

**LOH & LOH Corporation Berhad** (389765 V)  
(Incorporated in Malaysia,

**QUARTERLY REPORT**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE QUARTER ENDED 31 DECEMBER 2004**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/12/04 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/03 RM'000	CURRENT YEAR TO DATE 31/12/04 RM'000	PRECEDING YEAR ENDED (Audited) 31/12/03 RM'000
Revenue	28,427	46,511	140,371	166,978
Cost of Sales	(19,405)	(38,027)	(113,161)	(138,238)
Gross profit	9,022	8,484	27,210	28,740
Other Operating income	169	277	831	1,522
Administrative expenses excluding finance cost	(4,441)	(3,957)	(12,899)	(12,700)
Profit/(loss) from Operations	4,750	4,804	15,142	17,562
Finance cost	(23)	(35)	(85)	(128)
Shares of results of associate	-	-	-	-
Profit/(loss) before income tax, minority interests	4,727	4,769	15,057	17,434
Taxation	(1,382)	(1,777)	(5,052)	(5,703)

Profit/(loss) after income tax before deducting minority interests	3,345	2,992	10,005	11,731
Minority interests	46	127	(177)	(172)
Net profit/(loss) for the period attributable to members of the company	3,391	3,119	9,828	11,559
Earnings per share on above after deducting any provision for preference dividends, if any :-				
Basic(based on 68,000,000 ordinary shares)(sen)	4.99	4.59	14.45	17.00
Fully diluted (based on 68,000,000 ordinary shares)(sen)	4.99	4.59	14.45	17.00

***(THE CONDENSED CONSOLIDATED INCOME STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003)***

***UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2004***

	AS AT END OF CURRENT QUARTER ENDED 31/12/04 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/03 RM'000
Property, Plant & Equipment	23,760	26,050

Intangible Assets	1,169	1,841
Development expenditure	38	-
Long Term Investment	12,294	22,610
Investment Properties	26,213	25,829
Current Assets		
Inventories	924	1,309
Debtors	75,508	57,195
Short term investments	7,684	6,915
Cash and Cash Equivalents	48,566	56,442
	<u>132,682</u>	<u>121,861</u>
Current Liabilities		
Creditors	40,005	48,449
Short term borrowings	-	-
Provision for taxation	1,035	522
Dividends payables	-	#REF!
	<u>41,040</u>	<u>#REF!</u>
Net Current Assets	91,642	#REF!
	<u>155,116</u>	<u>#REF!</u>
Share Capital	68,000	68,000
Reserves	82,701	76,790
Shareholders' Fund	<u>150,701</u>	<u>144,790</u>
Minority Interests	699	522
Long Term Borrowings	190	484
Other deferred liabilities	3,526	3,424
	<u>155,116</u>	<u>149,220</u>

Net tangible assets per share (RM)

2.20

2.10

***(THE CONDENSED CONSOLIDATED BALANCE SHEET SHOULD BE READ IN  
CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR  
ENDED 31 DECEMBER 2003)***

***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2004***

	Share Capital	Reserve attributable to Capital	Revaluation Reserve	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year ending 31 December 2004</b>					
Balance as at 01.01.2004	68,000	(13,159)	8,629	81,320	144,790
Net profit for the period		-		9,828	9,828
Dividends paid				(3,917)	(3,917)
Balance as at 31.12.2004	<u>68,000</u>	<u>(13,159)</u>	<u>8,629</u>	<u>87,231</u>	<u>150,701</u>
<b>Year ending 31 December 2003</b>					
Balance as at 01.01.2003	68,000	(13,159)	8,272	73,678	136,791
Net profit for the period			-	11,559	11,559

Revaluation adjustments in respect of overprovision of deferred taxation reversed out			357	-	357
Dividends paid				(3,917)	(3,917)
Balance as at 31.12.2003	68,000	(13,159)	8,629	81,320	144,790

***(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003)***

***UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2004***

	2004 Period ended 31-Dec RM'000	2003 Period ended 31-Dec RM'000
Net profit after tax	9,828	11,559
Adjustments for non-cash flow :-		
Non-cash items	6,643	6,593
Non-operating items	(2,602)	(2,989)
	<hr/>	
Operating profit before changes in working capital	13,869	15,163
Changes in working capital :		
Net Change in current assets	(18,003)	30,787
Net Change in current liabilities	(4,926)	(10,134)

