a) are secured by an unconditional and irrevocable undertaking from the Company to provide equity contributions (in the form of redeemable preference shares and/or ordinary shares) substantially in the form and substance acceptable to the Lead Arranger and the Security Trustee to meet:

- any financial obligation of HHDSB under the Programme and the Kafalah Facility (inclusive of principal and profit payments and fees and expenses) of up to RM280 million in the event that HHDSB does not have sufficient funds to meet such obligations; and/or
- any cash flow deficit of the Project and the Financial Covenants of up to RM30 million in a manner proportionate to the Company's shareholding percentage in HHDSB.

## 33. Long term borrowings (cont'd)

## (b) Term loans - secured

The term loans are drawdown by the following entities:

		Group	
		2010 RM'000	2009 RM'000
Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd. ("SMARTSB")	(i)	161,500	161,500
Jade Homes Sdn. Bhd.	(ii)	217,236	169,000
		378,736	330,500

- (i) The term loan is drawdown by a jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd. ("SMARTSB") in relation to the motorway development of the Stormwater Channel and Motorway Works ("the Project").

The term loan shall be repaid over 28 semi-annual instalments commencing from 2011 over 14 years with yields ranging from 5.55% to 5.76% at issuance dates.

The loan is secured by the following:

1. debentures to create a fixed and floating charge over all present and future assets of SMARTSB and Projek Smart Holdings Sdn. Bhd. ("PSHSB");
2. assignment of Principal Contracts whereby SMARTSB has awarded Gamuda Berhad to undertake a specified scope of work in respect of the Project;
3. assignment of Toll Revenue and Designated Accounts by SMARTSB including all its rights, interests, titles and benefits;
4. Deed of Subordination whereby PSHSB has subordinated or agreed to subordinate all loan stocks held; and
5. an undertaking from PSHSB and an undertaking from the shareholders of PSHSB to promptly provide funding for the Project as and when required to meet cost overruns during the construction and cash flow deficits during the operations.

The term loan was obtained on a non-recourse basis to the Group.

- (ii) The term loan was drawdown by a subsidiary, Jade Homes Sdn. Bhd. for the purpose of repayment of shareholders' advances for cost incurred in relation to land costs, infrastructure, earth works and land conversion premium on the Jade Hills project.

Term loan is repayable as follows:

	Group	
	2010 RM'000	2009 RM'000
Within one year (Note 34)	1,043	25,000
Between two to five years	217,236	166,800
More than five years	-	2,200
	218,279	194,000

The facility is guaranteed by the holding company, Gamuda Berhad.

## 34. Short term borrowings

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>Secured:</b>				
Commercial papers (a)	35,000	35,000	-	-
MTN (b)	300,000	-	-	-
<b>Unsecured:</b>				
Term loan (Note 33(b)(ii))	1,043	25,000	-	-
Revolving credits	175,230	268,165	175,230	268,165
	511,273	328,165	175,230	268,165

# Notes to the Financial Statements

## 34. Short term borrowings (cont'd)

### (a) Commercial papers

The Commercial Papers of RM35 million (2009: RM35 million) represents the Group's share of the total of RM70 million (2009: RM70 million) drawdown by HHDSB. The Commercial Papers is secured by the terms as disclosed in Note 33(a)(ii).

### (b) MTN

The MTN amounting to RM300 million drawdown by a wholly-owned subsidiary, HISB, is secured by a corporate guarantee from the Company. The first and second issuance of RM200 million and RM100 million MTN respectively with tenure of 5 years were completed on 28 September 2005 and 17 March 2006 respectively.

The amount drawdown, issuance date, maturity date and yield as at issuance dates of the MTN are as follows:

	Amount drawdown RM'000	Issuance date	Maturity date	Yield at issuance date %
Issue No. 1	200,000	28.9.2005	28.9.2010	4.5
Issue No. 2	100,000	17.3.2006	17.3.2011	5.0
	300,000			

The weighted average effective interest rates for long term and short term borrowings (per annum) as at balance sheet date are as follows:

	Group		Company	
	2010 %	2009 %	2010 %	2009 %
Murabahah medium term notes	3.99	4.76	3.67	4.95
Revolving credits, denominated in - US dollar	1.70	2.65	1.70	2.65
Commercial papers	2.94	3.09	-	-
Term loan	4.40	4.52	-	-

## 35. Payables

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<b>Trade payables</b>				
Trade payables	390,730	355,555	2,264	6,605
Due to associated companies	29	389	-	-
Due to joint ventures	20,618	7,686	5,656	25,180
Retention sums	122,579	82,754	7,492	8,059
Progress billing	18,739	1,566	-	-
Due to customers on contracts (Note 24)	606,375	393,488	2,633	-
	1,159,070	841,438	18,045	39,844
<b>Other payables</b>				
Retirement benefit obligations (Note 30)	1,774	252	1,325	39
Sundry payables	35,132	49,856	-	-
Accruals	110,526	120,640	36,908	32,473
Dividends payable	91,275	60,405	91,275	60,405
Due to associated companies	227	51	-	-
Due to joint ventures	2,734	-	-	-
	241,668	231,204	129,508	92,917
	1,400,738	1,072,642	147,553	132,761

**35. Payables (cont'd)**

The normal trade credit term granted to the Group and the Company ranges from 30 to 90 days (2009: 30 to 90 days).

The amounts due to associated companies and joint ventures are in respect of advances received for construction contracts and the amounts are unsecured, interest free and repayable through contra with future progress billings.

Included in sundry payables of the current financial year is an amount of RM4,977,000 (2009: RM31,792,000) representing the balance purchase consideration for the purchase of freehold land for development by a subsidiary.

**36. Due to subsidiaries**

	Company	
	2010 RM'000	2009 RM'000
Due to subsidiaries		
- trade	44,235	17,535
- non-trade	160,980	117,441
	205,215	134,976

Included in amount due to subsidiaries of previous year is an amount due to an unincorporated subsidiary of RM5,530,000.

The trade amounts due to subsidiaries have a normal credit term which ranges from 30 to 90 days (2009: 30 to 90 days).

The non-trade amounts due to subsidiaries are unsecured, interest free and repayable on demand.

**37. Provision for liabilities**

Group	Provision for promotional costs RM'000 Note (a)	Provision for development costs RM'000 Note (b)	Total RM'000
	At 1 August 2009	21	11,805
Reversal for the year	(21)	(1,520)	(1,541)
At 31 July 2010	-	10,285	10,285
At 1 August 2008	257	7,042	7,299
(Reversal)/provision for the year	(236)	4,763	4,527
At 31 July 2009	21	11,805	11,826

**(a) Provision for promotional costs**

The Company is obliged to give rebates on the purchase price and refund the payment of interest on loan and stamp duty of the purchasers via various incentive schemes offered during the financial year.

**(b) Provision for development costs**

Provision for development costs is in respect of development projects undertaken by its subsidiaries. The provision is recognised for development costs expected to be incurred for the completed projects.

The Company recognised provision for development costs as it had a present obligation as a result of a past event and it was probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

# Notes to the Financial Statements

## 38. Commitments

	2010 RM'000	Group 2009 RM'000
Approved and contracted for:		
Property, plant and equipment	4,595	6,582
Land	208,105	123,672
Investment (Note 41(d))	213,180	-

## 39. Material litigations

- (i) On 23 January 2006, a jointly controlled entity, MMC-Gamuda JV ("Joint Venture") had terminated Wayss & Freytag (Malaysia) Sdn. Bhd. ("W&F") as the sub-contractor for the North Tunnel of the Stormwater Management and Road Tunnel Project due to a breach of contract in accordance with the sub-contract dated 16 April 2003 ("Sub-Contract").

