



**QUARTERLY REPORT**

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

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR ENDED
	31/12/07 RM'000	31/12/06 RM'000	31/12/07 RM'000	31/12/06 RM'000
Revenue	87.204	96.191	290.286	214.629
Cost of Sales	(72.098)	(85.279)	(248.657)	(187.061)
Gross profit	15.106	10.912	41.629	27.568
Other Operating income	1.448	1.172	3.284	1.967
Administrative expenses excluding finance cost	(8.296)	(6.853)	(21.728)	(17.458)
Finance cost	(26)	(32)	(125)	(105)
Reserve on consolidation	-	(282)	-	3.463
Profit/(loss) before income tax	8.232	4.917	23.060	15.435
Taxation	(2.262)	(906)	(6.938)	(2.711)
Profit/(loss) for the period from continuing operations	5.970	4.011	16.122	12.724
Attributable to :				
<b>Equity holders of the parent</b>	5.975	3.966	16.127	12.688
<b>Minority interests</b>	(5)	45	(5)	36
	5.970	4.011	16.122	12.724
Earnings per share attributable to equity holders of the parent :				
Basic(based on 68,000,000 ordinary shares)(sen)	8,79	5,83	23,72	18,66
Fully diluted (based on 68,000,000 ordinary shares)(sen)	8,79	5,83	23,72	18,66

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



**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2007**

	AS AT END OF CURRENT QUARTER ENDED 31/12/07 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31/12/06 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	34.386	38.133
Investment Properties	23.594	23.594
Land held for property development	36.995	21.422
Intangible Assets	4.869	5.336
Long Term Investment	295	1.305
Deferred Tax assets	176	212
	<u>100.315</u>	<u>90.002</u>
<b>Current Assets</b>		
Property development costs	25.763	-
Inventories	568	732
Debtors	72.442	91.234
Short term investments	9.566	13.238
Cash and Cash Equivalents	96.052	57.506
	<u>204.391</u>	<u>162.710</u>
<b>TOTAL ASSETS</b>	<u>304.706</u>	<u>252.712</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	68.000	68.000
Reserves	106.195	94.083
Shareholders' funds	<u>174.195</u>	<u>162.083</u>
<b>Minority Interests</b>	2.163	2.072
<b>Total equity</b>	<u>176.358</u>	<u>164.155</u>
<b>Non-current liabilities</b>		
Long Term Borrowings	395	990
Other deferred liabilities	4.619	4.708
<b>Total non-current liabilities</b>	<u>5.014</u>	<u>5.698</u>
<b>Current Liabilities</b>		
Creditors	119.643	82.420
Short term borrowings	1.345	-
Provision for taxation	2.330	439
Dividends payable	16	-
<b>Total current liabilities</b>	<u>123.334</u>	<u>82.859</u>
<b>Total liabilities</b>	<u>128.348</u>	<u>88.557</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>304.706</u>	<u>252.712</u>
<b>Net assets per share (RM)</b>	<u>2.59</u>	<u>2.41</u>

*(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 DECEMBER 2007**

	Attributable to Equity Holders of the Parent				Minority	Total
	Share Capital	Revaluation Reserve	Retained Profits	Total	interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Period ending 31 December 2007</b>						
Balance as at 01.01.2007	68.000	3.330	90.753	162.083	2.072	164.155
Dilution of interest in WASB (WET Air Sdn Bhd)	-	-	(44)	(44)	96	52
Net profit for the period	-	-	16.127	16.127	(5)	16.122
Dividends payable	-	-	(3.971)	(3.971)	-	(3.971)
Balance as at 31.12.2007	<u>68.000</u>	<u>3.330</u>	<u>102.865</u>	<u>174.195</u>	<u>2.163</u>	<u>176.358</u>
<b>Period ending 31 December 2006</b>						
Balance as at 01.01.2006 (restated)	68.000	2.193	82.037	152.230	641	152.871
Revaluation of property, plant & equipment	-	1.137	-	1.137	-	1.137
Dilution arising from issue of additional shares in subsidiary company	-	-	(55)	(55)	125	70
Acquisition of subsidiaries	-	-	-	-	1.270	1.270
Net profit for the period	-	-	12.688	12.688	36	12.724
Dividends paid	-	-	(3.917)	(3.917)	-	(3.917)
Balance as at 31.12.2006	<u>68.000</u>	<u>3.330</u>	<u>90.753</u>	<u>162.083</u>	<u>2.072</u>	<u>164.155</u>

**(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 DECEMBER 2007**

	2007 Period ended 31-Dis RM'000	2006 Period ended 31-Dis RM'000
Net profit after tax	16.127	12.688
Adjustments for non-cash flow :-		
Non-cash items	7.901	(1.119)
Non-operating items	(619)	(1.637)
Operating profit before changes in working capital	23.409	9.932
Changes in working capital :		
Net Change in current assets	58.564	9.320
Net Change in current liabilities	(3.657)	12.914
Net changes in working capital	54.907	22.234
Tax paid	(5.009)	(2.285)
Net cash flows from operating activities	73.307	29.881
Investing Activities		
Equity Investments	6.098	8.403
Other Investments	(36.397)	(3.464)
	(30.299)	4.939
Financing Activities		
Dividend paid	(3.971)	(3.917)
Bank borrowings	(491)	(1.475)
	(4.462)	(5.392)
Net Change in Cash & Cash Equivalents	38.546	29.428
Cash & Cash Equivalents at beginning of the year	57.506	28.078
Cash & Cash Equivalents at end of the period	96.052	57.506

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



**Explanatory notes and additional information**

**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. There is no impact to the Group as the Group does not have any leasehold land.

