

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 30.9.2015 RM'000</b>	<b>AUDITED AS AT 31.12.2014 RM'000</b>
<b>Assets</b>		
Property, plant and equipment	753,488	723,289
Investment in associates	288,894	210,212
Other non-current assets	81,979	76,416
<b>Total non-current assets</b>	<b>1,124,361</b>	1,009,917
Receivables, deposits and prepayments	849,860	708,701
Amount due from contract customers	700,174	532,121
Inventories	300,938	282,335
Current tax assets and other assets	20,256	14,167
Cash and cash equivalents	667,754	585,532
<b>Total current assets</b>	<b>2,538,982</b>	2,122,856
<b>Total assets</b>	<b>3,663,343</b>	3,132,773
<b>Equity</b>		
Share capital	235,183	215,732
Reserves	572,227	428,247
<b>Total equity attributable to owners of the Company</b>	<b>807,410</b>	643,979
<b>Non-controlling interests</b>	<b>261,098</b>	224,309
<b>Total equity</b>	<b>1,068,508</b>	868,288
<b>Liabilities</b>		
Payables and accruals	17,505	15,076
Loans and borrowings	53,658	69,267
Deferred tax liabilities	46,929	45,615
<b>Total non-current liabilities</b>	<b>118,092</b>	129,958
Provision, payables and accruals	635,220	606,931
Amount due to contract customers	419,184	321,267
Bills payables	938,411	788,447
Loans and borrowings	355,750	378,775
Tax liabilities and other liabilities	128,178	39,107
<b>Total current liabilities</b>	<b>2,476,743</b>	2,134,527
<b>Total liabilities</b>	<b>2,594,835</b>	2,264,485
<b>Total equity and liabilities</b>	<b>3,663,343</b>	3,132,773
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.72</b>	1.50

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Revenue		393,617	376,100	1,167,165	1,236,192
Cost of sales and operating expenses		(354,088)	(350,579)	(1,069,194)	(1,157,668)
<b>Results from operating activities</b>		<b>39,529</b>	<b>25,521</b>	<b>97,971</b>	<b>78,524</b>
Interest income (including MFRS 139)		1,449	2,804	5,990	5,714
Finance costs ( including MFRS 139)		(4,985)	(5,642)	(18,842)	(12,040)
<b>Operating profit</b>		<b>35,993</b>	<b>22,683</b>	<b>85,119</b>	<b>72,198</b>
Share of profit after tax and minority interest of equity accounted associates		14,403	5,246	42,186	31,277
<b>Profit before tax</b>		<b>50,396</b>	<b>27,929</b>	<b>127,305</b>	<b>103,475</b>
Tax expense	20	(11,128)	(338)	(29,925)	(23,469)
<b>Profit for the period</b>		<b>39,268</b>	<b>27,591</b>	<b>97,380</b>	<b>80,006</b>
<b>Other comprehensive income</b>					
Foreign currency translation differences for foreign operations		67,981	(1,163)	92,426	(7,348)
<b>Other comprehensive income/(expense) for the period</b>		<b>67,981</b>	<b>(1,163)</b>	<b>92,426</b>	<b>(7,348)</b>
<b>Total comprehensive income for the period</b>		<b>107,249</b>	<b>26,428</b>	<b>189,806</b>	<b>72,658</b>
<b>Profit attributable to:</b>					
Owners of the Company		22,960	20,270	65,508	61,360
Non-controlling interests		16,308	7,321	31,872	18,646
<b>Profit for the period</b>		<b>39,268</b>	<b>27,591</b>	<b>97,380</b>	<b>80,006</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		81,045	21,480	146,557	56,465
Non-controlling interests		26,204	4,948	43,249	16,193
<b>Total comprehensive income for the period</b>		<b>107,249</b>	<b>26,428</b>	<b>189,806</b>	<b>72,658</b>
<b>Earnings per ordinary share</b>					
Basic (Sen)	24	4.63	4.78	14.43	14.52
Diluted (Sen)	24	4.56	4.40	14.20	13.36

