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Financial Results

Submitted by **GAMUDA** on **22/06/2006 05:42:27 PM**

Reference No **GG-060622-42265**

(Submitted)

(*) Indicates a mandatory field. Please fill in all the necessary information.

* **New Announcement**

* Company name : **GAMUDA BERHAD**

* Stock name : **GAMUDA**

* Stock code : **5398**

Part A1 : QUARTERLY REPORT

* Quarterly report for the financial period ended : **30/04/2006**

* Quarter : **3 Qtr**

* Financial Year End : **31/07/2006**

* The figures : **Have not been audited**

Remarks:

c.c. Securities Commission

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30-Apr-06 RM'000	Comparative Quarter 30-Apr-05 RM'000	Current Year To Date 30-Apr-06 RM'000	Preceding Year Corresponding Period 30-Apr-05 RM'000
Revenue	249,838	409,525	786,536	1,115,443
Operating expenses	(224,140)	(326,897)	(698,755)	(879,857)
Other operating income	4,255	1,486	10,527	5,031
Profit from operations	29,953	84,114	98,308	240,617
Finance costs	(3,254)	(3,527)	(9,883)	(9,882)
Interest income	3,033	7,588	9,396	14,337
Share of results of associates and jointly controlled entities	34,280	31,573	98,286	87,718
Profit before taxation	64,012	119,748	196,107	332,790
Taxation	(19,635)	(35,010)	(58,700)	(96,782)
Profit after taxation	44,377	84,738	137,407	236,008
Minority interests	(4,226)	(20,400)	(10,631)	(32,530)
Net profit attributable to shareholders	40,151	64,338	126,776	203,478
Earnings per share				
Basic earnings per share (sen)	5.33	8.60	16.84	27.42
Fully diluted earnings per share (sen)	5.33	8.11	16.81	25.64

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 July 2005.

GAMUDA BERHAD (29579-T)
CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30.04.2006	As at 31.07.2005
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	131,480	108,364
Land held for property development	430,061	422,575
Associated companies	1,528,152	1,266,913
Jointly controlled entities	26,661	23,095
Other investments	736	3,234
Goodwill arising on consolidation	18,666	19,293
Concession rights	58,917	60,668
Deferred tax assets	11,210	11,315
Receivables	29,293	29,293
	<u>2,235,176</u>	<u>1,944,750</u>
CURRENT ASSETS		
Property development costs	26,233	93,630
Inventories	92,439	32,954
Receivables	596,455	655,346
Amount due from customers for construction contracts	24,400	20,437
Tax recoverable	36,635	34,605
Cash and bank balances	415,189	497,893
	<u>1,191,351</u>	<u>1,334,865</u>
CURRENT LIABILITIES		
Short term borrowings	50,000	152,518
Payables	366,860	279,738
Amount due to customers for construction contracts	13,115	152,257
Tax payable	1,471	22,187
	<u>431,446</u>	<u>606,700</u>
NET CURRENT ASSETS	<u>759,905</u>	<u>728,165</u>
	<u>2,995,081</u>	<u>2,672,915</u>
FINANCED BY:		
Share capital	753,232	749,572
Reserves	1,467,084	1,429,290
Shareholders' funds	<u>2,220,316</u>	<u>2,178,862</u>
Minority interests	48,977	68,345
	<u>2,269,293</u>	<u>2,247,207</u>
Retirement benefit obligations	5,854	5,983
Deferred tax liabilities	19,934	19,725
Other long term liabilities	700,000	400,000
	<u>2,995,081</u>	<u>2,672,915</u>
Net Assets per share (RM)	2.95	2.91

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 July 2005.

