

BATU KAWAN BERHAD

(6292-U)

(Incorporated in Malaysia)

**Interim Financial Report
for the First Quarter ended 31 December 2018**

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Directors are pleased to announce the unaudited financial results of the Group for the first quarter ended 31 December 2018.

Condensed Consolidated Statement of Profit or Loss

	Individual Quarter		+ / (-) %	Cumulative Quarter		+ / (-) %
	3 months ended			3 months ended		
	31 December			31 December		
	2018	2017		2018	2017	
	RM'000	RM'000		RM'000	RM'000	
		Restated			Restated	
Revenue	4,218,999	5,324,998	(20.8)	4,218,999	5,324,998	(20.8)
Operating expenses	(3,986,292)	(5,006,393)	(20.4)	(3,986,292)	(5,006,393)	(20.4)
Other operating income	169,528	109,946	54.2	169,528	109,946	54.2
Finance costs	(48,373)	(47,760)	1.3	(48,373)	(47,760)	1.3
Share of results of associates	3,786	2,910	30.1	3,786	2,910	30.1
Share of results of joint ventures	5,182	4,773	8.6	5,182	4,773	8.6
Profit before taxation	362,830	388,474	(6.6)	362,830	388,474	(6.6)
Income tax expense	(71,904)	(110,025)	(34.6)	(71,904)	(110,025)	(34.6)
NET PROFIT FOR THE PERIOD	290,926	278,449	4.5	290,926	278,449	4.5
Profit attributable to:						
Equity holders of the Company	136,667	124,688	9.6	136,667	124,688	9.6
Non-controlling interests	154,259	153,761	0.3	154,259	153,761	0.3
	290,926	278,449	4.5	290,926	278,449	4.5
Earnings per share for profit attributable to equity holders of the Company (sen)						
Basic	34.2	31.0		34.2	31.0	
Diluted	Not applicable	Not applicable		Not applicable	Not applicable	

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Other Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 December		31 December	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Net profit for the period	290,926	278,449	290,926	278,449
Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss				
Currency translation differences	32,227	(190,519)	32,227	(190,519)
Net change in fair value of available-for-sale investments	(695,502)	(40,176)	(695,502)	(40,176)
Realisation on fair value of available-for-sale investments	(68)	(2,131)	(68)	(2,131)
Total other comprehensive loss for the period	(663,343)	(232,826)	(663,343)	(232,826)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD	(372,417)	45,623	(372,417)	45,623
Total comprehensive (loss)/ income attributable to:				
Equity holders of the Company	(178,655)	14,608	(178,655)	14,608
Non-controlling interests	(193,762)	31,015	(193,762)	31,015
	(372,417)	45,623	(372,417)	45,623

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	At 31 December 2018 RM'000	At 30 September 2018 RM'000 Restated	At 30 September 2017 RM'000 Restated
ASSETS			
Non-current assets			
Property, plant & equipment	8,120,335	8,081,684	7,954,603
Investment property	48,157	48,393	49,263
Prepaid lease payments	388,427	386,003	321,985
Land held for property development	1,103,655	1,100,407	1,091,471
Goodwill on consolidation	344,675	343,595	352,949
Intangible assets	23,956	23,358	15,325
Investment in associates	193,286	185,565	177,680
Investment in joint ventures	264,970	259,300	251,737
Other investments	1,889,029	2,535,466	2,437,880
Other receivables	224,214	220,110	237,516
Deferred tax assets	399,990	389,616	445,666
	13,000,694	13,573,497	13,336,075
Current assets			
Inventories	2,243,161	2,146,452	1,816,450
Biological assets	59,727	103,352	118,592
Trade and other receivables	2,139,236	2,102,792	2,620,925
Contract assets	19,987	52,010	284
Contract costs	1,262	1,016	652
Tax recoverable	67,519	62,305	39,582
Property development costs	138,345	136,332	153,919
Other investments	218,999	291,246	327,143
Derivative financial assets	108,687	69,234	110,748
Short term funds	125,050	195,579	578,489
Cash and cash equivalents	1,878,538	1,561,986	1,755,744
	7,000,511	6,722,304	7,522,528
TOTAL ASSETS	20,001,205	20,295,801	20,858,603

