PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2015

The figures are unaudited

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR YEAR ENDED 31 DECEMBER 2015

	3 Months Ended 31 December		12 Months Ended 31 December	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**148,059**	157,656	**576,034**	510,043
Operating profit	**22,576**	14,716	**102,495**	81,228
Interest expense	**(1,611)**	(3)	**(5,660)**	(273)
Interest income	**1,821**	1,875	**4,817**	5,074
Share of profit/(loss) of associate	**(46)**	(35)	**42**	(273)
Profit before tax	**22,740**	16,553	**101,694**	85,756
Taxation	**(6,210)**	(6,455)	**(27,513)**	(21,670)
Profit for the period	**16,530**	10,098	**74,181**	64,086
Profit attributable to:				
Ordinary equity holders of the Company	**14,901**	10,098	**67,681**	62,474
Holder of private debt securities of the Company	**1,629**	-	**6,500**	1,612
	16,530	10,098	**74,181**	64,086
Earnings per share ("EPS") attributable to Ordinary equity holders of the Company (sen):				
Basic EPS	**3.53**	2.39	**16.03**	16.17
Diluted EPS	**3.48**	N/A	**15.82**	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2015

The figures are unaudited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 31 DECEMBER 2015

	3 Months Ended 31 December		**12 Months Ended 31 December**	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Profit for the period	**16,530**	10,098	**74,181**	64,086
Other comprehensive income	**52**	16	**861**	(123)
Total comprehensive income for the period	**16,582**	10,114	**75,042**	63,963
Total comprehensive income attributable to:				
Ordinary equity holders of the Company	**14,953**	10,114	**68,542**	62,351
Holder of private debt securities of the Company	**1,629**	0	**6,500**	1,612
	16,582	10,114	**75,042**	63,963

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2015

The figures are unaudited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	As at 31/12/2015	As at 31/12/2014
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	435,089	434,848
Land held for property development	837,395	530,440
Investment properties	154,040	108,583
Intangible asset	15,674	15,674
Investment in associates	10,153	8,084
Other investments	340	340
Deferred tax assets	27,228	13,477
	1,479,919	1,111,446
Current assets		
Property development costs	125,709	149,814
Inventories	953	399
Trade receivables	91,976	82,004
Other receivables	14,542	28,746
Other current assets	52,083	68,757
Tax recoverable	4,579	8,585
Other investments	279	270
Cash and cash equivalents	149,644	192,270
	439,765	530,845
Assets held for sale	10,539	9,900
	450,304	540,745
Total assets	1,930,223	1,652,191
Current liabilities		
Borrowings	102,187	112,821
Trade payables	78,464	109,821
Other payables	104,814	105,176
Tax payable	7,593	5,391
Other current liabilities	84,426	76,788
	377,484	409,997
Net current assets	72,820	130,748
Non-current liabilities		
Borrowings	447,430	272,270
Deferred tax liabilities	14,686	18,080
	462,116	290,350
Total liabilities	839,600	700,347
Equity		
Share capital	211,132	211,132
Reserves	679,704	640,925
Private debt securities	199,787	99,787
Total equity	1,090,623	951,844
Total equity and liabilities	1,930,223	1,652,191
Net assets (NA) per share (RM)	2.11	2.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2015

The figures are unaudited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2015

	Share Capital RM'000	Share Premium RM'000	<-------Non Distributable------> Employee Share Reserve# RM'000	Translation Reserve RM'000	Distributable Retained Earnings RM'000	Private debt securities RM'000	Total Equity RM'000
As at 1 January 2015	211,132	91,149	-	(1,129)	550,905	99,787	951,844
Total comprehensive income	-	-	-	861	67,681	6,500	75,042
Transactions with owners							
Issuance of private debt securities	-	-	-	-	-	100,000	100,000
Award of LTIP to employees	-	-	1,907	-	-	-	1,907
Private debt securities distribution	-	-	-	-	-	(6,500)	(6,500)
Dividends	-	-	-	-	(31,670)	-	(31,670)
Total transactions with owners	**-**	**-**	**1,907**	**-**	**(31,670)**	**93,500**	**63,737**
As at 31 December 2015	**211,132**	**91,149**	**1,907**	**(268)**	**586,916**	**199,787**	**1,090,623**
As at 1 January 2014	168,906	41,631	-	(1,006)	517,567	-	727,098
Total comprehensive income	-	-	-	(123)	62,474	1,612	63,963
Transactions with owners							
Issuance of private debt securities							
- Issuance of private debt securities	-	-	-	-	-	100,000	100,000
- Private debt securities expenses	-	-	-	-	-	(213)	(213)
Issuance of ordinary shares							
- Rights issue	42,226	50,672	-	-	-	-	92,898
- Rights issue expenses	-	(1,154)	-	-	-	-	(1,154)
Private debt securities distribution	-	-	-	-	-	(1,612)	(1,612)
Dividends	-	-	-	-	(29,136)	-	(29,136)
Total transactions with owners	**42,226**	**49,518**	**-**	**-**	**(29,136)**	**98,175**	**160,783**
As at 31 December 2014	**211,132**	**91,149**	**-**	**(1,129)**	**550,905**	**99,787**	**951,844**

