



LOH & LOH Corporation Berhad
(Incorporated in Malaysia)

(389765 V)

QUARTERLY REPORT

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2007**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR ENDED
	31/03/07 RM'000	31/03/06 RM'000	31/03/07 RM'000	31/03/06 RM'000
Revenue	55.282	30.071	55.282	30.071
Cost of Sales	(48.775)	(25.169)	(48.775)	(25.169)
Gross profit	6.507	4.902	6.507	4.902
Other Operating income	799	271	799	271
Administrative expenses excluding finance cost	(4.226)	(3.238)	(4.226)	(3.238)
Finance cost	(34)	(21)	(34)	(21)
Profit/(loss) before income tax	3.046	1.914	3.046	1.914
Taxation	(894)	(407)	(894)	(407)
Profit/(loss) for the period from continuing operations	2.152	1.507	2.152	1.507
Attributable to :				
Equity holders of the parent	2.183	1.505	2.183	1.505
Minority interests	(31)	2	(31)	2
	2.152	1.507	2.152	1.507
Earnings per share attributable to equity holders of the parent :				
Basic(based on 68,000,000 ordinary shares)(sen)	3,21	2,21	3,21	2,21
Fully diluted (based on 68,000,000 ordinary shares)(sen)	3,21	2,21	3,21	2,21

(THE CONDENSED CONSOLIDATED INCOME STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2006)

**LOH & LOH Corporation Berhad**

(389765 V)

*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2007**

	AS AT END OF CURRENT QUARTER ENDED 31/03/07 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/06 RM'000
ASSETS		
Non-current assets		
Property, Plant & Equipment	36.743	38.133
Investment Properties	23.594	23.594
Intangible Assets	5.220	5.336
Development expenditure	21.675	21.422
Long Term Investment	1.305	1.305
Deferred Tax assets	176	212
	88.713	90.002
Current Assets		
Inventories	813	732
Debtors	72.486	91.234
Short term investments	13.488	13.238
Cash and Cash Equivalents	73.998	57.506
	160.785	162.710
TOTAL ASSETS	249.498	252.712
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	68.000	68.000
Reserves	96.266	94.083
Shareholders' funds	164.266	162.083
Minority Interests	2.041	2.072
Total equity	166.307	164.155
Non-current liabilities		
Long Term Borrowings	1.158	990
Other deferred liabilities	4.645	4.708
Total non-current liabilities	5.803	5.698
Current Liabilities		
Creditors	77.388	82.420
Short term borrowings	-	-
Provision for taxation	-	439
Dividends payables	-	-
Total current liabilities	77.388	82.859
Total liabilities	83.191	88.557
TOTAL EQUITY AND LIABILITIES	249.498	252.712
Net assets per share (RM)	2.45	2.41

**(THE CONDENSED CONSOLIDATED BALANCE SHEET SHOULD BE READ IN
CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR
ENDED 31 DECEMBER 2006)**

**LOH & LOH***Corporation Berhad* (389765 V)*(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2007**

	Attributable to Equity Holders of the Parent			Total	Minority interest	Total
	Share Capital	Revaluation Reserve	Retained Profits			
	RM'000	RM'000	RM'000			
Period ending 31 March 2007						
Balance as at 01.01.2007	68.000	3.330	90.753	162.083	2.072	164.155
Net profit for the period	-	-	2.183	2.183	(31)	2.152
Dividends paid	-	-	-	-	-	-
Balance as at 31.03.2007	68.000	3.330	92.936	164.266	2.041	166.307
Period ending 31 March 2006						
Balance as at 01.01.2006	68.000	8.629	75.601	152.230	641	152.871
Adoption of FRS 140	-	(6.436)	6.436	-	-	-
Balance as at 01.01.2006 (restated)	68.000	2.193	82.037	152.230	641	152.871
Net profit for the period	-	-	1.505	1.505	2	1.507
Dividends paid	-	-	-	-	-	-
Balance as at 31.03.2006	68.000	2.193	83.542	153.735	643	154.378

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2006)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2007**

	2007 Period ended 31-Mar RM'000	2006 Period ended 31-Mar RM'000
Net profit after tax	2.183	1.505
Adjustments for non-cash flow :-		
Non-cash items	1.416	390
Non-operating items	5	(14)
Operating profit before changes in working capital	3.604	1.881
Changes in working capital :		
Net Change in current assets	27.611	17.139
Net Change in current liabilities	(13.361)	(4.684)
Net changes in working capital	14.250	12.455
Tax paid	(981)	(973)
Net cash flows from operating activities	16.873	13.363
Investing Activities		
Equity Investments	-	93
Other Investments	120	(281)
	120	(188)
Financing Activities		
Dividend paid	-	-
Bank borrowings	(501)	756
	(501)	756
Net Change in Cash & Cash Equivalents	16.492	13.931
Cash & Cash Equivalents at beginning of the year	57.506	28.078
Cash & Cash Equivalents at end of the period	73.998	42.009