Net changes in working capital	(22,929)	20,653
Tax paid	(5,383)	(6,942)
Net cash flows from operating activities	(14,443)	28,874
Investing Activities		
Equity Investments	10,343	2,389
Other Investments	1,143	(743)
	11,486	1,646
Financing Activities		
Dividend paid	(3,917)	(3,917)
Bank borrowings	(1,002)	(3,822)
	(4,919)	(7,739)
Net Change in Cash & Cash Equivalents	(7,876)	22,781
Cash & Cash Equivalents at beginning of year	56,442	33,661
Cash & Cash Equivalents at end of the period	48,566	56,442

***(THE CONDENSED CONSOLIDATED CASH FLOW STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003)***

***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 Bursa Malaysia Securities Berhad ("BMSB").

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**

The audit report of the Group's annual financial statements for the year ended 31 December 2003 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**

Dividends paid in the current interim period was as follows:

	Year ended 31 December 2004		Year ended 31 December 2003	
	Gross dividend per share	Amount of dividend net of 28% tax	Gross dividend per share	Amount of dividend net of 28% tax
	Sen	RM'000	Sen	RM'000
Final dividend approved by shareholder in respect of the year ended 31 December 2003, paid on 19 July 2004	8	3,917		
Final dividend approved by shareholder in respect of the year ended 31 December 2002, paid on 28 July 2003			8	3,917

**A8 Segment Reporting**

The segment revenue and segment results for the financial period ended 31 December 2004 :

Analysis by business segments

<i>Segments</i>	<i>Revenue</i>			<i>Results RM'000</i>
	<i>External RM'000</i>	<i>Internal RM'000</i>	<i>Total RM'000</i>	
Constructions	125,164	4,386	129,550	12,727
Investments	6,064	5,930	11,994	7,847
Quarrying & trading	9,143	1,896	11,039	912
	140,371	12,212	152,583	21,486
Consolidation adjustments	-	(12,212)	(12,212)	(6,344)
	140,371	-	140,371	15,142
Finance cost				(85)
Share of associate results				-
				15,057

**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**

During the quarter ended 30 June 2004, Water Engineering Technology Sdn Bhd, a wholly owned subsidiary of Loh & Loh Corporation Berhad ("LLCB") has on 22 June 2004 entered into a joint venture agreement

with Air Pollution Control Engineering Sdn. Bhd., Yap Kam Biow and John Henning De Kock in relation to a Joint Venture in Positive Cycle Sdn Bhd (now known as WET Air Sdn Bhd ("Proposed Joint Venture")), thereby resulting in Wet Air Sdn Bhd becoming an indirect subsidiary of LLCB.

**A12 Changes in Contingent Liabilities and Contingent Assets**

The changes in contingent liabilities since 31 December 2003 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 2.1 million
Projects tendered	RM 7.0 million
Advance payment bond given	RM 2.7 million

**A13 Capital Commitment**

	RM 2004	RM 2003
Approved capital expenditure contracted but not provided for in the financial statements in respect of the purchase of 2 pieces of land in Mukim Ulu Kelang, Selangor.	18,437,445	-

On 18 November 2004, LLCB announced that Loh & Loh Development Sdn Bhd, its wholly owned subsidiary company, had on 12 November 2004 entered into separate Sale & Purchase Agreements with :

- a) Regional Selection Sdn Bhd (Company No: 311585-A), for the acquisition of all that piece of freehold agricultural land held under Geran Mukim 33, Lot 563, Mukim Ulu Kelang, Daerah Gombak, Negeri Selangor measuring approximately 2.3016 hectares for a cash consideration of RM 8,670,400.20; and
- b) Teluk Metro Sdn Bhd (Company No: 317856-P), for the acquisition of all that piece of freehold agricultural land held under Geran Mukim 23, Lot 568, Mukim Ulu Kelang, Daerah Gombak, Negeri Selangor measuring approximately 3.1363 hectares for a cash consideration of RM 11,815,650.00.

On 15 February 2005, the balance of the purchase consideration was paid. The acquisition was completed on the same date.