Following the termination of the Sub-Contract and in accordance with the terms and conditions of the Sub-Contract, both the Joint Venture and W&F submitted various claims against each other to the Dispute Adjudication Board ("DAB") for adjudication. The Joint Venture's total claim against W&F was for a sum of RM161,312,000. W&F's total claim against the Joint Venture was for a sum of RM153,818,000.

According to the DAB's decision on the various claims submitted, the Joint Venture is to pay W&F a net sum of RM102,367,000. Under the terms of the Sub-Contract, any party who is dissatisfied with the decisions of the DAB may issue a Notice of Dissatisfaction and require the matter to be referred to arbitration. The Joint Venture had issued several Notices of Dissatisfaction against the DAB's decisions.

On 17 December 2008, the Joint Venture issued a Notice of Arbitration to commence arbitration proceedings against W&F for the sum of RM154,775,000 for breach of the Sub-Contract. In turn, W&F on 15 January 2009 issued a Notice of Arbitration to commence arbitration proceedings against the Joint Venture in respect of their claims amounting to RM151,279,000.

A preliminary meeting between the Arbitral Tribunal members and the parties' respective solicitors was held on 17 September 2009 where the Arbitral Tribunal has directed that the arbitration proceedings commence by both parties be heard together over the period 4 July 2011 till 15 July 2011.

Subsequently, by mutual agreement of the parties and with the concurrence of the Arbitral Tribunal, the hearing dates have now been changed to 18 July 2011 till 29 July 2011. 1 August 2011 to 5 August 2011 are reserved dates for the hearing.

On 13 November 2008, W&F had served a Writ of Summons and a Statement of Claim ("the Court Action") against the Joint Venture for a declaration that the Joint Venture is in breach of the Sub-Contract by failing to make payment of RM102,367,000 awarded by the DAB to W&F.

On 1 June 2009, the Joint Venture obtained a Stay of Proceedings on the Court Action from the Senior Assistant Registrar of the Court. On the same day, W&F filed an appeal to the High Court Judge against the Stay of Proceedings on the Court Action.

On 30 October 2009, the Court dismissed W&F's appeal against the Court's earlier decision to stay the Court Action. The Court Action is now fixed for mention on 22 October 2010.

In the arbitration proceedings, the potential gain to the Joint Venture in succeeding in its claims could be up to RM140,604,000 and the potential loss from losing to W&F's claim for wrongful termination could be up to RM120,422,000.

In the Court Action, the potential loss could range up to RM102,367,000.

**39. Material litigations (cont'd)**

- (ii) Bahrain Asphalt Establishment B.S.C (Closed) ("BAE") had on 4 March 2010 served a Request For Arbitration against Gamuda Berhad ("Company") (as the 1st Respondent), WCT Berhad (as the 2nd Respondent) and Gamuda-WCT Joint Venture, Qatar ("the JV") (as the 3rd Respondent), to refer certain alleged disputes to arbitration in Qatar. The Company's and WCT Berhad's interests in the JV are in the proportions of 51% and 49% respectively.

BAE was appointed as the sub-contractor for the works known as the granular sub-base and flexible pavement works ("Sub-contract Works") for the JV's project known as "Dukhan Highway From Shahaniya to Zekreet" which involves the construction of a 43 km new highway from Shahaniya to Zekreet in Qatar.

BAE is claiming from the Respondents, jointly and severally, a total quantified sum of QAR109,267,214 (approximately RM95,729,006) comprising:-

- (a) QAR 94,867,841 for alleged prolongation, escalation, collateral and associated costs for 728 days' delay in completion of the Sub-contract works;
- (b) QAR 13,434,404 for alleged Gabbro Aggregate overcharge/wrongful deductions;
- (c) QAR 964,969 for alleged wrongful deduction for supply of bitumen;

and further unquantified sums for legal costs, arbitration costs and interest (collectively referred to as "the Claims").

The Arbitral Tribunal has been constituted on 19 July 2010.

On 27 July 2010, BAE had submitted to the Arbitral Tribunal a further total quantified sum of QAR 20,714,978 (approximately RM18,148,393) for alleged wrongful deductions. Subsequently, BAE has reduced this further total quantified sum to QAR 15,111,338 (approximately RM13,010,862).

The Company is of the opinion that the Request For Arbitration by BAE is pre-mature as the preconditions stipulated in the arbitration clause have not been met. In addition to the fact that the request is pre-mature, the Company is also of the view that the Respondents have a good defence against the Claims.

**40. Significant related party transactions**

- (a) In addition to transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Contract services rendered by SSP (E&M) Sdn. Bhd., a company in which a director, Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim has interest	76	35	-	-
Contract services rendered by Sepakat Setia Perunding Sdn. Bhd., a company in which a director, Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim has interest	2,423	5,422	-	-
Contract services rendered by GLC Architect, a company in which a person connected with a director, Y Bhg Dato' Goon Heng Wah, has interest	454	94	-	-
Contract services rendered to Syarikat Pengeluar Air Sungai Selangor Sdn. Bhd., an associated company	(108,795)	(90,496)	-	-
Contract services rendered to MMC-Gamuda JV 2T	(44,618)	(43,961)	-	-
Gross dividends receivable from subsidiaries	-	-	(39,933)	(27,667)
Gross dividends receivable from associates	-	-	(108,199)	(186,032)
Rental received from subsidiaries	-	-	(675)	(675)
Interest receivable from subsidiaries	-	-	(6,691)	(7,022)

The directors are of the opinion that the transactions above have been entered into in the normal course of business.

# Notes to the Financial Statements

## 40. Significant related party transactions (cont'd)

### (b) Compensation of key management personnel ("KMP"):

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity either directly or indirectly.

The remuneration of key management personnel during the year was as follows:

Total KMPs' remuneration	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Total	7,020	6,940	5,191	5,129

For the details of Board of Directors' remuneration, please refer to Note 6.

## 41. Significant events

### (a) Nam Theun 1 Project

On 26 May 2004, the Company entered into the Project Development Agreement ("PDA") with the Government of Lao People's Democratic Republic ("Lao PDR") with a view of developing, on a build, operate and transfer ("BOT") basis, the Nam Theun 1 Hydroelectric Power Project ("the Project") to supply electricity to Electricity Generating Authority of Thailand ("EGAT").

On 18 December 2006, the Company announced the signing of a Memorandum of Understanding ("Tariff MoU") by the Company and Electricity Generating Public Company Limited ("EGCO") with EGAT to establish and record the parties' agreements on the key commercial terms under which a Power Purchase Agreement ("PPA") would be finalised for the future purchase of hydroelectric power to be generated by the Nam Theun 1 Project. However, the Tariff MOU has lapsed in mid June 2008 and the project company is currently negotiating for a new tariff structure with EGAT.

The terms and validity of the PDA has been extended to 30 March 2011.

### (b) Sale of Syarikat Pengeluar Air Selangor Holdings Berhad

Syarikat Pengeluaran Air Sungai Selangor Sdn. Bhd. ("SPLASH") has on 21 July 2009 accepted the offer from Selangor State Government ("SSG") to purchase the water-related assets and operations of SPLASH ("transaction") for an estimated gross price of RM2,975,000,000 under the terms and conditions as set out in SSG's Third Letter of Offer dated 15 July 2009 ("the Acceptance"). The Acceptance is also conditional upon the following:-

- (i) approvals from the relevant authorities or any other approvals/consents as may be required to complete the Transaction;
- (ii) execution of all necessary legal documents including a supplemental agreement between Sungai Harmoni Sdn. Bhd. and/or Gamuda Water Sdn. Bhd. ["Operator(s)"] and SPLASH/SSG/SSG'S nominee to incorporate necessary amendments to the respective operations and maintenance ("O&M") Agreement(s) dated 24 January 2000 to reflect SSG's commitment to continue to retain and not to terminate the services of the Operators;
- (iii) the settlement of the offer price on a one lump sum cash basis within an agreed timeframe; and
- (iv) the Transaction is to be accomplished via a sale of shares of Syarikat Pengeluar Air Selangor Holdings Berhad, the holding company of SPLASH, to SSG or its nominee as opposed to a sale of assets to facilitate a less complicated consolidation of operations in the Selangor water industry and to accomplish a more efficient transition of the O&M contracts to SSG or its nominee.