**(THE CONDENSED CONSOLIDATED CASH FLOW STATEMENT SHOULD BE
READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE
YEAR ENDED 31 DECEMBER 2006)**



Interim Financial Reporting for the first quarter ended 31 March 2007

A1 Basis of preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134 issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). It should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2006. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2006 except that the Group has adopted the new/revised standards mandatory for the financial period beginning on or after 1 January 2007, which are as follows:

FRS 117 Leases

This standard requires the classification of leasehold land as prepaid lease payment, ie the up-front payment represents prepaid lease payment with the long term portion disclosed as Leasehold land (non-current asset) and the short term portion included in Receivables (current asset) on the face of the balance sheet. There is no impact on the income statement and the balance sheet as the Group only incurred yearly lease payment.

FRS 124 Related Party Disclosures

This standard affects the identification of related parties, and results in additional related party disclosures presented in the financial statements.

As at the date of this report, the Group has not applied the new standard, FRS 139 Financial Instruments: Recognition and Measurement, which has been issued by the Malaysian Accounting Standards Board, but is not yet effective as the Malaysian Accounting Standards Board has deferred the effective date of FRS 139 from 1 January 2007 to a date to be announced. It is expected that there will be no material impact on the Consolidated Income Statement when the Group applies FRS 139.

A2 Audit qualification

The audit report of the Group's annual audited financial statements for the year ended 31 December 2006 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The business operations of the Group for the interim period were not affected by seasonal and cyclical factors.

A4 Material items affecting interim financial statements

There were no material items affecting assets, liabilities, equity, net income, or cash flows of the Group during the quarter and financial year to date.

A5 Changes in estimates

There are no material changes in estimates of amounts reported in prior interim period of the current financial year nor changes in estimates of amounts reported in prior financial years.

A6 Changes in Share Capital

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period.

A7 Dividends paid

There were no dividends paid in the current interim period.



Interim Financial Reporting for the first quarter ended 31 March 2007

A1 Basis of preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with the requirements of

A8 Segment Reporting

The segment revenue and segment results for the financial period ended 31 March 2007 :

Analysis by business segments

<i>Segments</i>	<i>Revenue</i>			<i>Results RM'000</i>
	<i>External RM'001</i>	<i>Internal RM'000</i>	<i>Total RM'000</i>	
Construction	51.287	4.973	56.260	2.797
Investments	356	126	482	487
Quarrying & trading	3.639	2.466	6.105	(217)
	55.282	7.565	62.847	3.067
Consolidation adjustments	-	(7.565)	(7.565)	13
	55.282	-	55.282	3.080
Finance cost				(34)
				3.046

A9 Valuation of Property, Plant and Equipment

The valuation of land and buildings have been brought forward, without amendment, from the most recent audited financial statements for the year ended 31 December 2006. The carrying value is based on a valuation carried out in 2006 by independent qualified valuers less depreciation.

A10 Material Subsequent Events

There were no material events subsequent to the end of the current period which have significant impact on the results of the Group.

A11 Changes in the Composition of the Group

- (i) On 5 January 2007, Loh & Loh Constructions Sdn Bhd ("LLCSB"), a wholly owned subsidiary company of Loh & Loh Corporation Berhad ("LLCB") disposed fifty ("50") ordinary shares of RM1.00 each of Gold Bridge-Loh & Loh Sdn Bhd ("GBLL") to Encik Iskandar Bin Haji Sheikh Fadzir, an associate company of LLCSB, representing 50% of the issued and paid up share capital of GBLL for a cash consideration of RM50.00 and pursuant thereto, GBLL is no longer an associate of LLCSB.
- (ii) On 15 February 2007, Loh & Loh Constructions Sdn Bhd ("LLCSB"), a wholly owned subsidiary company of LLCB disposed two hundred thousand ("200,000") ordinary shares of RM1.00 each of Turf Tech Sdn Bhd ("TTSB") representing 100% of the issued and paid up share capital of TTSB to Loh & Loh Development Sdn Bhd ("LLD"), a wholly owned subsidiary of LLCB, for a cash consideration of RM376,686.15 and pursuant thereto, TTSB has become a wholly owned subsidiary company of LLD.