- This represents reserve relating to fair valuation of restricted shares and performance shares under the long term incentive plan ("LTIP")

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2015

The figures are unaudited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 DECEMBER 2015

	12 Months Ended	
	31/12/2015	31/12/2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**101,694**	85,756
Adjustment for:		
Non-cash items	**21,588**	16,922
Non-operating items	**290**	(20,447)
Operating profit before working capital changes	**123,572**	82,231
Decrease/(increase) in receivables	**20,628**	(34,454)
Decrease/(increase) in development properties	**28,372**	(14,270)
(Increase)/decrease in inventories	**(554)**	1,333
(Decrease)/increase in payables	**(24,137)**	55,643
Cash generated from operations	**147,881**	90,483
Taxes paid	**(38,450)**	(26,941)
Interest paid	**(21,909)**	(16,609)
Net cash generated from operating activities	**87,522**	46,933
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in land held for development	**(296,993)**	(39,414)
Grants received	**14,101**	-
Purchase of property, plant and equipment	**(39,361)**	(170,361)
Purchase of investment properties	**(43,674)**	(32,328)
Proceeds from disposal of property, plant and equipment	**3,143**	934
Proceeds from disposal of assets held for sale	**2,946**	36,546
Movement in other investment	**(9)**	1,262
Investment in associate	**(1,310)**	-
Interest received	**4,817**	5,074
Net cash used in investing activities	**(356,340)**	(193,287)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	**(31,670)**	(29,136)
Proceeds from borrowings	**239,000**	43,303
(Repayment of)/proceeds from Islamic Medium Term Notes	**(21,600)**	65,490
Proceeds from Rights issue	**-**	92,898
Payment of Rights issue related expenses	**-**	(1,154)
Proceeds from issuance of PDS	**100,000**	100,000
Payment of PDS related expenses	**-**	(213)
PDS distribution	**(6,500)**	(1,612)
Repayment of borrowings	**(55,411)**	(41,496)
Net cash generated from financing activities	**223,819**	228,080
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(44,999)**	81,726
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**192,270**	110,544
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**147,271**	192,270

	31/12/2015	31/12/2014
	RM'000	RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	**107,023**	91,381
Fixed deposits	**42,621**	100,889
Overdrafts	**(2,373)**	-
	147,271	192,270
Cash and bank balances held in HDA accounts	**80,170**	38,263

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2014.

The figures are unaudited

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014. The 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.

A2. Changes in accounting policies

The new and revised FRSs, Amendments to FRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2015 did not have any significant effects on the financial statements of the Group.

Standards issued but not yet effective

The directors expect that the adoption of the new FRS, Amendments to FRS and IC Interpretations which are issued but not yet effective for the financial year ended 31 December 2015 will not have any material impact on the financial statements of the Group in the period of initial application, other than as disclosed below:

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2013, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2013, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for five years. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the definition of Transitioning Entities and has opted to defer the adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

A3. Audit report qualification

The audit report for the financial year ended 31 December 2014 was not subject to any qualification.

A4. Seasonal or cyclical factors

The operations of the Group were not materially affected by any factor of a seasonal or cyclical nature.

A5. Exceptional or unusual items

Save for items disclosed in Note A9, there were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year to date.

A6. Changes in estimates of amounts reported previously

There were no significant changes in estimates in prior periods that have materially affected the current quarter and financial year to date results.

A7. Debt and equity securities

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year to date, except the following:

(a) **RM200.0 Million PDS Programme**
On 21 September 2015, the Company issued RM100 million in nominal value of PDS. The PDS are perpetual in nature and are redeemable at the option of the Company on the 5th and 7th anniversary of the issue date, in the amount of RM50 million each.