However, the offer dated 15 July 2009 had lapsed on 30 November 2009.

On 24 March 2010, SPLASH made an offer of RM10,750,000,000 to take over water assets and operations of the water services industry of the Selangor State/Federal Territory. The offer was submitted to the Federal Government ("FG") and SSG.

On 20 April 2010, SPLASH submitted a 're-aligned offer' to the SSG which is basically the same offer as the one dated 24 March 2010 except that the water assets purchased by SPLASH are now sold to Pengurusan Aset Air Berhad, and then leased back for operations. SPLASH will become 'asset light', and thus, 're-aligned' within the spirit of the Water Services Industry Act 2006.

On 17 May 2010, the FG wrote to inform SPLASH that they will be making new offers to all water players. As such the FG will not be considering SPLASH's offer as yet in order to allow new offers to be made to SPLASH and the other water players in Selangor.

On 2 July 2010, SPLASH wrote to the FG and the SSG to inform that they have yet to receive any new offer with respect to their letter dated 17 May 2010. In turn, SPLASH stated that its current offer to the FG and the SSG will remain good until 31 December 2010.

To date, SPLASH has not received any response from both the FG and the SSG.

## 41. Significant events (cont'd)

## (c) Acquisition of land

On 30 June 2010, Idaman Lantias Sdn. Bhd., a wholly-owned subsidiary of the Company has entered into an agreement to acquire the parcels of land known as Geran 27332 Lot 106, Geran 27328 Lot 281, Geran 27327 Lot 283, Geran 27326 Lot 287 and Geran 17843 Lot 251, in Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan, for a consideration of RM105,080,000. The acquisition has not been completed as at year end.

As at year end, a deposit of RM10,647,000 has been placed with regards to the acquisition.

## (d) Proposed acquisition of 60% equity interest in Sai Gon Thuong Tin Tan Thang Investment Real Estate Joint Stock Company ("Tan Thang Company")

On 10 March 2010, Gamuda Land (HCMC) Sdn. Bhd. ("Gamuda HCMC"), a wholly-owned subsidiary of the Company, has entered into the following agreements:-

- (i) Sale of Shares Agreement ("SSA") with Sai Gon Thuong Tin Real Estate Joint Stock Company ("Sacomreal") for the proposed acquisition by Gamuda HCMC of a 60% equity interest in Sai Gon Thuong Tin Tan Thang Investment Real Estate Joint Stock Company ("Tan Thang Company") from Sacomreal for a total cash consideration of USD82,800,000 ("Consideration");
- (ii) an Escrow Agreement with Sacomreal and the Hong Leong Bank Vietnam Limited to create an escrow account to facilitate the payment of the Consideration in accordance with the terms of the SSA; and
- (iii) a Shareholders' Agreement with Sacomreal and Ms. Chau Kim Yen to regulate their rights and obligations vis-a-vis each other in the Tan Thang Company.

Upon the completion of the proposed acquisition, the equity of Tan Thang Company shall be held as follows:

	Equity held (%)
Gamuda HCMC	60%
Sacomreal	30%
Ms. Chau Kim Yen	10%
	100%

Tan Thang Company has the rights for the investment and construction of a parcel of land located at Son Ky Ward, Tan Phu District, Ho Chi Minh City, Vietnam, measuring approximately 825,216.5 square metres. The project comprises developments of residential, sports and educational complex with an estimated gross development value of RM6,000,000,000 (USD1,700,000,000). As at year end, a deposit amounting to RM55,067,000 (USD16,500,000) was paid. Subsequently to year end, the balance consideration of RM213,180,000 (USD66,240,000) was paid. The acquisition was completed on 9 September 2010.

## 42. Financial instruments

## (a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board.

## (b) Interest rate risk

The Group's primary interest rate risk relates to deposits and interest-bearing debts. The investments in financial assets are mainly short term in nature and mostly have been placed in repositories and fixed deposits.

The Group manages its interest exposure on interest-bearing financial liabilities by maintaining a prudent mix of fixed and floating rate borrowings, as well as entering into interest rate swaps. The Group also regularly reviews its debt portfolio and such strategy enables it to source low interest funding from the market and achieve a certain level of protection against interest rate hike.

As at balance sheet date, 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 (USD)	Amount in foreign currency USD'000	Maturities more than 3 years RM'000	Contract date	Maturity dates
From floating rate of 3-month LIBOR to fixed rate ranging from 1.845% to 2.495%	45,000	143,370	November 2009 - July 2010	November 2014 - July 2015

The information on the terms and maturity dates of borrowings and deposits are disclosed in their respective notes.

# Notes to the Financial Statements

## 42. Financial instruments (cont'd)

### (c) Foreign exchange risk

The Group operates in India, Taiwan, Qatar, Bahrain and Vietnam and is exposed to Indian Rupee, New Taiwan Dollar, Qatari Riyal, Bahraini Dinar, United States Dollar and Vietnam Dong currencies. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposure.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the business is located.

Included in the following balance sheet captions of the Group as at balance sheet date are balances denominated in the following major foreign currencies:

Group	Vietnam Dong RM'000	Indian Rupee RM'000	New Taiwan Dollar RM'000	United States Dollar RM'000	Qatari Riyal RM'000	Bahraini Dinar RM'000	Total RM'000
<b>At 31 July 2010:</b>							
Cash, deposits and bank balances	264,440	5,513	1,963	1	103,755	60,109	436,794
Receivables	444,587	51,124	8,126	106	328,139	66,714	1,183,531
Payables	204,198	2,796	9,481	78	206,844	49,360	464,285
<b>At 31 July 2009:</b>							
Cash, deposits and bank balances	25,581	5,346	8,348	65	79,840	4,085	123,265
Receivables	336,411	54,651	7,563	365	350,331	101,508	850,829
Payables	198,186	3,022	33,113	162	96,280	39,695	370,458

The Group has entered into forward foreign currency contracts to limit its exposure to potential changes in foreign exchange rates with respect to estimated receipts and payments denominated in foreign currency.

The details of the outstanding forward foreign currency contracts as at 31 July 2010 are as follows:

Forward Contracts	Amount in foreign currency € '000	Maturity within 1 year RM'000	Maturity dates
Forwards used to hedge payables in Euro	7,022	29,184	August 2010 - October 2010

Any exchange gains and losses upon settlement of the forward contracts are recognised in the income statement.

### (d) Liquidity risk

The Group actively manages its debts maturity profile, operating cash flows and the availability of funding through an adequate amount of committed credit facilities, so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to fund the Group's operations.

### (e) Credit Risk

Credit risks are controlled by the application of credit approvals, limits and monitoring procedures. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial asset, other than as disclosed in Note 22 and Note 24.