A12 Changes in Contingent Liabilities and Contingent Assets

The changes in contingent liabilities since 31 December 2006 are as follows :

In the ordinary course of business, the Group has given guarantees to banks as security for bank guarantee facilities as follows:-

Performance of projects undertaken	RM	440.000
Projects tendered	RM	45.000



Explanatory notes

B1 Review of Performance of the Company and its Principal Subsidiaries

For the financial period ended 31 March 2007, the Group recorded a revenue of RM 55.28 million and profit before taxation of RM 3.05 million as compared to a revenue of RM 30.07 million and profit before taxation of RM 1.91 million for the financial period ended 31 March 2006. The revenue and profit before taxation for the financial period ended 31 March 2007 increased as compared to the preceding year corresponding period due to a higher level of construction activities from the existing jobs.

B2 Material changes in the Quarterly Results compared to the results of the Preceding Quarter

The Group's revenue for the first quarter of 2007 decreased to RM 55.28 million as compared to revenue of RM 96.11 million in the preceding quarter mainly due to lower level of construction activities from existing projects. This is reflected in a lower gross profit of RM6.51 million as compared to RM10.94 million in the preceding quarter.

The profit before taxation for the first quarter of 2007 decreased to RM3.05 million as compared to profit before taxation of RM 4.73 million in the preceding quarter.

B3 Prospects

Despite the challenges of intense competition and rising material costs facing the construction sector, the Board is optimistic that more construction projects especially water related projects under the Ninth Malaysian Plan will be implemented in 2007. Overall, the Board is confident that the results for 2007 will be better than 2006 based on the existing order book.

B4 Variance of Actual Profit from Forecast Profit and Profit Guarantee

This is not applicable to the Group.

B5 Taxation

	Current Year Quarter	Cumulative Current Year To Date
	31/03/07 RM'000	31/03/07 RM'000
Current year	903	903
Under/(over) provision of tax	-	-
Deferred taxation	(9)	(9)
Total tax expense	<hr/> 894	<hr/> 894



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Explanatory notes

B5 The explanation on the variance between the statutory tax rate and effective tax rate are as follows :

	Current Year Quarter 31/03/07 %	Cumulative Current Year To date 31/03/07 %
Statutory tax rate	27.00	27.00
Expenses not deductible for tax purposes	4.60	4.60
Non-taxable income	(2.25)	(2.25)
Overprovision of tax in prior year	-	-
Average effective tax rate	<u>29.35</u>	<u>29.35</u>

B6 Profit/loss on sale of Unquoted Investment and/ or Properties

On 5 January 2007, the Group disposed of 50 ordinary shares of RM1 each of Gold Bridge-Loh & Loh Sdn Bhd for a cash consideration of RM50. There was no profit and no loss from the above disposal.

B7 Quoted Securities

(a) The total purchases and disposals of quoted securities for the current quarter and financial year to date and profit/(loss) arising there from are as follows:

	Current Year Quarter RM'000	Cumulative Current Year To Date RM'000
Total purchases	1,539	1,539
Total disposals	1,976	1,976
Total profit/(loss) on disposals	80	80

(b) Total investments in quoted shares as at 31 March 2007 are as follows :-

	RM'000
Total investments at cost	6,405
Provision for diminution in value	(545)
Total investments at carrying value/book value	<u>5,860</u>
Total investments at market value	<u>6,711</u>



Explanatory notes

B8 Corporate Proposals

There were no corporate proposals announced for the current financial period under review.

B9 Group Borrowings and Debt Securities

Other than hire purchase commitments, the Group has no borrowings, in Ringgit Malaysia, as at 31 March 2007.

B10 Off Balance Sheet Financial Instruments

The Group had the following outstanding foreign exchange forward contract to hedge foreign currency purchases as at 22 May 2007:-

Type of Currency	Amount	Ringgit Equivalent	Maturity date
EUR	35,840	165,764	30 May 2007
SEK	5,468,000	2,881,636	11 June 2007
GBP	59,747	407,891	30 July 2007

B11 Changes in Material Litigation

There were no changes in material litigation since the previous reported quarter.

B12 Dividend

The Board of Directors does not recommend the payment of an interim dividend for the financial quarter ended 31 March 2007.

B13 Earnings per share

The basic and diluted earnings per share is calculated based on: -

- a) the Group net profit for the reporting period attributable to ordinary shareholders of RM 3.05 million; and
- b) the weighted average number of ordinary shares outstanding during the reporting period of 68.00 million shares of RM1.00 each

BY ORDER OF THE BOARD
GWEE OOI TENG
COMPANY SECRETARY
MAICSA 0794701
Kuala Lumpur
Date: 29 May 2007