GAMUDA BERHAD (29579-T)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Non Distributable</u>			<u>Distributable</u>		Total
	Share capital	Share premium	Capital reserve	Foreign exchange reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Current Year To date</u>						
At 31 July 2005	749,572	272,319	75,817	(626)	1,081,780	2,178,862
Currency translation differences	-	-	-	83	-	83
Exercise of Employees' Share Option	3,580	9,700	-	-	-	13,280
Conversion of warrants	80	220	-	-	-	300
Share of capital reserve in an associated company	-	-	(12,213)	-	-	(12,213)
Net profit for the period	-	-	-	-	126,776	126,776
Dividends						
- Final dividend paid for the financial year ended 31 July 2005	-	-	-	-	(48,809)	(48,809)
- Interim dividend paid for the financial year ending 31 July 2006	-	-	-	-	(37,963)	(37,963)
At 30 April 2006	753,232	282,239	63,604	(543)	1,121,784	2,220,316
<u>Preceding Year</u>						
<u>Corresponding Period</u>						
At 31 July 2004						
As previously restated	736,788	235,236	75,817	201	938,085	1,986,127
Prior year adjustment	-	-	-	-	(9,424)	(9,424)
At 31 July 2004 (restated)	736,788	235,236	75,817	201	928,661	1,976,703
Currency translation differences	-	-	-	23	-	23
Exercise of Employees' Share Option	12,232	35,648	-	-	-	47,880
Conversion of warrants	33	89	-	-	-	122
Net profit for the period	-	-	-	-	203,478	203,478
Dividends						
- Final dividend paid for the financial year ended 31 July 2004	-	-	-	-	(48,155)	(48,155)
- Special dividend paid for the financial year ended 31 July 2004	-	-	-	-	(26,753)	(26,753)
- Interim dividend paid for the financial year ended 31 July 2005	-	-	-	-	(37,751)	(37,751)
At 30 April 2005	749,053	270,973	75,817	224	1,019,480	2,115,547

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2005.

GAMUDA BERHAD (29579-T)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	9 months ended	
	30-Apr-06 RM'000	30-Apr-05 RM'000
Operating activities		
Net profit before taxation	196,107	332,790
Adjustment for non-cash items/non-operating items	(101,333)	(76,679)
Operating profit before changes in working capital	<u>94,774</u>	<u>256,111</u>
<u>Changes in working capital</u>		
Net change in current assets	52,542	(9,926)
Net change in current liabilities	(40,557)	(148,086)
Cash generated from operations	<u>106,759</u>	<u>98,099</u>
Tax paid	(52,206)	(67,912)
Others	(3,022)	(11,255)
Net cash generated from operating activities	<u>51,531</u>	<u>18,932</u>
Investing activities		
Property, plant and equipment		
- purchases	(48,180)	(1,808)
- disposals	22,244	2,581
Dividend received from associated companies	72,185	26,568
Additional investment in associated companies	(288,777)	(17,454)
Proceeds from disposal of other investments	4,707	-
Interest received	9,253	14,337
Net cash (used in) / generated from investing activities	<u>(228,568)</u>	<u>24,224</u>
Financing activities		
Dividend paid	(86,772)	(112,659)
Proceeds from issuance of shares	13,580	48,002
Net drawdown of borrowings	197,482	29,586
Distribution of profit to minority partners of an unincorporated subsidiary	(30,000)	-
Net cash generated from / (used in) financing activities	<u>94,290</u>	<u>(35,071)</u>
Net (decrease) / increase in cash and cash equivalents	(82,747)	8,085
Effects of exchange rate changes	43	86
Cash and cash equivalents at beginning of period	<u>497,893</u>	<u>470,737</u>
Cash and cash equivalents at end of period	<u>415,189</u>	<u>478,908</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 July 2005.

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

1. Basis of Preparation

- a) The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards (formerly known as MASB Standards), FRS 134 - Interim Financial Reporting.
- b) The interim financial report should be read in conjunction with the audited financial statements of the group for the year ended 31 July 2005.
- c) The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the preparation of the financial statements for the year ended 31 July 2005.

2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 July 2005 was not subject to any qualification.

3. Seasonal or Cyclical Factors

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

4. Unusual Items

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

5. Changes in Estimates

There are no changes in estimates of amounts reported previously that have any material effect in the current quarter under review.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period except for the issuance of 3,580,000 and 80,000 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme and conversion of warrants respectively.

Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006

Notes To The Financial Statements

7. Segmental Reporting

Segment information is presented in respect of the Group's business segment.