(b) **RM350.0 Million Sukuk Programme**
On 26 January 2015, KDU redeemed RM21.6 million in nominal value of Sukuk Ijarah that were issued under the Sukuk Programme on 23 June 2014.

A8. Dividends paid

	12 months ended	
	31/12/2015	**31/12/2014**
	RM'000	**RM'000**
Final dividends 2014 - 5.00 sen single tier (2013 - 5.50 sen single tier)	21,113	18,580
Interim dividends 2015 - 2.50 sen single tier (2014 - 2.50 sen single tier)	10,557	10,556
	31,670	29,136

A9. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended 31 December		12 months ended 31 December	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Depreciation of:				
- Property, plant and equipment	3,298	3,083	19,234	12,385
- Investment properties	7	7	28	28
Additions of allowance for impairment of trade and other receivables	(104)	149	99	255
Impairment of asset held for sale	100	3,793	100	3,793
Bad debts written off	169	280	179	280
(Gain)/loss on disposal of:				
- Property, plant and equipment	(243)	(51)	(965)	(420)
- Investment properties	0	0	0	(1,269)
- Assets held for sale	154	0	154	(14,283)
Reversal of allowance for impairment of trade and other receivables	132	(40)	0	(104)
Net derivative (gain)/loss on interest rate swap	282	(241)	78	(4)
Net foreign exchange (gain)/loss	263	29	(166)	(437)

Save for the items disclosed in the Income Statement and the note above, other items pursuant to Appendix 9B Note16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

A10. Segment reporting for the current financial year to date

	Revenue		Profit before tax	
Analysis by Business Segment	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Property	427,108	376,429	83,881	68,314
Education	147,909	131,152	21,650	24,604
Investment & others	96,524	58,597	70,996	41,704
	671,541	566,178	176,527	134,622
Inter-segment elimination	(95,507)	(56,135)	(74,833)	(48,866)
	576,034	510,043	101,694	85,756

A11. Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendments from the financial statements for the financial year ended 31 December 2014.

A12. Subsequent events

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial report.

A13. Changes in composition of the Group

(a) On 8 July 2015, the Company acquired a company, Cosmo Knowledge Sdn Bhd with an issued and paid up share capital of RM2, which subsequently changed its name to Paramount Education (Klang) Sdn Bhd.

(b) On 22 October 2015, the Company acquired a company, Super Ace Resources Sdn Bhd with an issued and paid up share capital of RM2.

A14. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities of the Group since the last annual reporting date.

A15. Capital commitment

The amount of commitments not provided for in the interim financial statements as at 31 December 2015 were as follows:

	RM'000
Approved and contracted for:-	
Investment properties	23,778
Property, plant & equipment	10,618
	34,396
Approved but not contracted for:-	
Investment properties	20,638
Property, plant & equipment	180,796
	201,434
	235,830

A16. Capital expenditure

The major additions and disposals to the property, plant and equipment during the current quarter and financial year to date were as follows:

	Current Quarter RM'000	Financial Year-to-date RM'000
Property, plant and equipment		
Additions	18,748	39,361

A17. Related party transactions

	Financial Year-to-date RM'000
Purchase of computers and peripherals from ECS ICT Bhd and its subsidiaries, a group of companies in which DatoôTeo Chiang Quan, a director of the Company, has substantial interests	352
Rental charges paid to Damansara Uptown One Sdn Bhd, a company in which a brother of DatoôTeo Chiang Quan has substantial interest	621
Interior design contract charges paid to Damansara Uptown Interiors Sdn Bhd, a company in which a brother of DatoôTeo Chiang Quan has substantial interest	1,196
Sale of motor vehicles to Ms Tay Lee Kong, Mr Wang Chong Hwa, Mr Ooi Hun Peng and Mr Chuan Yeong Ming, directors of subsidiaries	251
	2,420

The directors are of the opinion that all the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

4Q2015 vs 4Q2014

Group revenue for 4Q2015 decreased by 6% to RM148.0 million (4Q2014: RM157.6 million) due to lower contribution from the Property Division. Group Profit before tax (PBT) increased by 38% to RM22.7 million (4Q2014: RM16.5 million).