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Financial Position

	At 31 December 2018	At 30 September 2018	At 30 September 2017
	RM'000	RM'000	RM'000
		Restated	Restated
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	1,427,248	1,389,940	1,560,528
Contract liabilities	45,164	54,842	57,803
Deferred income	6,602	7,947	7,808
Borrowings	1,352,450	1,221,114	1,375,596
Tax payable	48,144	49,048	99,287
Derivative financial liabilities	57,441	64,219	104,643
	<u>2,937,049</u>	<u>2,787,110</u>	<u>3,205,665</u>
Net current assets	<u>4,063,462</u>	<u>3,935,194</u>	<u>4,316,863</u>
Non-current liabilities			
Other payables	82	82	-
Deferred tax liabilities	425,124	420,136	386,679
Deferred income	119,133	119,004	117,365
Provision for retirement benefits	481,894	477,323	488,288
Borrowings	3,559,371	3,562,099	3,567,168
	<u>4,585,604</u>	<u>4,578,644</u>	<u>4,559,500</u>
Total liabilities	<u>7,522,653</u>	<u>7,365,754</u>	<u>7,765,165</u>
Net assets	<u>12,478,552</u>	<u>12,930,047</u>	<u>13,093,438</u>
Equity attributable to owners of the Company			
Share capital	509,309	509,309	498,380
Treasury shares	(560,201)	(491,740)	(446,671)
Reserves	5,891,650	6,070,284	6,118,318
	<u>5,840,758</u>	<u>6,087,853</u>	<u>6,170,027</u>
Non-controlling interests	6,637,794	6,842,194	6,923,411
Total equity	<u>12,478,552</u>	<u>12,930,047</u>	<u>13,093,438</u>
TOTAL EQUITY AND LIABILITIES	<u>20,001,205</u>	<u>20,295,801</u>	<u>20,858,603</u>
Net assets per share attributable to equity holders of the Company (RM)	14.73	15.20	15.33

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Changes in Equity

	← Attributable to equity holders of the Company →										
	← Non-distributable →					← Distributable →					
	Share capital	Treasury shares	Revaluation reserve	Capital reserve*	Exchange fluctuation reserve	Fair value reserve	General reserve	Retained earnings	Total	Non-controlling interested	Total equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 October 2018	509,689	(491,740)	4,639	826,740	10,119	841,090	7,035	4,876,186	6,583,758	6,556,840	13,140,598
Effect on adoption of MFRSs	(380)	-	(4,639)	(234,669)	(31,335)	(25,643)	(7,035)	(192,204)	(495,905)	285,354	(210,551)
At 1 October 2018 - restated	509,309	(491,740)	-	592,071	(21,216)	815,447	-	4,683,982	6,087,853	6,842,194	12,930,047
Total comprehensive income/(loss) for the period	-	-	-	258	13,567	(328,948)	-	136,468	(178,655)	(193,762)	(372,417)
Transactions with owners:											
Redemption of redeemable preference shares	-	-	-	-	-	-	-	21	21	(21)	-
Shares buy back	-	(68,461)	-	-	-	-	-	-	(68,461)	-	(68,461)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(10,617)	(10,617)
	-	(68,461)	-	-	-	-	-	21	(68,440)	(10,638)	(79,078)
At 31 December 2018	509,309	(560,201)	-	592,329	(7,649)	486,499	-	4,820,471	5,840,758	6,637,794	12,478,552

* Included in Capital Reserve is RM308,358,000 which is distributable.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Changes in Equity

	← Attributable to equity holders of the Company →									Non-controlling interests	Total equity
	← Non-distributable →					← Distributable →					
	Share capital	Treasury shares	Revaluation reserve	Capital reserve*	Exchange fluctuation reserve	Fair value reserve	General reserve	Retained earnings	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 October 2017	498,760	(446,671)	4,716	825,907	261,380	821,177	7,035	4,725,469	6,697,773	6,672,039	13,369,812
Effect on adoption of MFRSs	(380)	-	(4,716)	(234,669)	(144,986)	(30,914)	(7,035)	(105,046)	(527,746)	251,372	(276,374)
At 1 October 2017 - restated	498,380	(446,671)	-	591,238	116,394	790,263	-	4,620,423	6,170,027	6,923,411	13,093,438
Total comprehensive (loss)/income for the period	-	-	-	(35)	(90,229)	(19,693)	-	124,565	14,608	31,015	45,623
Transactions with owners:											
Effect of changes in shareholdings	-	-	-	-	-	-	-	(63,342)	(63,342)	(56,975)	(120,317)
Redemption of redeemable preference shares	4,153	-	-	-	-	-	-	(4,153)	-	-	-
Shares buy back	-	(17,338)	-	-	-	-	-	-	(17,338)	-	(17,338)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,935)	(4,935)
	4,153	(17,338)	-	-	-	-	-	(67,495)	(80,680)	(61,910)	(142,590)
At 31 December 2017 - restated	502,533	(464,009)	-	591,203	26,165	770,570	-	4,677,493	6,103,955	6,892,516	12,996,471