	Engineering and Construction RM'000	Property Development RM'000	Water related and Expressway Concessions RM'000	Manufacturing, Quarrying and Others RM'000	Inter-segment Elimination RM'000	Total RM'000
9 months period ended 30 April 2006						
Revenue						
External	412,376	213,719	40,031	120,410	-	786,536
Inter segment	1,672	-	-	84,745	(86,417)	-
	<u>414,048</u>	<u>213,719</u>	<u>40,031</u>	<u>205,155</u>	<u>(86,417)</u>	<u>786,536</u>
Segment results						
Segment results before amortisation	41,146	25,388	23,041	11,110	-	100,685
Amortisation of goodwill and concession rights	-	-	(2,241)	(136)	-	(2,377)
Profit from operations	<u>41,146</u>	<u>25,388</u>	<u>20,800</u>	<u>10,974</u>	-	<u>98,308</u>
Finance costs	(5,436)	(1,482)	(2,965)	-	-	(9,883)
Interest income	4,224	3,514	45	1,613	-	9,396
Share of results of associates and jointly controlled entities	4,364	17,168	76,754	-	-	98,286
Profit before taxation	<u>44,298</u>	<u>44,588</u>	<u>94,634</u>	<u>12,587</u>	-	<u>196,107</u>
Taxation						(58,700)
Profit after taxation						<u>137,407</u>
Minority interests						<u>(10,631)</u>
Net profit attributable to shareholders						<u>126,776</u>

8. Dividends Paid

	9 months ended 30 April	
	2006	2005
	RM'000	RM'000
<u>Interim Dividend</u>		
For the year ending 31 July 2006: 7.0 sen less 28% taxation (2005: 7.0 sen less 28% taxation)	<u>37,963</u>	<u>37,751</u>
<u>Final Dividend</u>		
For the year ended 31 July 2005: 9.0 sen less 28% taxation (2004: Final dividend of 9.0 sen less 28% taxation and special dividend of 5.0 sen less 28% taxation)	<u>48,809</u>	<u>74,908</u>

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

9. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward without amendment from the previous annual report.

10. Material Events Subsequent to Balance Sheet Date

There are no material events subsequent to the end of the quarter under review.

11. Changes in Composition of the Group

The changes of the Group for the financial period ended 30 April 2006 is as follows:

On 14 April 2006, Gamuda Berhad (“Gamuda”) acquired 2 ordinary shares of RM1.00 each in the issued and paid-up capital of Hala Bayu (M) Sdn Bhd (“HBMSB”) for a cash consideration of RM2.00. With this acquisition, HBMSB will be a wholly-owned subsidiary of Gamuda. HBMSB is presently dormant.

On 14 April 2006, Valencia Development Sdn Bhd (“VDSB”) a 98.8% owned subsidiary of Gamuda, acquired 2 ordinary shares of RM1.00 each in the issued and paid-up capital of Biogreen Energy Sdn Bhd (“BESB”) for a cash consideration of RM2.00. With this acquisition, BESB will be a wholly-owned subsidiary of VDSB and an indirect 98.8% owned subsidiary of Gamuda. BESB is presently dormant and its intended principal activity as provider property maintenance services for the low-cost, low-medium-cost and medium-cost apartments in the Valencia Township, Sungai Buloh, Kuala Lumpur.

12. Changes in Contingent Liabilities or Contingent Assets

	<u>30 Apr 2006</u> RM'000	<u>31 Jul 2005</u> RM'000
Performance and retention sum guarantees	463,429	487,184

The contingent liabilities mainly relate to advance payment guarantees and performance bonds for the construction projects undertaken by the Group.

13. Review of Performance

For the current quarter under review, the Group recorded revenue and profit before tax of RM249.8 million and RM64.0 million respectively as compared to RM409.5 million and RM119.7 million respectively in the corresponding preceding quarter. The decrease in revenue and profit before tax was mainly due to the completion of construction works for Sungai Selangor Supply Scheme Phase 3 (“SSP3”) and the two highway projects in India whilst the new projects in the State of Qatar namely, Dukhan Highway (“Dukhan”) and New Doha International Airport (“NDIA”), are currently at the early stages of construction. In addition, the softening of the property market had caused a slow down in the property division.