## 42. Financial instruments (cont'd)

## (f) Fair values

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximate their fair values except for the following:

	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
<b>At 31 July 2010</b>					
<b>Non-current assets</b>					
Unquoted investments in subsidiaries	17	-	-	1,001,535	*
Unquoted interests in associated companies	18	967,159	*	634,925	*
Quoted investment in an associated company	18	343,356	733,882	59,624	733,882
Unquoted interests in jointly controlled entities	19	-	-	244,476	*
Other investments:					
- Unquoted	20	50	-	50	-
- Investment in transferable club memberships	20	683	735	683	735
		<u>1,311,248</u>		<u>1,941,293</u>	
Long term trade receivable	22(b)	39,328	35,197	-	-
<b>Current assets</b>					
Short term investments	23	784,104	784,834	93,876	93,876
<b>At 31 July 2009</b>					
<b>Non-current assets</b>					
Unquoted investments in subsidiaries	17	-	-	654,450	*
Unquoted interests in associated companies	18	957,824	*	634,925	*
Quoted investment in an associated company	18	328,856	577,443	59,624	577,443
Unquoted interests in jointly controlled entities	19	-	-	224,476	*
Other investments:					
- Unquoted	20	50	*	50	*
- Investment in transferable club memberships	20	683	735	683	735
		<u>1,287,413</u>		<u>1,574,208</u>	
Long term trade receivable	22(b)	40,306	38,448	-	-
<b>Current assets</b>					
Short term investments	23	100,668	101,388	59,150	59,150
<b>At 31 July 2010</b>					
<b>Non-current liabilities</b>					
Other long term liabilities					
- Medium Term Notes	33	900,000	901,271	800,000	801,188
- Term loan	33	378,736	377,418	-	-
<b>Current liabilities</b>					
Interest rate swaps	42(b)	-	3,102	-	3,102
Forward foreign currency contracts	42(c)	-	522	-	-

# Notes to the Financial Statements

## 42. Financial instruments (cont'd)

### (f) Fair values (cont'd)

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximate their fair values except for the following: (cont'd)

	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
<b>At 31 July 2009</b>					
<b>Non-current liabilities</b>					
Other long term liabilities					
- Medium Term Notes	33	880,000	880,301	480,000	480,941
- Term loan	33	330,500	336,282	-	-
<b>Current liabilities</b>					
Forward foreign currency contracts	42(c)	-	5,959	-	5,959

\* It is not practical to estimate the fair value of the Group's non-current unquoted investments because of the lack of quoted market price and without incurring excessive costs.

The methods and assumptions used by management to determine fair value of financial instrument other than those whose carrying amounts reasonably approximate their fair values are as follows:

(i) Quoted investment in an associated company

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(ii) Short term investment

The fair value of the private debt securities is determined by reference to the market prices at the balance sheet date.

(iii) Other receivables (non-current) and long term borrowings

Fair value has been determined using discounted estimated cash flows. The discount rates used are the current market incremental lending rates for similar types of borrowing.

(iv) Forward foreign exchange contracts

The fair value of a forward foreign exchange contract is the amount that would be payable or receivable on termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and forward exchange rate as at the balance sheet date applied to a contract of similar quantum and maturity profile.

(v) Interest rate swaps

The fair value of an interest rate swap is the amount that would be payable or receivable upon termination of the position at the balance sheet date, and is calculated at the difference between present value of the estimated future cash flows at the contracted rate compared to that calculated at the market rate at the balance sheet date.

## 43. Segment information

### Business Segments

The Group reporting is organised and managed in three (3) major business units. The segments are organised and managed to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follows:

- (i) Engineering and construction - the construction of highways and bridges, airfield facilities, railway, water treatment plants, dams and general and trading services related to construction activities;
- (ii) Property development and club operations - the development of residential and commercial properties and club operations; and
- (iii) Water and expressway concessions - the management of water supply and the management and tolling of highway operations.

Except as indicated above, no operating segments has been aggregated to form the above reportable operating segments.

## 43. Segment information (cont'd)

## Business Segments (cont'd)

The Group's chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

2010	Engineering and construction RM'000	Property development and club operations RM'000	Water and expressway concessions RM'000	Eliminations RM'000	Notes	Consolidated RM'000
Revenue						
External sales	1,793,877	526,356	134,910	-		2,455,143
Inter-segment sales	24,210	-	-	(24,210)	A	-
Total revenue	1,818,087	526,356	134,910	(24,210)		2,455,143
Result						
Profit from operations	99,903	90,258	69,691	-		259,852
Finance costs	(19,995)	(14,163)	(9,655)	-		(43,813)
Share of results of associated companies	-	12,059	141,937	-		153,996
Profit before taxation	79,908	88,154	201,973	-		370,035
Taxation						(80,547)
Profit for the year						289,488
<b>Assets and liabilities</b>						
Segment assets	2,318,305	2,384,552	537,538	-		5,240,395
Interests in associated companies	-	124,333	1,186,182	-		1,310,515
						6,550,910
Segment liabilities	2,074,883	985,396	182,908	-		3,243,187
<b>Other information</b>						
Depreciation and amortisation	11,338	2,999	5,289	-		19,626
Additions to non-current assets	12,269	26,795	350	-	B	39,414
Non-cash items other than depreciation and amortisation	68,744	1,064	72	-	C	69,880

# Notes to the Financial Statements

## 43. Segment information (cont'd)

### Business segments: (cont'd)

2009	Engineering and construction RM'000	Property development and club operations RM'000	Water and expressway concessions RM'000	Eliminations RM'000	Notes	Consolidated RM'000
Revenue						
External sales	2,219,518	407,364	100,420	-		2,727,302
Inter-segment sales	7,445	-	-	(7,445)	A	-
<b>Total revenue</b>	<b>2,226,963</b>	<b>407,364</b>	<b>100,420</b>	<b>(7,445)</b>		<b>2,727,302</b>
Result						
Profit from operations	63,150	70,173	50,717	(259)		183,781
Finance costs	(24,058)	(10,199)	(10,836)	259		(44,834)
Share of results of associated companies	-	14,147	129,063	-		143,210
<b>Profit before taxation</b>	<b>39,092</b>	<b>74,121</b>	<b>168,944</b>	<b>-</b>		<b>282,157</b>
Taxation						(78,003)
<b>Profit for the year</b>						<b>204,154</b>
<b>Assets and liabilities</b>						
Segment assets	2,186,542	1,881,629	523,608	-		4,591,779
Interests in associated companies	-	144,545	1,142,135	-		1,286,680
						<b>5,878,459</b>
Segment liabilities	1,560,241	898,900	211,544	-		<b>2,670,685</b>
<b>Other information</b>						
Depreciation and amortisation	11,337	3,320	3,278	-		17,935
Additions to non-current assets	49,859	41,231	268	-	B	91,358
Non-cash items other than depreciation and amortisation	12,702	5,864	40	-	C	18,606

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consist of:

	2010 RM'000	2009 RM'000
Property, plant and equipment	15,903	55,372
Land held for property development	23,511	35,986
	<b>39,414</b>	<b>91,358</b>

C Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	Note	2010 RM'000	2009 RM'000
Property, plant and equipment written off	4	167	1,888
Impairment loss on property, plant and equipment	4	-	12,903
Unrealised loss/(gain) on forex exchange		53,316	(14,804)
Gain on acquisition	4	1,599	-
Provisions		14,798	18,619
		<b>69,880</b>	<b>18,606</b>

## 43. Segment information (cont'd)

## Geographical information

	Revenue		Non-current assets	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Malaysia	1,821,800	1,791,677	814,370	1,043,201
Outside Malaysia				
Taiwan, Republic of China	2,316	4,466	237	458
Mauritius	-	-	84,749	76,124
Qatar	283,424	448,303	56,570	94,332
Bahrain	94,016	179,729	8,145	20,530
Vietnam	253,587	303,127	11,266	13,768
	633,343	935,625	160,967	205,212
Consolidated	2,455,143	2,727,302	975,337	1,248,413

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	2010 RM'000	2009 RM'000
Property, plant and equipment	300,731	364,419
Land held for property development	278,279	482,678
Investment properties	2,604	2,648
Prepaid land lease payments	6,205	6,650
Motorway development expenditure	324,869	326,271
Concession and quarry rights	62,649	65,747
	975,337	1,248,413

Revenue from two external customers in construction and engineering segment represents RM1,245,000,000 (2009:RM1,351,000,000) and RM273,000,000 (2009:RM348,000,000) respectively of the Group's total revenue.