Revenue for the Property Division decreased by 11% to RM109.6 million (4Q2014: RM122.8 million) mainly due to the cessation of external construction activities and lower progressive billings registered on the Utropolis in Glenmarie, Shah Alam, Kemuning Utama in Shah Alam and Sejati Residences in Cyberjaya developments, which were offset by the higher progressive billings registered on the Sekitar26 Business, Shah Alam development.

PBT for the Property Division, however, increased by 40% to RM 19.0 million (4Q2014: RM13.6 million) mainly due to the higher PBT registered on the Sekitar26 Business development and a net provision of RM3.8 million on impairment of investment properties recorded in 4Q2014.

Revenue for the Education Division (comprising the primary & secondary school and the tertiary education) grew by 12% to RM38.1 million (4Q2014: RM34.1 million) with higher revenue contributions across the board stemming from higher new student enrolments.

PBT for the Education Division, however, decreased by 28% to RM3.9 million (4Q2014: RM5.4 million) due to KDU University College incurring higher losses stemming from the onset of depreciation charges and interest costs on its new campus in Utropolis, Glenmarie this year, offsetting the higher PBT recorded by the primary & secondary schools.

2015 vs 2014

Group revenue for 2015 grew 13% to RM576.0 million (2014: RM510 million) with higher revenue contributions from both the Property and Education Divisions. As a result of the higher revenue, group PBT increased by 19% to RM101.7 million (2014: RM85.7 million).

Revenue for the Property Division grew 13% to RM427.1 million (2014: RM376.4 million) due to higher sales and progressive billings registered on the Sejati Residences in Cyberjaya, Utropolis in Glenmarie, Shah Alam, Sekitar26 Business in Shah Alam and Bukit Banyan in Sungai Petani developments, offsetting the lower revenue from the construction sector as a result of the cessation of external projects.

As a result of the higher revenue and despite the lower PBT from the construction sector, PBT for the division increased by 23% to RM83.9 million (2014: RM68.3 million).

Revenue for the Education Division grew 13% to RM147.9 million (2014: RM131.1 million) with higher revenue contributions from the primary, secondary and tertiary schools stemming from higher new student enrolments.

While the primary and secondary schools recorded a higher PBT compared with the corresponding period last year, KDU University College incurred higher losses due to the onset of depreciation charges and interest costs on its new campus in Utropolis, Glenmarie this year. Overall, PBT for the Education division decreased by 12% to RM21.6 million (2014: RM24.6 million).

B2. Material changes in Profit Before Tax for the quarter reported on as compared with the immediate preceding quarter

Group PBT for 4Q2015 of RM22.7 million was marginally lower compared with the preceding quarter's PBT of RM23.2 million.

B3. Prospects

In 4Q of 2015, the consumer sentiment index sank to a new low of 63.8 points (Source: Malaysian Institute of Economic Research), which in turn adversely impacted all sectors of the economy. The banking sector's stringent lending policies further compounded the property market's performance with drop-out rates of as high as 50% amongst those who did indicate an interest to purchase.

The market in 2016 is expected to continue to be competitive. It being a buyers' market, developers are intensifying their marketing efforts offering attractive innovative packages. We expect demand for property to remain primarily in the affordably priced segment and in the property hotspots of Klang Valley and Penang, with interest focused on developments with innovative lifestyle concepts.

Under this scenario, Paramount Property's performance will be underpinned by the breadth of its product portfolio, which includes both affordably-priced properties as well as innovatively conceptualised developments. The current portfolio consisting of Sejati Residences in Cyberjaya, Sekitar26 Business in Shah Alam, Utropolis Glenmarie in Shah Alam, as well as Bandar Laguna Merbok and Bukit Banyan in Sungai Petani will serve market demand. This will be further supported by Paramount Property's second township development in the Klang Valley, launched end 2015. The 237-acre Greenwoods Salak Perdana mixed development in Sepang, Selangor, offers affordably priced products that will cater to current market sentiment.

In addition to the above, Paramout Property will also be rolling out another two innovative concept developments. The first, in Section 13 in Petaling Jaya, will cater to those interested in investing in this mature and highly-accessible mid-town address, while the second will be Penang's first university metropolis development in Batu Kawan, Penang, which will meet demand for what is planned to be Penang's third satellite city. Paramount Property's Batu Kawan development will mirror the very successful Utropolis Glenmarie university metropolis concept.