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

	← Attributable to shareholders of the Company →				Retained earnings RM'000	Total equity attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
	← Non-distributable →		Distributable					
	Share capital RM'000	Treasury shares RM'000	Reserves attributable to capital RM'000	Reserve attributable to revenue RM'000				
<b>At 1 January 2015</b>	215,732	(5,561)	207,701	23,718	202,389	643,979	224,309	868,288
Foreign currency translation differences for foreign operations	-	-	-	81,049	-	81,049	11,377	92,426
Profit for the period	-	-	-	-	65,508	65,508	31,872	97,380
Total comprehensive income for the period	-	-	-	81,049	65,508	146,557	43,249	189,806
Share options exercised	951	-	723	-	-	1,674	1,133	2,807
Share-based payments	-	-	188	-	-	188	125	313
Warrant exercise	18,500	-	21,090	-	-	39,590	-	39,590
Dilution of interest in subsidiary	-	-	-	-	(5,720)	(5,720)	5,720	-
Dividends to owner of the Company	-	-	-	-	(18,858)	(18,858)	-	(18,858)
Dividends to non-controlling interest	-	-	-	-	-	-	(13,438)	(13,438)
<b>At 30 September 2015</b>	<b>235,183</b>	<b>(5,561)</b>	<b>229,702</b>	<b>104,767</b>	<b>243,319</b>	<b>807,410</b>	<b>261,098</b>	<b>1,068,508</b>
<b>At 1 January 2014</b>	211,214	(5,561)	202,432	12,145	142,426	562,656	194,456	757,112
Foreign currency translation differences for foreign operations	-	-	-	(4,895)	-	(4,895)	(2,453)	(7,348)
Profit for the period	-	-	-	-	61,360	61,360	18,646	80,006
Total comprehensive income for the period	-	-	-	(4,895)	61,360	56,465	16,193	72,658
Share option exercised	1,767	-	1,344	-	-	3,111	1,085	4,196
Share-based payments	-	-	1,116	-	-	1,116	179	1,295
Acquisition of non-controlling interest	-	-	-	-	-	-	(3,253)	(3,253)
Issued of shares to non-controlling interest	-	-	-	-	-	-	1,382	1,382
Dilution of interest in subsidiary	-	-	-	-	(1,945)	(1,945)	1,945	-
Dividends to owner of the Company	-	-	-	-	(19,087)	(19,087)	-	(19,087)
Dividends to non-controlling interest	-	-	-	-	-	-	(8,526)	(8,526)
<b>At 30 September 2014</b>	<b>212,981</b>	<b>(5,561)</b>	<b>204,892</b>	<b>7,250</b>	<b>182,754</b>	<b>602,316</b>	<b>203,461</b>	<b>805,777</b>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

	<b>Unaudited Period ended 30.9.2015 RM'000</b>	<b>Unaudited Period ended 30.9.2014 RM'000</b>
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>127,305</b>	103,475
Adjustment for:		
Depreciation and amortisation	41,832	41,275
Fair value adjustment on derivative instruments	90,815	(2,074)
Finance costs	36,354	24,519
Finance costs under MFRS 139	166	19
(Gain)/Loss on disposal of property, plant and equipments	(729)	(155)
Net impairment loss on receivables	(11,994)	(2,775)
Net provision for impairment loss on property, plant and equipment	5,000	-
Interest income	(5,478)	(3,792)
Interest income under MFRS 139	(512)	(1,922)
Property, plant and equipment written off	185	1,103
Net provision for warranties	(4,887)	(1,581)
Share based payment	313	1,295
Share of profit of associates	(42,186)	(31,277)
<b>Operating profit before changes in working capital</b>	<b>236,184</b>	128,110
Receivables, deposits and prepayments	(128,104)	63,687
Inventories	(18,602)	(45,774)
Payables and accruals	32,148	5,558
Amount due from contract customers	(70,137)	(256,982)
<b>Cash generated from/(used in) operations</b>	<b>51,489</b>	(105,401)
Net income taxes paid	(34,817)	(16,069)
<b>Net cash generated from/(used in) operating activities</b>	<b>16,672</b>	(121,470)
<b>Cash flows from investing activities</b>		
Additions to development expenditures	(1,786)	(2,212)
Acquisition of subsidiary, net of cash inflow	-	18
Acquisition of non-controlling interest	-	(3,253)
Dividend received from associates	3,500	5,016
Interest received	5,478	3,792
Proceed from disposal of property, plant and equipment	4,596	3,749
Purchase of property, plant and equipment	(45,041)	(34,312)
<b>Net cash generated from/(used in) investing activities</b>	<b>(33,253)</b>	(27,202)
<b>Cash flows from financing activities</b>		
Dividend paid to owners of the Company	(18,858)	(19,087)
Dividend paid to non-controlling interest	(13,438)	(8,526)
Interest paid	(36,354)	(24,519)
Proceed from exercise of share options and warrants	41,264	3,111
Proceed from issuance of shares to non-controlling interests of a subsidiary	1,133	2,467
Net drawdown/ (repayment) of loans and borrowings	80,520	23,657
<b>Net cash generated from/(used in) financing activities</b>	<b>54,267</b>	(22,897)