# Statement of Directors' Interests

As at 8 October 2010

(As shown in the Register of Directors' Shareholdings)

Other than disclosed below, there is no other Director of the Company who has interest in the shares, warrants and options over shares in the Company and its related corporations.

## SHARES HELD IN THE COMPANY

Name of Director	Direct	%	Deemed	%
Tan Sri Dato' Ir Talha bin Haji Mohd Hashim	751,656	0.04	128,000 <sup>*1</sup>	0.01
Dato' Lin Yun Ling	-	-	34,697,636 <sup>*2</sup>	1.71
Tan Sri Dato' Mohd Ramli bin Kushairi	20,000	<sup>*4</sup>	-	-
Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	70,000	<sup>*4</sup>	-	-
Raja Dato' Seri Eleena binti Raja Azlan Shah	200,000	0.01	149,500,000 <sup>*3</sup>	7.35
Raja Dato' Seri Abdul Aziz bin Raja Salim	80,000	<sup>*4</sup>	-	-
Dato' Seri Ir Kamarul Zaman bin Mohd Ali	463,000	0.02	2,407,630 <sup>*1</sup>	0.12
Dato' Ir Ha Tiing Tai	18,015,876	0.89	14,200 <sup>*1</sup>	<sup>*4</sup>
Dato' Goon Heng Wah	13,260,000	0.65	5,104,032 <sup>*1</sup>	0.25
Dato' Ng Kee Leen	32,024,898	1.58	1,522,472 <sup>*1</sup>	0.07
Saw Wah Theng	325,000	0.02	-	-
Chow Chee Wah (Alternate to Dato' Lin Yun Ling)	108,000	0.01	-	-

## WARRANTS 2010/2015 HELD IN THE COMPANY

Name of Director	Direct	%	Deemed	%
Tan Sri Dato' Ir Talha bin Haji Mohd Hashim	94,100	0.04	16,000 <sup>*1</sup>	0.01
Dato' Lin Yun Ling	-	-	4,403,100 <sup>*2</sup>	1.76
Tan Sri Dato' Mohd Ramli bin Kushairi	2,600	<sup>*4</sup>	-	-
Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain	9,000	<sup>*4</sup>	-	-
Raja Dato' Seri Eleena binti Raja Azlan Shah	25,000	0.01	8,000,000 <sup>*3</sup>	3.19
Raja Dato' Seri Abdul Aziz bin Raja Salim	10,100	<sup>*4</sup>	-	-
Dato' Haji Azmi Bin Mat Nor	36,600	0.01	-	-
Dato' Ir Ha Tiing Tai	2,278,400	0.91	1,800 <sup>*1</sup>	<sup>*4</sup>
Dato' Goon Heng Wah	1,648,300	0.66	651,400 <sup>*1</sup>	0.26
Dato' Ng Kee Leen	4,016,500	1.60	197,100 <sup>*1</sup>	0.08
Saw Wah Theng	47,375	0.02	-	-
Chow Chee Wah (Alternate to Dato' Lin Yun Ling)	20,200	0.01	-	-

Notes:

\*1 Through spouse

\*2 Through HSBC (Malaysia) Trustee Berhad

\*3 Through Generasi Setia (M) Sdn Bhd

\*4 Less than 0.01%

## SHARE OPTIONS HELD IN THE COMPANY

- Share Options held under the Gamuda Berhad Employees' Share Option Scheme

Name of Director	Number of Share Options Held
Dato' Lin Yun Ling	1,500,000
Tan Sri Dato' Mohd Ramli bin Kushairi	180,000
Dato' Seri Ir Kamarul Zaman bin Mohd Ali	702,000
Dato' Haji Azmi bin Mat Nor	800,000
Dato' Ir Ha Tiing Tai	900,000
Dato' Goon Heng Wah	900,000
Dato' Ng Kee Leen	900,000
Wong Chin Yen	40,000
Saw Wah Theng	900,000
Chow Chee Wah	835,000

# Shareholders' & Warrantholders' Information

As at 8 October 2010

## ORDINARY SHARES

Authorised	:	RM3,000,000,000
Issued and fully paid	:	RM2,032,707,381
Type of shares	:	Ordinary shares of RM1.00 each
Voting rights	:	1 vote on a show of hands 1 vote per share on a poll
No. of shareholders	:	22,594

## DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	Number of shareholders	%	Number of shares held	%
Less than 100	286	1.27	4,900	0.00
100 – 1,000	4,794	21.22	4,378,800	0.22
1,001 – 10,000	13,722	60.73	57,933,720	2.85
10,001 – 100,000	3,042	13.46	89,653,802	4.41
100,001 – 101,635,368	748	3.31	1,621,305,959	79.76
101,635,369* and above	2	0.01	259,430,200	12.76
<b>Total</b>	<b>22,594</b>	<b>100.00</b>	<b>2,032,707,381</b>	<b>100.00</b>

Note:

\* Denotes 5% of the issued capital

## SUBSTANTIAL SHAREHOLDERS

(As shown in the Register of Substantial Shareholders)

Name of substantial shareholder	<-----Number of shares held----->		%
	Direct	Deemed	
Raja Dato' Seri Eleena binti Raja Azlan Shah	200,000	149,500,000*	7.36
Generasi Setia (M) Sdn Bhd	149,500,000	-	7.35
Employees Provident Fund Board	134,133,800	-	6.60
Platinum Investment Management Limited	119,936,589	-	5.90
Amanahraya Trustees Berhad – Skim Amanah Saham Bumiputera	119,430,200	-	5.88

Note:

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

# Shareholders' & Warrantholders' Information

As at 8 October 2010

## Top 30 Shareholders

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	Number of shares held	%
1	Generasi Setia (M) Sdn Bhd	140,000,000	6.89
2	Amanahraya Trustees Berhad - Skim Amanah Saham Bumiputera	119,430,200	5.88
3	Employees Provident Fund Board	87,283,800	4.29
4	Cartaban Nominees (Asing) Sdn Bhd - State Street Australia Fund ATB1 for Platinum Asia Fund	81,191,201	3.99
5	Kumpulan Wang Persaraan (Diperbadankan)	75,114,400	3.70
6	Cartaban Nominees (Asing) Sdn Bhd - Exempt An for State Street Bank & Trust Company	63,785,710	3.14
7	Amanahraya Trustees Berhad - Amanah Saham Wawasan 2020	57,479,300	2.83
8	HSBC Nominees (Asing) Sdn Bhd - BNY Lux for Invesco Funds	38,250,700	1.88
9	HSBC Nominees (Tempatan) Sdn Bhd - Exempt An for HSBC (Malaysia) Trustee Berhad	34,697,636	1.71
10	Dato' Ng Kee Leen	31,664,898	1.56
11	Lembaga Tabung Haji	30,759,300	1.51
12	Amanahraya Trustees Berhad - Amanah Saham Malaysia	30,000,000	1.48
13	Permodalan Nasional Berhad	27,835,600	1.37
14	Cartaban Nominees (Asing) Sdn Bhd - State Street Australia Fund Q4EQ for Platinum International Fund	27,266,481	1.34
15	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt An for Prudential Fund Management Berhad	25,887,663	1.27
16	HSBC Nominees (Asing) Sdn Bhd - BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund	23,539,516	1.16
17	Cartaban Nominees (Asing) Sdn Bhd - BBH (Lux) SCA for Fidelity Funds South East Asia	21,014,900	1.03
18	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt An for American International Assurance Berhad	20,960,108	1.03
19	HSBC Nominees (Asing) Sdn Bhd - Exempt An for HSBC Private Bank (Suisse) S.A.	20,861,300	1.03
20	HSBC Nominees (Asing) Sdn Bhd - Exempt An for JPMorgan Chase Bank, National Association (BVI)	19,600,000	0.96

