

LOH & LOH CORPORATION BERHAD

1.1 QUARTERLY REPORT

Quarterly report on the condensed consolidation results for the financial quarter ended 31/12/02

The figures have not been audited .

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2002

	Note	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR ENDED
		31/12/02 RM'000	31/12/01 RM'000	31/12/02 RM'000	31/12/01 RM'000
Revenue		53,844	54,589	145,106	178,695
Cost of Sales		(41,987)	(41,104)	(112,636)	(140,382)
Gross profit		11,857	13,485	32,470	38,313
Other Operating income		6,844	47	9,877	535
Administrative expenses excuding finance cost		(12,244)	(5,306)	(20,468)	(11,364)
Profit/(loss) from Operations		6,457	8,226	21,879	27,484
Finance cost		(75)	(57)	(127)	(131)
Shares of results of associate		-	(276)	(2)	(276)
Profit/(loss) before income tax, minority interests		6,382	7,893	21,750	27,077
Taxation		(1,851)	(1,882)	(6,439)	(7,602)

Profit/(loss) after income tax before deducting minority interests	4,531	6,011	15,311	19,475
Minority interests	472	(88)	324	(512)
Net profit/(loss) for the period attributable to members of the company	5,003	5,923	15,635	18,963
Earnings per share on above after deducting any provision for preference dividends, if any :-				
Basic(based on 68,000,000 ordinary shares)(sen)	7.36	8.71	22.99	27.89
Fully diluted (based on 68,000,000 ordinary shares)(sen)	7.36	8.71	22.99	27.89

(THE CONDENSED CONSOLIDATED INCOME STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2001)

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2002**

	Note	(UNAUDITED) AS AT END OF CURRENT QUARTER 31/12/02 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31/12/01 RM'000
Property, Plant & Equipment	A9	26,494	28,170

Intangible Assets	2,761	3,680
Investment in Associated Companies	761	1,234
Long Term Investment	24,724	21,777
Investment Properties	23,487	22,371
Current Assets		
Inventories	1,555	954
Debtors	86,881	69,845
Short term investments	5,987	5,505
Cash and Cash Equivalents	34,364	54,178
	<u>128,787</u>	<u>130,482</u>
Current Liabilities		
Creditors	61,308	75,176
Short term borrowings	3,310	-
Provision for taxation	1,644	3,891
Dividends payables	-	-
	<u>66,262</u>	<u>79,067</u>
Net Current Assets	62,525	51,415
	<u>140,752</u>	<u>128,647</u>
Share Capital	68,000	68,000
Reserves	69,437	56,171
Shareholders' Fund	<u>137,437</u>	<u>124,171</u>
Minority Interests	350	674
Long Term Borrowings	183	914
Other deferred liabilities	2,782	2,888
	<u>140,752</u>	<u>128,647</u>

Net tangible assets per share (RM)

1.98

1.77

**(THE CONDENSED CONSOLIDATED BALANCE SHEETS SHOULD BE READ IN
CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR
ENDED 31 DECEMBER 2001)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002 Year ended ##### RM'000	2001 Year ended 31-Dec RM'000
Net profit after tax	####	18,963
Adjustments for non-cash flow :-		
Non-cash items	####	3,027
Non-operating items	####	5,093
Operating profit before changes in working capital	####	27,083
Changes in working capital :		
Net Change in current assets	####	17,285
Net Change in current liabilities	####	(11,791)
Net changes in working capital	####	5,494
Tax paid	####	(7,215)
Net cash flows from operating activities	####	25,362

Investing Activities

Equity Investments	####	(9,577)
Other Investments	####	(10,439)
	<u>(690)</u>	<u>(20,016)</u>
Financing Activities		
Dividend paid	####	(4,978)
Bank borrowings	####	(3,845)
Debt securities issued		
	<u>####</u>	<u>(8,823)</u>
Net Change in Cash & Cash Equivalents	####	(3,477)
Cash & Cash Equivalents at beginning of year	####	57,655
Cash & Cash Equivalents at end of year	<u>####</u>	<u>54,178</u>

(THE CONDENSED CONSOLIDATED CASH FLOW STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2001)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2002

	Share Capi	Reserve attributable to Capital	Revaluation Reserve	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Year ended 31 December 2002					
Balance as at 01.01.2002	####	(13,159)	8,261	61,069	124,171

Net gains & losses not recognised in income statements			12	67	79
Net profit for the year	-	-		15,635	15,635
Dividends paid				(2,448)	(2,448)
Balance as at 31.12.2002	####	(13,159)	8,273	74,323	137,437

Year ended 31 December 2001

Balance as at 01.01.2001	####	(13,159)	4,624	47,083	106,548
Revaluation surplus from property, plant & equipment and investment properties			3,637		3,637
Net profit for the year	-	-		18,963	18,963
Dividends paid				(4,977)	(4,977)
Balance as at 31.12.2001	####	(13,159)	8,261	61,069	124,171

(THE CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2001)

MASB 26 Interim Financial Reporting - Paragraph 16 Selected Explanatory Notes

A1 Accounting policies

The interim financial report of the Group has been prepared in accordance with MASB 26 Interim Financial Reporting and Chapter 9 part K of the Listing Requirements of Kuala Lumpur Stock Exchange.

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 annual audited financial statements.

A2 Audit qualification

There were no audit qualifications in the Group annual audit report of preceding annual financial statements .

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

Included in the other operating income were the reversal of provision for doubtful debts of RM 1.2 million and waiver of amount due to subcontractors of RM 6.8 million upon the settlement of final accounts of few projects for the financial year to date.

Whereas, included in the administrative expenses was a provision for doubtful debts of RM 8.0 million arising from a contract which was abandoned in early 1998 where the collection was doubtful.

A5 Changes in estimates

There are no material changes in estimates of amounts reported in prior interim period of the current financial year or 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

Dividends paid in the current interim period was as follows:

	Year ended 31 December	
	2002 RM '000	2001 RM'000
<i>Final dividend paid :</i>		
2002: 5 sen per share less tax (2001: 6 sen per share less tax)	2,448	2,938
<i>Interim dividends paid:</i>		
2002 : NIL	-	2,040

(2001: 3 sen per share tax exempt)

A8 Segment Reporting

The segment revenue and segment results for the financial period ended 31 December 2002 :

Analysis by business segments

	Revenue	Profit/(loss) before Taxation
	RM'000	RM'000
Constructions	####	20,637
Investments	####	5,771
Quarrying & trading	####	365
Share of Associate's profit/(loss)		(2)
	<hr/>	<hr/>
	####	26,771
Consolidation adjustments	####	(5,021)
	<hr/>	<hr/>
	####	21,750

A9 Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant & equipment from the previous annual financial statements.

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

There were no changes in the composition of the Group during the interim period.

A12 Changes in Contingent Liabilities and Contingent Assets

The changes in contingent liabilities since 31 December 2001 are as follows :

- In ordinary course of business, the Group has given guarantee of RM 13.09 million in respect

of subcontractors' performance for projects undertaken in the current financial period.

- b) The Group has also given guarantee of RM 6.19 million for projects tendered in the current financial period.
- c) The Group has given guarantee of RM 5.00 million in respect of advance payment bond for the project undertaken in the current financial period.