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2015 (cont'd)**

	<b>Unaudited Period ended 30.9.2015 RM'000</b>	<b>Unaudited Period ended 30.9.2014 RM'000</b>
<b>Currency translation differences</b>	<b>13,725</b>	(4,145)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>51,411</b>	(175,714)
<b>Cash and cash equivalents at 1 January</b>	<b>575,130</b>	421,647
<b>Cash and cash equivalents at 30 September</b>	<b>626,541</b>	245,933

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	<b>30.9.2015 RM'000</b>	<b>30.9.2014 RM'000</b>
Cash and bank balances	<b>598,143</b>	216,353
Deposits placed with licensed banks	<b>69,611</b>	46,799
Cash and cash equivalents per balance sheet	<b>667,754</b>	263,152
Bank overdrafts	<b>(41,213)</b>	(17,219)
	<b>626,541</b>	245,933

(The Condensed Consolidated Cash Flow statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2014 and the accompanying notes attached to the interim financial statements)

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

**1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Listing Requirements"), including compliance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014 except for the adoption of the Amendments and Annual Improvements to Standards effective from 1 July 2014:

- Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to MFRSs 2010 - 2012 Cycle
- Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above amendments and Annual Improvements to Standards did not have any material impact on the Group and the Company's financial statements upon their initial application.

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective to the Group:

MFRSs and IC Interpretations

(Including the Consequential Amendments)

Effective Date

• MFRS 9 Financial Instruments	1 January 2018
• MFRS 15 Revenue from Contracts with Customers	1 January 2017
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor or its Associate of Joint Ventures	1 January 2016
• Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
• Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities - Applying the Consolidation Exception	1 January 2016
• Amendments to MFRS 101: Presentation of Financial Statements - Disclosure Initiative	1 January 2016
• Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendments to MFRS 116 and MFRS 141: Agriculture - Bearer Plants	1 January 2016
• Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
• Annuals Improvements to MFRS 2012 - 2014 Cycle	1 January 2016

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

## 2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective and have not been adopted by the Group:

<u>MFRSs and IC Interpretations (Including the Consequential Amendments)</u>	<u>Effective Date</u>
• MFRS 9 Financial Instruments	1 January 2018
• MFRS 15 Revenue from Contracts with Customers	1 January 2017
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor or its Associate or Joint Ventures	1 January 2016
• Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
• Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities - Applying the Consolidation Exception	1 January 2016
• Amendments to MFRS 101: Presentation of Financial Statements - Disclosure Initiative	1 January 2016
• Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendments to MFRS 116 and MFRS 141: Agriculture - Bearer Plants	1 January 2016
• Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
• Annuals Improvements to MFRS 2012 - 2014 Cycle	1 January 2016

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

## 3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The Auditors' Report of the financial statements for the preceding financial year ended 31 December 2014 was not subject to any qualification.

## 4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

## 5. EXCEPTIONAL OR UNUSUAL ITEMS

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review.

## 6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts that have a material effect in the current quarter under review.

## 7. DEBT AND EQUITY SECURITIES

There were no other issuance, repurchase and repayment of debt and equity securities by the Group during the nine-month financial period ended 30 September 2015 besides the repayment of RM70 million Islamic Bonds and 38.2 million ordinary shares were issued pursuant to the exercise of the warrants and Employees' Share Option Scheme.

## 8. DIVIDEND PAYMENT

A first and final tax exempt dividend of 4.00 sen per ordinary share of RM0.50 each totalling RM18.9 million in respect of the year ended 31 December 2014 was paid on 11 September 2015.