## Shareholders' & Warrantholders' Information

As at 8 October 2010

No.	Name	Number of shares held	%
21	HSBC Nominees (Asing) Sdn Bhd - Exempt An for BNP Paribas Securities Services	19,562,000	0.96
22	Valuecap Sdn Bhd	17,777,300	0.87
23	HSBC Nominees (Asing) Sdn Bhd - Exempt An for JPMorgan Chase Bank, National Association (Norges BK NLend)	15,523,500	0.76
24	HSBC Nominees (Asing) Sdn Bhd - Exempt An for JPMorgan Chase Bank, National Association (U.A.E.)	14,472,492	0.71
25	Cartaban Nominees (Asing) Sdn Bhd - Government of Singapore Investment Corporation Pte Ltd for Government of Singapore (C)	14,199,700	0.70
26	Amanahraya Trustees Berhad - Amanah Saham Didik	13,343,500	0.66
27	Dato' Ir Ha Tiing Tai	13,015,876	0.64
28	Amanahraya Trustees Berhad - Public Islamic Dividend Fund	12,658,000	0.62
29	Dato' Goon Heng Wah	12,540,000	0.62
30	HSBC Nominees (Asing) Sdn Bhd - Exempt An for JPMorgan Chase Bank, National Association (U.K.)	12,409,000	0.61
	<b>Total</b>	<b>1,122,124,081</b>	<b>55.20</b>

# Shareholders' & Warrantholders' Information

As at 8 October 2010

## WARRANTS 2010/2015

Type of securities	:	Warrants	
No. of warrants unexercised	:	250,635,740	
Exercise period	:	26/05/2010 – 25/05/2015	
Exercise price	:	RM2.66 each warrant	
Exercise rights	:	Each warrant entitles the holder to subscribe for one (1) new ordinary share of RM1.00 in the Company at any time during the exercise period	
Voting rights	:	1 vote per warrant holder on a show of hands 1 vote per warrant on a poll	} in the meeting of warrantholders
No. of warrantholders	:	10,528	

## DISTRIBUTION OF WARRANTS 2010/2015

Size of warrantholdings	Number of warrantholders	%	Number of warrants held	%
Less than 100	117	1.11	2,214	0.00
100 – 1,000	4,257	40.43	1,900,929	0.76
1,001 – 10,000	3,814	36.23	18,092,517	7.22
10,001 – 100,000	1,963	18.65	68,621,897	27.38
100,001 – 12,531,786	377	3.58	162,018,183	64.64
12,531,787* and above	-	-	-	-
Total	10,528	100.00	250,635,740	100.00

Note:

\* Denotes 5% of the total unexercised warrants

## Shareholders' & Warrantholders' Information

As at 8 October 2010

### Top 30 Warrants 2010/2015 Holders

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	Number of warrants held	%
1	Cartaban Nominees (Asing) Sdn Bhd - State Street Australia Fund ATB1 for Platinum Asia Fund	10,202,650	4.07
2	Generasi Setia (M) Sdn Bhd	8,000,000	3.19
3	HSBC Nominees (Tempatan) Sdn Bhd - Exempt An for HSBC (Malaysia) Trustee Berhad	4,403,100	1.76
4	Dato' Ng Kee Leen	3,971,500	1.58
5	Cartaban Nominees (Asing) Sdn Bhd - State Street Australia Fund Q4EQ for Platinum International Fund	3,890,225	1.55
6	TA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Heng Teng Kuang	3,384,300	1.35
7	HSBC Nominees (Asing) Sdn Bhd - Exempt An for The HongKong and Shanghai Banking Corporation Limited	3,000,000	1.20
8	M & A Nominee (Tempatan) Sdn Bhd - Pledged Securities Account for Ling Sien Ngan	2,900,000	1.16
9	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt An for American International Assurance Berhad	2,529,800	1.01
10	Ooi Keng Thye	2,253,700	0.90
11	A.A. Anthony Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Daniel Lim Hwa Yew	2,200,000	0.88
12	Public Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Chia Siya Heng	2,000,000	0.80
13	OSK Nominees (Tempatan) Sdn Berhad - Pledged Securities Account for Lee Cheng Lock	1,850,700	0.74
14	Dato' Ir Ha Tiing Tai	1,653,400	0.66
15	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Loke See Ooi	1,640,000	0.65
16	Cartaban Nominees (Asing) Sdn Bhd - Government of Singapore Investment Corporation Pte Ltd for Government of Singapore (C)	1,623,550	0.65
17	Dato' Goon Heng Wah	1,558,300	0.62
18	Yap Yuen Ching	1,525,000	0.61
19	Cheah Poh Keng	1,518,300	0.61
20	Gan Wee Peng	1,460,000	0.58

## Shareholders' & Warrantholders' Information

As at 8 October 2010

No.	Name	Number of warrants held	%
21	HSBC Nominees (Asing) Sdn Bhd - Exempt An for HSBC Private Bank (Suisse) S.A.	1,396,250	0.56
22	Ngan Kok Hai	1,280,000	0.51
23	Rosy Wong See Moi	1,151,000	0.46
24	Valuecap Sdn Bhd	1,143,750	0.46
25	Pertubuhan Keselamatan Sosial	1,042,400	0.42
26	Chin Nyuk Chin	1,000,000	0.40
27	Heng Teng Kuang	981,400	0.39
28	Tam Sow Fong	951,200	0.38
29	Chin Chee Keong	936,000	0.37
30	Goh Chye Keat	905,000	0.36
	<b>Total</b>	<b>72,351,525</b>	<b>28.88</b>

# List of Major Properties

Held as at 31 July 2010

Location	Tenure	Land Area	Description	Year of expiry	NBV (RM)	Approximate age of building (Years)	Date of valuation/acquisition
No. 36/38, Jalan SS21/62 47400 Petaling Jaya Selangor	Freehold	286 sq m	2 blocks, 4 storey shoplot/office	-	993,000	16	1991
No. 30, Jalan SS2/44 47300 Petaling Jaya Selangor	Freehold	501 sq m	Bungalow/ staff quarters	-	320,200	24	1991
No. 39, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	153 sq m	4 storey shoplot/office	-	590,560	16	2007
No. 55-61, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	612 sq m	4 blocks, 4 storey shoplot/office	-	5,231,529	19	1992
No. 152, Jalan Gopeng 31350 Ipoh, Perak	Leasehold	164 sq m	3 storey shoplot/office	2078	169,464	24	1991
No. 158, Jalan Gopeng 31350 Ipoh, Perak	Leasehold	163 sq m	3 storey shoplot/office	2078	166,151	24	1991
PT 51683, Jalan Jelapang 30020 Ipoh, Perak	Leasehold	4,353 sq m	Industrial estate/workshop	2043	389,504	20	1991
PT 183485 Meru Industrial Estate Jelapang, 30020 Ipoh Perak	Leasehold	12,144 sq m	Industrial estate/store	2050	618,684	14	1991
Lot 195821, 195822, 195823, 195824, 195825, 195826, 195827, 46482 57417 all in the Mukim Kampar District of Kinta 31350 Ipoh, Perak	Leasehold	469,493 sq m	Granite hill, limestone hill and industrial land/quarry	2022	5,735,020	-	1991
HS (D) 54871, PT No. 56274 Mukim & Mukim & District of Kelang Selangor	Freehold	16,898 sq m	Industrial estate/workshop	-	7,658,183	-	1995
HS (D) 52561, PT No. 53932 Mukim & District of Kelang Selangor	Freehold	14,690 sq m	Commercial land	-	9,104,000	-	1996
No. 53, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	153 sq m	4 storey shoplot/office	-	1,365,408	21	2006
No. 54-58, Jalan SS22/25 47400 Petaling Jaya Selangor	Freehold	460 sq m	3 blocks, 4 storey shoplot/office	-	4,732,233	18	2006