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

14. Comparison with Immediate Preceding Quarter's Results

For the current quarter under review, the Group recorded profit before tax of RM64.0 million as compared to RM59.7 million in the immediate preceding quarter. The higher profit before tax is primarily due to the increased contributions from the property division and water concession as compared to the immediate preceding quarter.

15. Current Year Prospects

With the commencement of the construction of Dukhan and NDIA projects in the State of Qatar and the ongoing projects including the Stormwater Management and Road Tunnel Project and the Mass Rapid Transit Project in Taiwan, the construction division is expected to contribute positively to the Group's performance. The Dukhan and NDIA projects are currently at the early stages of construction and are progressing satisfactorily. The level of activity of these two projects should pick up in the following months.

The outlook for the property division remains challenging for the current financial year with the ongoing property developments in Kota Kemuning, Valencia and Bandar Botanic representing the bulk of the activities of the division. The division's joint venture with UEM Land Sdn Bhd, to undertake and carry out a mixed development mainly for residential purposes and a golf club on 1,200 acres of land in Bandar Nusajaya, Johor is progressing according to schedule.

The water and expressway divisions with their recurring income base are expected to continue to contribute positively to the Group's performance. The capital repayment amounting to RM48.7 million from Litrak on the basis of RM0.25 per ordinary share of RM1.00 each in Litrak held by the Group was received in May 2006.

16. Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

17. Tax Expense

The taxation is derived as below:

	3 months ended		9 months ended	
	30 April		30 April	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Company and subsidiaries	11,099	24,062	30,092	68,108
Associated companies and jointly controlled entities	8,536	10,948	28,608	28,674
Total	19,635	35,010	58,700	96,782

The effective tax rate of the Group for the current quarter is slightly higher than the statutory tax rate due to certain expenses which are not deductible for tax purposes.

18. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There is no sale of investments and / or properties for the current financial period under review.

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

19. Quoted Securities

- a) The group has disposed quoted shares with sales proceeds of RM4,707,000 which resulted in profit on sale of investment amounting to RM2,208,000 in the current financial period under review.
- b) The details of the investments in quoted shares as at 30 Apr 2006 are as follows:-

	RM'000
Total investments at cost	3
Total investments at book value	3
Total investments at market value	9

20. Status of Corporate Proposal Announced

- a) There is no corporate proposal announced but not completed at a date not earlier than 7 days from the issue of this report except as follows:-

The Company has entered into a sale and purchase agreement dated 20 December 2005 with The Sweet Water Alliance Sdn Bhd to acquire 17,000,000 ordinary shares and 230,000 cumulative redeemable preference shares representing 10% of the issued and paid-up capital of Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings") for a total cash consideration of RM135,000,000.

On 2 March 2006, the Securities Commission has granted a waiver to Gamuda from the obligation to make a mandatory general offer under the Malaysian Code on Take-Overs and Mergers 1998, to acquire the remaining voting shares of Splash Holdings not held by the Company after the Proposed Acquisition.

On 15 March 2006, the above proposed acquisition was completed.

- b) The following are the status of utilisation of proceeds from the 3% Redeemable Unsecured Bonds 2000/2007 and Rights Issue Warrants proceeds as at end of the reporting period.

	Proposed RM'000	Utilised RM'000
<u>Details of activities</u>		
Repayment of borrowings	115,000	115,000
Part payment for land acquisition (Bandar Botanic)	60,000	60,000
Working capital	100,700	100,700
Expenses of bonds issue	4,300	4,300
Investment in Splash Holdings (Holding Company of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd)	120,000	120,000
Total	400,000	400,000

The proceeds from the 3% Redeemable Unsecured Bonds 2000/2007 and Rights Issue Warrants had been fully utilized as at 31 October 2005.