**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 adopted FRS 139 Financial Instruments: Recognition and Measurement, which has been issued by the Malaysian Accounting Standards Board, but 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.

**A8 Segment Reporting**

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

**Explanatory notes and additional information**

Analysis by business segments

<b>Segments</b>	<b>Revenue</b>			<b>Results RM'000</b>
	<b>External RM'000</b>	<b>Internal RM'000</b>	<b>Total RM'000</b>	
Construction	268.423	31.734	300.157	18.541
Developments	12.039	-	12.039	3.248
Investments	2.300	5.930	8.230	7.420
Quarrying & trading	7.524	16.028	23.552	(71)
	290.286	53.692	343.978	29.138
Consolidation adjustments	-	(53.692)	(53.692)	(5.953)
	290.286	-	290.286	23.185
Finance cost				(125)
				23.060

**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 Events**

Turf-Tech Sdn Bhd ("TTSB"), a wholly owned subsidiary of Loh & Loh Development Sdn Bhd ("LLDSB") which in turn is a wholly-owned subsidiary of Loh & Loh Corporation Berhad ("LLCB"), had on 2 April 2007 entered into a Sale & Purchase Agreement with Perbadanan Nasional Berhad for the acquisition of a piece of freehold agricultural land held under PT No 34728 HS(D) 27473 Mukim Batu, District of Gombak, State of Selangor for a total cash purchase consideration of RM35.3 million. The transaction was completed on 2 July 2007.

**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 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, 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.
- (iii) On 3 September 2007, WET Air Sdn Bhd ("WASB"), a subsidiary of Water Engineering Technology Sdn Bhd ("WET"), issued additional eighty thousand ("80,000") ordinary shares of RM1.00 each in WASB to WET (27,500 ordinary shares) and Air Pollution Control Engineering ("APCE") (52,500 ordinary shares) in compliance and pursuant to the Joint Venture Agreement dated 22 June 2004. The additional 80,000 ordinary shares were issued at par of RM1.00 each. With the additional issuance of 80,000 ordinary shares, WET effectively control 65% of the issued and paid-up capital of WASB of 350,000 ordinary shares.

**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	4,530.123
Projects tendered	RM	252.100



**Explanatory notes and additional information**

**B1 Review of Performance of the Company and its Principal Subsidiaries**

For the financial year ended 31 December 2007, the Group recorded a revenue of RM 290.29 million and profit before taxation of RM 23.06 million as compared to a revenue of RM 214.63 million and profit before taxation of RM 15.44 million for the financial year ended 31 December 2006. The revenue and profit before taxation for the financial year ended 31 December 2007 increased as compared to the preceding year corresponding period due to a higher level of construction activities from the existing jobs secured in year 2006 and commencement of the property development in Riverview Kemensah, Melawati.

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

The Group's revenue for the fourth quarter of 2007 increased to RM 87.20 million as compared to revenue of RM 70.11 million in the preceding quarter due to higher revenue from construction activities.

The profit before taxation for the fourth quarter of 2007 increased to RM8.23 million as compared to profit before taxation of RM6.69 million in the preceding quarter due to savings from certain projects and the sales of residential properties of the group maiden development in Riverview Kemensah, Melawati.

**B3 Prospects**

Despite the challenges of intense competition and rising material costs facing the construction sector, the Board is optimistic that the results for 2008 will be better than 2007 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
	31/12/07 RM'000	31/12/07 RM'000
Current year	2,231	6,846
Under/(over) provision of tax	(5)	(5)
Deferred taxation	36	97
Total tax expense	<hr/> 2,262	<hr/> 6,938



**Explanatory notes and additional information**

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

	Current Year Quarter 31/12/07 %	Cumulative Current Year To date 31/12/07 %
Statutory tax rate	27.00	27.00
Expenses not deductible for tax purposes	0.48	3.66
Non-taxable income	-	(0.57)
Overprovision of tax in prior year	-	-
Average effective tax rate	<u>27.48</u>	<u>30.09</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	1,711	6,108
Total disposals	953	7,292
Total profit/(loss) on disposals	95	1,203

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

	RM'000
Total investments at cost	5,650
Provision for diminution in value	(572)
Total investments at carrying value/book value	<u>5,078</u>
Total investments at market value	<u>6,246</u>

**B8 Corporate Proposals**

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



**Explanatory notes and additional information**

**B9 Group Borrowings and Debt Securities**

Other than hire purchase commitments, particulars of the Group borrowings, in Ringgit Malaysia, as at 31 December 2007 is as follows:-

Short term borrowings

Types	Secured (RM'000)	Unsecured (RM'000)
Bankers's Acceptances	1,345	-

**B10 Off Balance Sheet Financial Instruments**

The Group had the following outstanding foreign exchange forward contract to hedge foreign currency purchases as at 20 February 2008:-

Type of Currency	Amount	Ringgit Equivalent	Maturity date
SEK	5,468,000	2,712,128	28 Feb 2008

**B11 Changes in Material Litigation**

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

**B12 Dividend**

- a)
- i) The Board of Directors has recommended a final dividend for the financial year 31 December 2007
  - ii) Amount per share : 8 sen less 26% income tax
  - iii) Previous corresponding period : 8 sen less 27% income tax (final)
  - iv) Date payable : To be determined later
  - v) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors at a date to be determined later.
- b) Total dividend per share for the current financial year to date : NIL

**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 16.13 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: 27 February 2008



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

***Explanatory notes and additional information***