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 34th Annual General Meeting of the Company will 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, 9 December 2010 at 10.00 a.m. for the purpose of transacting the following businesses: -

## AGENDA

1. To receive the Audited Financial Statements for the year ended 31 July 2010 and the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors' fees of RM363,000 for the year ended 31 July 2010 (2009: RM334,000). (Resolution 1)
3. To re-elect the following Directors who retire pursuant to Article 95 of the Company's Articles of Association: -
  - a. Y Bhg Dato' Lin Yun Ling (Resolution 2)
  - b. Y A M Raja Dato' Seri Eleena binti Raja Azlan Shah (Resolution 3)
  - c. Y Bhg Dato' Ng Kee Leen (Resolution 4)
4. To consider and, if thought fit, pass the following resolutions in accordance with Section 129 of the Companies Act, 1965: -
  - a. "THAT Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." (Resolution 5)
  - b. "THAT Y Bhg Dato' Seri Ir Kamarul Zaman bin Mohd Ali retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." (Resolution 6)
  - c. "THAT Y M Raja Dato' Seri Abdul Aziz bin Raja Salim retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." (Resolution 7)
5. To re-appoint Messrs Ernst & Young, the retiring Auditors and to authorise the Directors to fix their remuneration. (Resolution 8)
6. As Special Business: -

To consider and, if thought fit, pass the following resolutions with or without modifications:

### 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;

AND 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;

## Notice of Annual General Meeting

AND 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."

(Resolution 9)

### Special Resolution

#### - Proposed Amendment to the Articles of Association of the Company

"THAT the existing Article 163 of the Company's Articles of Association be deleted in its entirety and substituted with the following new Article 163:-

#### *Mode of payment of dividend*

163. Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder who is named on the Register of Members and/or Record of Depositors or to such person and to such address as the holder may in writing direct or to the person entitled by reason of death, bankruptcy or mental disorder of the holder or by operation of law, or be paid by way of telegraphic transfer or electronic transfer or remittance to such account as designated by such holder or the person entitled to such payment. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall operate as a good and full discharge to the Company in respect of the payment represented thereby, notwithstanding that in the case of payment by cheque or warrant, it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged, and in the case of payment by telegraphic transfer or electronic transfer or remittance, notwithstanding any discrepancy in the details of the bank account(s) given by the person entitled to the payment or the instruction for the transfer or remittance has been forged. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented."

(Resolution 10)

## Notice of Annual General Meeting

- To transact any other business of which due notice shall have been given.

By Order of the Board

Lim Soo Lye  
Tee Yew Chin

Company Secretaries

Petaling Jaya

12 November 2010

### Notes:

#### 1. Appointment of Proxy(ies)

- A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy or not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where an authorised nominee appoints two (2) proxies in respect of each securities account, the appointment shall be invalid unless the authorised nominee specifies the proportions of the shareholdings to be represented by each proxy.
- If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
- In the case of a corporate member, the Form of Proxy shall be under its Common Seal or under the hand of its attorney.
- The Form of Proxy must be deposited at the Company's Registered Office situated at No. 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

#### 2. Explanatory Notes on Special Business

- Resolution 9  
Please refer to the Statement to Shareholders dated 12 November 2010 for further information.
- Resolution 10  
This proposed Resolution, if passed, will enable the Company to implement the electronic dividend payment or eDividend to comply with the directive of Bursa Malaysia Securities Berhad.

#### 3. Statement Accompanying Notice of Annual General Meeting

There is no individual standing for election (excluding re-election) as a Director at the forthcoming 34th AGM of the Company.

# Form of Proxy

Number of shares held	CDS account no.



A. I/We \_\_\_\_\_ (FULL NAME IN CAPITALS)  
of \_\_\_\_\_ (ADDRESS)  
being a member/members of GAMUDA BERHAD, hereby appoint \_\_\_\_\_ (FULL NAME)  
of \_\_\_\_\_ (ADDRESS)  
or failing him/her, \_\_\_\_\_ (FULL NAME)  
of \_\_\_\_\_ (ADDRESS)

or failing him/her, the Chairman of the Meeting as my/our \*first proxy to attend and vote for me/us on my/our behalf at the 34th Annual General Meeting of the Company 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, Malaysia on Thursday, 9 December 2010 at 10.00 a.m., and at any adjournment thereof.

Where it is desired to appoint a second proxy, this section must also be completed. Otherwise it should be deleted.

B. I/We \_\_\_\_\_ (FULL NAME IN CAPITALS)  
of \_\_\_\_\_ (ADDRESS)  
being a member/members of GAMUDA BERHAD, hereby appoint \_\_\_\_\_ (FULL NAME)  
of \_\_\_\_\_ (ADDRESS)  
or failing him/her, \_\_\_\_\_ (FULL NAME)  
of \_\_\_\_\_ (ADDRESS)

or failing him/her, the Chairman of the Meeting as my/our \*second proxy to attend and vote for me/us on my/our behalf at the 34th Annual General Meeting of the Company 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, Malaysia on Thursday, 9 December 2010 at 10.00 a.m., and at any adjournment thereof.

The proportions of my/our shareholdings to be represented by my/our proxies are as follows: -

First proxy A	%
Second Proxy B	%
	<u>100%</u>

In case of a vote by a show of hands, \*First Proxy A / \*Second Proxy B shall vote on my/our behalf.

My/our proxy shall vote as follows:-

(Please indicate with an "X" or "√" in the space provided below how you wish your votes to be cast on the resolutions specified in the Notice of Annual General Meeting. If you do not do so, the proxy/proxies will vote, or abstain from voting on the resolutions as he/they may think fit.)

\*Delete if inapplicable

No.	Resolution	First Proxy A		Second Proxy B	
		For	Against	For	Against
1.	Approval of Directors' fees				
2.	Re-election of Y Bhg Dato' Lin Yun Ling as Director				
3.	Re-election of YAM Raja Dato' Seri Eleena binti Raja Azlan Shah as Director				
4.	Re-election of Y Bhg Dato' Ng Kee Leen as Director				
5.	Re-appointment of Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi as Director				
6.	Re-appointment of Y Bhg Dato' Seri Ir Kamarul Zaman bin Mohd Ali as Director				
7.	Re-appointment of Y M Raja Dato' Seri Abdul Aziz bin Raja Salim as Director				
8.	Re-appointment of Auditors				
9.	Proposed renewal of share buy-back authority				
10.	Proposed amendment to the Articles of Association of the Company				

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

\_\_\_\_\_  
Signature of Member and/or Common Seal

Notes:-

1. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy or not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where an authorised nominee appoints two (2) proxies in respect of each securities account, the appointment shall be invalid unless the authorised nominee specifies the proportions of the shareholdings to be represented by each proxy.
5. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
6. In the case of a corporate member, the Form of Proxy shall be under its Common Seal or under the hand of its attorney.
7. This Form of Proxy must be deposited at the Company's Registered Office situated at No. 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