## 9. SEGMENT REVENUE AND RESULTS

Financial data by business segment for the Group:

	Period ended 30.09.2015	
	Revenue	Profit before tax
	RM'000	RM'000
Infrastructure construction	844,103	45,936
Cranes	571,649	97,019
Marine ship repair and ship building	35,993	7,428
Concession	-	43,993
	<hr/>	<hr/>
	1,451,745	194,376
Less: Group eliminations	(284,580)	(67,071)
	<hr/>	<hr/>
	<u>1,167,165</u>	<u>127,305</u>

## 10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

## 11. MATERIAL SUBSEQUENT EVENTS

There is no material subsequent event from the end of the current quarter to 20 November 2015, which is likely to substantially affect the results of the operations of the Company.

## 12. MATERIAL CHANGES IN THE GROUP'S COMPOSITION

There were no major changes in the composition of the Group in the current quarter under review.

## 13. CONTINGENT LIABILITIES/ASSETS

Since the last annual balance sheet as at 31 December 2014, there were no material changes in the contingent liabilities of the Company:

	RM'000
Corporate guarantees for credit facilities granted to subsidiary companies	<u>120,241</u>

## 14. CAPITAL COMMITMENTS

There were no material capital commitments as at 30 September 2015 and up to 20 November 2015.

## 15. COMPARISON WITH PRECEDING QUARTER RESULTS (Q3 2015 vs. Q2 2015)

The Group recorded higher profit before tax for the current quarter as compared to preceding quarter. The improvement in Group profit before tax is mainly attributed by Favelle Favco crane division and Cambodian airports. Favco Group has further improved its operational efficiencies and our operation at Cambodian airports saw further growth and benefited from the appreciation of foreign exchange.



## 16. REVIEW OF GROUP PERFORMANCE (YTD Q3 2015 vs. YTD Q3 2014)

The Group is reporting revenue of RM1.17 billion with profit before tax of RM127.31 million for the current period ended 30 September 2015 in comparison to revenue of RM1.24 billion with profit before tax of RM103.48 million in the previous corresponding period ended 30 September 2014.

The improvement in profit before tax was mainly attributed to the operational efficiencies and forex gain of Favco Group as well as continually improved results of the Cambodia airports operation in line with the passengers growth and US Dollar appreciation.

## 17. GROUP'S CURRENT YEAR PROSPECT

### a) Secured Order Book

As at 20 November 2015, the total outstanding secured order book in hand of the Group is RM2.15 billion.

### b) Current Year Prospect

The Group in a joint venture with VA Tech Wabag Limited was successfully awarded a contract for the Design, Engineering, Procurement, Construction and Commissioning of the Effluent Treatment Plant for the Refinery and Petrochemicals Integrated Development ("RAPID") Project in Pengerang, Johor, Malaysia for a contract value of approximately RM1 billion. The Group has a 30% interest in the joint venture.

To date, construction division has secured various contracts from marine, infrastructure and oil and gas sectors.

Meanwhile, Cambodia Airports expansion has substantially been completed and will cater for future growth in Siem Reap and Phnom Penh International Airports.

## 18. PROFIT FORECAST

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

## 19. OPERATING PROFIT

	<b>Current Quarter 30.09.2015 RM'000</b>	<b>Cumulative Qtr To date 30.09.2015 RM'000</b>
Operating profit is arrived at after (crediting)/charging the following:		
Depreciation and amortisation	11,932	41,832
Finance costs		
-Income statement	4,930	18,676
-contract cost	6,872	17,678
	<u>11,802</u>	<u>36,354</u>
Finance costs under MFRS 139	55	166
Interest income	(1,060)	(5,478)
Interest income under MFRS 139	(389)	(512)
(Gain)/Loss on foreign exchange	(67,299)	(73,697)
(Gain)/Loss on derivatives	85,768	90,815
(Gain)/Loss on disposal of property, plant and equipment	<u>(195)</u>	<u>(729)</u>

## 20. TAXATION

	<b>Current Quarter 30.09.2015 RM'000</b>	<b>Cumulative Qtr To date 30.09.2015 RM'000</b>
Corporate tax expense		
Malaysia - current	(9,905)	(28,093)
Overseas - current	(434)	(848)
	(10,339)	(28,941)
Deferred tax expense		
Malaysia - current	(789)	(984)
Overseas - current	-	-
	(789)	(984)
<b>Total tax expense</b>	<b>(11,128)</b>	<b>(29,925)</b>

The Group's effective tax rate for the cumulative quarter ended 30 September 2015 is slightly lower than the statutory tax rate due to some non taxable income from foreign subsidiaries.