On the education front, Paramount Education is seeing intensifying competition in the tertiary business with the opening of Xiamen University in 2016 and the coming on-stream of new campuses by existing players, many with large student capacity. As a result of the muted economic environment, the market is showing a preference for medium to lower priced institutions. The change in the Perbadanan Tabung Pendidikan Tinggi Nasional loan criteria has compounded the affordability problem of students.

In the primary and secondary segment, competition is also stepping up due to new schools opening, with more in the pipeline scheduled for 2016, 2017 and 2018.

On a positive note, Sri KDU has received the Ministry of Education's approval to be a Dual Language Programme school giving the school the option to teach Science and Mathematics in either English or Bahasa Malaysia to Primary 1 & 4 and Secondary 1 students.

Against this scenario, Paramount Education's prospects remain good, with the primary and secondary schools, with their strong value proposition, continuing to drive the performance of the division. Across Paramount Education's business units, enrolment to-date has registered growth over the previous year and remains on track with budget, as a result of the new Utropolis Glenmarie campus offerings and KDU Penang University College's strong leadership position in the North. We expect KDU Penang University College's recent elevation to a University College and its 6-star rating in the 2014/15 Malaysian Quality Evaluation System for Private Colleges (MyQUEST) to further spur interest in its offerings.

Barring any unforeseen circumstances, the Group is expected to deliver a satisfactory set of results for 2016.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee for the current quarter and financial year to date.

B5. Taxation

The taxation charge included the following:

	Current Quarter RM'000	Financial Year-to-date RM'000
Income tax	18,876	43,991
Deferred tax	(12,666)	(16,478)
	6,210	27,513

The effective tax rate for the financial period was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

B6. Corporate proposal

As at 18 February 2016, there were no corporate proposals announced but not completed.

B7. Borrowings and debts securities

The Group's borrowings and debts securities as at 31 December 2015 were as follows:

	RM'000
Short-term borrowings	
Bank overdrafts - Secured	2,373
Current portion of long term loans - Secured	99,814
	102,187
Long-term borrowings (Secured)	
Term loans	347,816
Islamic Medium Term Notes	99,614
	447,430

B8. Realised and unrealised profits

The breakdown of retained profits as at 31 December 2015 and 31 December 2014 on a group basis, into realised and unrealised profits, were as follows:

	31/12/2015 RM'000	31/12/2014 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	773,816	759,666
- Unrealised	11,962	(6,001)
	785,778	753,665
Total share of loss from associate		
- Realised	(482)	(524)
Less: Consolidation adjustments	(198,380)	(202,236)
Total Group retained profits	586,916	550,905

B9. Derivative financial instrument

The outstanding interest rate swap contracts as at 31 December 2015 were as follows:

	Contract amount	Net Fair value Assets/ (Liabilities)
	RM'000	RM'000
Interest rate swap*		
- More than 3 years	107,000	(27)

* The contracts effectively swapped the Group's floating interest rate to fixed interest rate to hedge against interest rate fluctuation.

B10. Fair value gain/(loss)

	Current Quarter RM'000	Financial Year-to-date RM'000
Interest rate swap	(282)	(78)

Basis of fair value measurement: The differences between floating and fixed interest rates.

Reason for gain: The floating interest rate has moved against the Group from the last measurement date.

B11. Changes in material litigation

As at 18 February 2016, there were no changes in material litigation, including the status of pending litigation since the last annual reporting date of 31 December 2014.

B12. Dividends payable

(i) A proposed single tier final dividend of 5.75 sen, for the financial year ended 31 December 2015 has been recommended by the directors;
(ii) Amount per share - single tier 5.75 sen;
(iii) Previous corresponding period - a single tier final dividend of 5.00 sen per share

The proposed final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting to be held on a date to be announced.

The total dividend for the current financial year to date is 8.25 sen per share, single tier. (2014: 7.50 sen per share, single tier)

B13. Earnings per share

(a) Basic EPS

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter	Financial Year-to-date
Profit attributable to equity holders (RM'000)	14,901	67,681
Weighted average number of ordinary shares ('000)	422,265	422,265
Basic EPS (sen)	3.53	16.03

(b) Diluted EPS

	Current Quarter	Financial Year-to-date
Profit attributable to equity holders (RM'000)	14,901	67,681
Weighted average number of ordinary shares ('000)	422,265	422,265
Effect of dilution ('000)	5,444	5,444
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	427,709	427,709
Diluted EPS (sen)	3.48	15.82