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STAMP

Registered Office  
**Gamuda Berhad**

No. 78, Jalan SS22/21  
Damansara Jaya  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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## Gamuda offices in Malaysia

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

78, Jalan SS 22/21, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7491 8288  
Fax : 603-7728 6571, 7728 9811  
Website : www.gamuda.com.my  
Email : gbgpa@gamuda.com.my

### **Gamuda Engineering Sdn Bhd (506869-K)**

55-61, Jalan SS 22/23, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7491 8288  
Fax : 603-7727 1112

### **Megah Sewa Sdn Bhd (425417-W)**

16, Jalan Anggerik Mokara 31/48,  
Kota Kemuning, Seksyen 31,  
40460 Shah Alam, Selangor  
Malaysia  
Tel : 603-5122 2213  
Fax : 603-5122 2331  
Email : megahsewa@po.jaring.my

### **Kesas Sdn Bhd (275554-U)**

1, Wisma Kesas, Lebuhraya Shah Alam,  
47500 Subang Jaya, Selangor  
Malaysia  
Tel : 603-5632 7088  
Fax : 603-5632 6088  
Website : www.kesas.com.my  
Email : mm@kesas.com.my

### **Lingkar Trans Kota Sdn Bhd (353053-W)**

**LITRAK**  
Kompleks Operasi LITRAK  
KM19, Lebuhraya Damansara-Puchong  
Jalan PJS 9, Bandar Sunway  
47500 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7494 7000  
Fax : 603-7494 7016  
Website : www.litrak.com.my  
Email : info@litrak.com.my

### **Sistem Penyuraian Trafik KL Barat Sdn Bhd (429797-P) SPRINT**

Pejabat Operasi, KM3, Hubungan Damansara  
Lebuhraya SPRINT, Seksyen 17,  
46400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7494 7000  
Fax : 603-7494 7320  
Website : www.sprint.com.my  
Email : info@sprint.com.my

### **Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (482346-K) SPLASH**

34 & 36, Jalan SS 22/21, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7729 2928  
Fax : 603-7726 1557  
Website : www.splash.com.my  
Email : info@splash.com.my

### **Gamuda Water Sdn Bhd (297031-H)**

36, Jalan SS 22/21, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7727 4879  
Fax : 603-7727 4921

### **Syarikat Mengurus Air Banjir & Terowong Sdn Bhd (599374-W) SMART**

Kompleks Operasi & Penyelenggaraan  
Lebuhraya SMART  
Jalan Davis Off Bulatan Kg Pandan  
50400 Kuala Lumpur  
Tel : 603-9284 9088  
Fax : 603-9284 6481  
Website : www.smarttunnel.com.my  
Email : info@smartjv.com.my

### **MMC-Gamuda Joint Venture Sdn Bhd (414492-M)**

52-58, Jalan SS 22/21, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7494 2200  
Fax : 603-7726 9950  
Website : www.2t.com.my

### **Gamuda Land Sdn Bhd (573380-D)**

56, Jalan SS 22/25, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7491 3200  
Fax : 603-7726 7679  
Website : www.gamudaland.com.my

### **Hicom-Gamuda Development Sdn Bhd (285780-D)**

1, Jalan Anggerik Vanilla X 31/X,  
Kota Kemuning, Seksyen 31  
40460 Shah Alam, Selangor  
Malaysia  
Tel : 603-5122 6100 / 7100 / 1055  
Fax : 603-5122 1050  
Website : www.kotakemuning.net

### **Valencia Development Sdn Bhd (474040-D)**

4403 Main Road, 12th Mile  
47000 Sungai Buloh, Selangor  
Malaysia  
Tel : 603-6156 0021  
Fax : 603-6156 9871  
Website : www.valencia.com.my

### **Harum Intisari Sdn Bhd (491736-H)**

No. 1, Jalan Kasuarina 7,  
Bandar Botanik  
41200 Klang, Selangor  
Malaysia  
Tel : 603-3324 6300  
Fax : 603-3324 8310  
Website : www.bandarbotanic.com.my

### **Horizon Hills Development Sdn Bhd (691032-H)**

No. 49, Jalan Bestari 1/5,  
Taman Nusa Bestari  
81300 Johor Bahru, Johor  
Malaysia  
Tel : 607-511 2282  
Fax : 607-511 6281  
Website : www.horizonhills.com.my

### **Jade Homes Sdn Bhd (710233-K)**

Property Gallery, Persiaran Jade Hills, Jade Hills  
43000 Kajang, Selangor  
Tel : 603-8737 0122  
Fax : 603-8737 9262  
Website : www.jadehills.com.my

### **Madge Mansions Sdn Bhd (740374-H)**

56, Jalan SS22/25, Damansara Jaya  
47400 Petaling Jaya, Selangor  
Malaysia  
Tel : 603-7491 3200  
Fax : 603-7726 7646  
Website : www.madgemansions.com

### **Kota Permai Golf & Country Club**

1, Jalan 31/100A,  
Kota Kemuning, Seksyen 31  
40460 Shah Alam, Selangor  
Malaysia  
Tel : 603-5122 3700  
Fax : 603-5122 3701  
Website : www.kotapermai.com.my  
Email : kpgcc@kotapermai.com.my

## Gamuda overseas offices

### **Sinohydro-Gamuda-WCT Joint Venture**

P.O Box 23948  
Suite 19, 6th Floor  
Al-Elmadi Centre  
68, Salwa Road  
Doha Qatar  
Tel : 974-437 5214  
Fax : 974-437 4523

### **Gamuda-WCT Joint Venture**

P.O Box 23948  
Suite 19, 6th Floor  
Al-Elmadi Centre  
68, Salwa Road  
Doha Qatar  
Tel : 974-437 5214  
Fax : 974-437 4523

### **Gamuda Berhad (Bahrain branch office)**

P.O Box 1867, Manama  
Kingdom of Bahrain  
Tel : 973-17-735 686  
Fax : 973-17-735 696

### **Gamuda (India) Private Limited**

607/59, Shakuntla Apartments  
59, Nehru Place  
New Delhi 110 019  
India

### **Gamuda-WCT (India) Private Limited**

Arihant Building  
Unit No. 2B & 2C, 2nd Floor,  
53A Mirza Ghalib Street  
Kolkota 700016  
India

### **Mapex Infrastructure Private Limited**

Arihant Building  
2nd Floor,  
53A Mirza Ghalib Street  
Kolkota 700016  
India

### **Emas Expressway Private Limited**

Arihant Building  
2nd Floor,  
53A Mirza Ghalib Street  
Kolkota 700016  
India

### **Gamuda Berhad (Taiwan Office)**

16F-2, No.90 Changjiang St.  
Cianjhen District, Kaohsiung City  
806 Taiwan  
Tel : 886-7-3329 828  
Fax : 886-7-3329 829

### **Gamuda Berhad (Laos representative office)**

P.O Box 11330  
70/201 Luang Prabang Road  
Ban Khounta Thong  
Sikkout District  
Vientiane, Lao PDR  
Tel : 856-21-219491  
Fax : 856-20-219492  
Mobile Phone : 856-20-5599108

### **Gamuda Land Vietnam L.L.C**

KM1.5 Phap Van, Yen So Park  
Hoang Mai District  
Hanoi City  
Vietnam  
Tel : 844-3-944 5697/8/9  
Fax : 844-3-944 5655  
Website : www.yensopark.com.vn

### **Gamuda-Nam Long Development L.L.C**

Unit 1105, 11th Floor, Citilight Tower  
45, Vo Thi Sau Street  
District 1, Ho Chi Minh City  
Vietnam  
Tel : 848-6-2905938  
Fax : 848-6-2905932