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

21. Group Borrowings and Debt Securities

The details of the Group's borrowings as at end of current quarter are as follows:

	Foreign Currency ‘000	RM Equivalent ‘000
<u>Short Term Borrowings</u>		
Revolving Credit Facility (Unsecured) - denominated in Taiwan Dollar (“TWD”)	TWD 450,000	50,000
		<u>50,000</u>
<u>Long Term Borrowings</u>		
Bonds (Nominal amount of 3% Redeemable Unsecured Bonds 2000/2007)		400,000
Medium Term Notes (Bandar Botanic)		<u>300,000</u>
		<u>700,000</u>
Total		<u>750,000</u>

22. Off Balance Sheet Financial Instruments

The Group has no off balance sheet financial instruments at a date not earlier than 7 days from the date of issue of this report.

23. Material Litigation

By a notice dated 23 January 2006, MMC-Gamuda JV (“Joint Venture”) had terminated Wayss & Freytag (Malaysia) Sdn Bhd (“W&F”) as the sub-contractor for the North Tunnel of the Smart Tunnel Project. Following the termination, the Joint Venture demanded full payment of RM16,580,982 (“Guaranteed Sum”) on the guarantee given by W&F as the performance bond.

On 26 January 2006, Gamuda Berhad (“Gamuda”) has been served with an Ex-parte Interim Injunction Order (“Interim Order”) by the solicitors of W&F. The Interim Order restrains Gamuda and MMC Engineering Group Berhad (“MMC Engineering”) whether jointly or severally from receiving any monies under the Bank Guarantee issued by BNP Paribas Bank (“Bank”) until the disposal of the suit or further order from the Court. Alternatively, it requires Gamuda and MMC Engineering whether jointly or severally within twelve days of receipt of the Interim Order to pay back to the bank any monies which they received under the Guarantee.

On 26 January 2006, the Joint Venture has made an application to the High Court to set aside the Interim Order. The High Court had on 6 February 2006 ordered that the Interim Order be stayed pending the full and final disposal of W&F’s claim and pending the said disposal, the Guaranteed Sum be placed with the Joint Venture’s solicitors. Management is confident of a favourable outcome in this matter and that the dispute will not affect the completion of the Smart Tunnel Project.

Other than the above litigation, the status of which remained unchanged, there were no other material litigations since the last annual balance sheet date to a date not earlier than 7 days from the date of issue of this report.

**Gamuda Berhad (Company No. 29579-T)
Quarterly Report On Consolidated Results
For The Financial Quarter Ended 30 April 2006**

Notes To The Financial Statements

24. Earnings Per Share

	Current Quarter 30 April 2006	Current Year To Date 30 April 2006
Basic		
Net profit attributable to shareholders (RM'000)	40,151	126,776
Number of ordinary shares in issue as at 1 August 2005 ('000)	749,572	749,572
Effect of shares issued during the period ('000)	3,660	3,274
Weighted average number of ordinary shares in issue ('000)	753,232	752,846
Basic earnings per ordinary share (sen)	5.33	16.84
Diluted		
Net profit attributable to shareholders (RM'000)	40,151	126,776
Weighted average number of ordinary shares in issue ('000)	753,232	752,846
- Assumed shares issued from exercise of Warrants 2001/2007 ('000)	-	1,430
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	753,232	754,276
Fully diluted earnings per ordinary share (sen)	5.33	16.81

Report Dated: 22 June 2006

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

**Summary of Key Financial Information for the financial period ended
* 30/04/2006**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER * 30/04/2006 ¹⁵ [dd/mm/yyyy] RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2005 ¹⁵ [dd/mm/yyyy] RM'000	CURRENT YEAR TO DATE * 30/04/2006 ¹⁵ [dd/mm/yyyy] RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2005 ¹⁵ [dd/mm/yyyy] RM'000
1	Revenue	249,838	409,525	786,536	1,115,443
2	Profit/(loss) before tax	64,012	119,748	196,107	332,790
3	Profit/(loss) after tax and minority interest	40,151	64,338	126,776	203,478
4	Net profit/(loss) for the period	40,151	64,338	126,776	203,478
5	Basic earnings/(loss) per share (sen)	5.33	8.60	16.84	27.42
6	Dividend per share (sen)	0.00	0.00	7.00	7.00
		AS AT END OF CURRENT QUARTER*		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	2.9500		2.9100	
Remarks :					

Note: For full text of the above announcement, please access the Bursa Malaysia website at www.bursamalaysia.com