## 21. CORPORATE PROPOSALS

There is no outstanding corporate proposal during the quarter under review.

## 22. GROUP BORROWINGS AND DEBT SECURITIES

	<b>Foreign Currency</b>		<b>RM'000</b>
	<b>Currency</b>	<b>Amount</b>	
a) Short term borrowings			
Secured	RM	15,527	15,527
	AUD	17	53
	Sub- total		15,580
Unsecured	RM	336,976	336,976
	USD	-	-
	DKK	4,840	3,192
	Sub- total		340,168
b) Hire purchase and finance lease	RM	2	2
	Sub- total		2
<b>Total Short Term Borrowings</b>			<b>355,750</b>
a) Long term borrowings			
Secured	RM	43,041	43,041
	Sub-total		43,041
Unsecured	RM	10,617	10,617
	Sub-total		10,617
<b>Total Long Term Borrowings</b>			<b>53,658</b>
<b>Total borrowings</b>			<b>409,408</b>

## 23. MATERIAL LITIGATION

The ongoing material litigation of the Group as at 20 November 2015 are as follow:

### i. Muhibbah-LTAT JV's claim on Sepangar Bay Project.

The Arbitration proceedings commenced by Muhibbah-LTAT JV for claims outstanding from the completed Sepangar Naval Base Project, Sabah is continuing. Any recovery of such claims will be positive to the earnings of the company.

### ii. Supreme Court of the State of New York

The Suits against the Company, its subsidiary Favelle Favco Berhad ("FFB") and FFB's subsidiary Favelle Favco Cranes (USA) Inc ("FFU"), commenced by persons/companies in New York vide suits instituted in the Supreme Court of the State of New York, as previously reported remain on-going.

### iii. Supreme Court of the State of New York, Country of New York

The Suits against Favelle Favco Cranes (USA) Inc ("FFU"), commenced by Mr. Robert Pararella ("the Plaintiff") in the Supreme Court of the State of New York, as previously reported remain on-going.

### iv. Kannegiesser

The Company has on 10 July 2015 received a Request for Arbitration from Herbert Kannegiesser GmbH ("HKG"), a Nominated Subcontractor for the catering facility of the New Doha International Airport for QAR 54.6 million ("Claim").

The Company has on 30 August 2015 filed and served its Answer and Counterclaim for the sum of QAR 6.2 million to the ICC in respect of the Claim. The Company is disputing and challenging the Claim and the suit remains on-going.

### v. Wiggins Island Coal Export Terminal Pty Ltd ("WICET")

The legal proceedings between WICET and Monadelphous Muhibbah Marine JV ("MMM"), a joint venture of which Muhibbah Construction Pty Ltd, a wholly owned subsidiary of Muhibbah Engineering (M) Bhd, has 50% interest, remains on-going.

## 24. EARNINGS PER SHARE ("EPS")

### a) Basic EPS

	Basic EPS		Diluted EPS	
	Current	Cumulative	Current	Cumulative
	30.09.2015		30.09.2015	
Net profit attributable to the owners of the Company (RM'000)	22,960	65,508	22,960	65,508
Weighted average number of ordinary shares in issue ('000)	496,324	454,032	496,324	454,032
Effect of dilution: Share options ('000)	-	-	7,235	7,235
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	496,324	454,032	503,559	461,267
EPS (Sen)	4.63	14.43	4.56	14.20

## 25. REALISED AND UNREALISED PROFITS/(LOSSES)

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits/ (accumulated losses) of Muhibbah Engineering (M) Bhd and its subsidiaries:		
- Realised	148,345	200,716
- Unrealised	87,721	(32,529)
	236,066	168,187
Total retained profits/ (accumulated losses) from associated companies:		
- Realised	170,628	133,848
- Unrealised	(1,973)	(3,878)
	168,655	129,970
Less: Consolidation adjustments	(161,405)	(95,768)
Total Group retained profits	243,316	202,389

## 26. COMPARATIVE FIGURES

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

By order of the Board of Directors  
Company Secretary  
Date : 27 November 2015