* Included in Capital Reserve is RM307,232,000 which is distributable.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	3 months ended 31 December	
	2018	2017
	RM'000	RM'000
		Restated
Cash flows from operating activities		
Profit before taxation	362,830	388,474
Adjustments for:		
Non-cash items	65,281	154,447
Non-operating items	20,766	118,142
Operating cash flows before changes in working capital	448,877	661,063
Changes in working capital		
Net change in current assets	(86,893)	(569,522)
Net change in current liabilities	9,448	(84,655)
Cash flows from operations	371,432	6,886
Interest received	1,582	1,010
Interest paid	(39,929)	(39,137)
Tax paid	(72,376)	(115,552)
Retirement benefits paid	(7,495)	(6,634)
Net cash flows generated from/(used in) operating activities	253,214	(153,427)
Cash flows from investing activities		
Purchase of property, plant and equipment	(67,115)	(74,267)
Payments of prepaid lease	(541)	(55)
Plantation development expenditure	(66,063)	(55,150)
Property development expenditure	(3,248)	(1,087)
Subsequent expenditure of an investment property	-	(9)
Purchase of additional shares in a subsidiary	-	(120,317)
Subscription of shares in joint ventures	(898)	-
Purchase of available-for-sale investments	(270,451)	(206,370)
Purchase of intangible assets	(1,774)	-
Proceeds from sale of property, plant and equipment	1,106	574
Compensation from government on land acquired	22,997	13,713
Proceeds from disposal of available-for-sale investments	287,975	344,188
(Advance to)/Repayment from joint ventures	(1,796)	320
Advance to other receivables	(12,608)	(7,206)
Decrease/(Increase) in short term funds	70,876	(4,335)
Dividends received	25,296	19,600
Interest received	13,862	15,118
Net cash flows used in investing activities	(2,382)	(75,283)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2018.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Condensed Consolidated Statement of Cash Flows

	3 months ended 31 December	
	2018	2017
	RM'000	RM'000
		Restated
Cash flows from financing activities		
Drawdown of term loans	-	17,010
Repayment of term loans	(3,254)	(3,043)
Drawdown of short term borrowings	89,317	421,012
Dividends paid to non-controlling interests	(10,617)	(4,935)
Shares buy back	(68,461)	(17,338)
Decrease in other receivables	4,381	5,232
Net cash flows generated from financing activities	11,366	417,938
Net increase in cash and cash equivalents	262,198	189,228
Effects of exchange rate changes	5,865	(39,857)
Cash and cash equivalents at 1 October	1,472,952	1,631,621
Cash and cash equivalents at 31 December	1,741,015	1,780,992
Cash and cash equivalents at 31 December is represented by:		
Cash and cash equivalents	1,878,538	1,896,916
Borrowings - Bank overdraft	(137,523)	(115,924)
	1,741,015	1,780,992

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2018.

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

Notes to Interim Financial Report

A. Explanatory Notes as required by Malaysian Financial Reporting Standard ("MFRS") 134

A1. Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements.

A2. Accounting policies

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2018.

Transition of MFRS Framework

The Group is a transitioning entity and its financial statements for the period up to and including the year ended 30 September 2018 were prepared in accordance with Financial Reporting Standards ("FRS") framework.

The Interim Financial Report of the Group for the current quarter ended 31 December 2018 is the first set of financial statements prepared in accordance with the MFRS framework, including MFRS 1 *First Time Adoption of MFRS*, MFRS 9 *Financial Instruments*, MFRS 15 *Revenue from Contracts with Customers*, MFRS 141 *Agriculture: Bearer Plants* and amendments to MFRS 116 *Property, Plant and Equipment*. The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 October 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect. Comparative information in this interim financial report have been restated to reflect the financial impact on transition from FRS framework to MFRS framework as disclosed below:

(a) MFRS 1 *First Time Adoption of MFRS*

As provided in MFRS 1, first time adopters of MFRS can elect optional exemptions from full retrospective application of MFRSs. The Group has elected the applicable exemptions as follows:

(i) Exemption for business combinations

The Group has elected to apply MFRS 3 Business Combinations prospectively from the date FRS 3 Business Combinations was adopted on 1 October 2011. Business combinations that occurred prior to that date have not been restated. This election does not have any impact to the financial results of the Group.

(ii) MFRS 15 *Revenue from Contracts with Customers*

The Group has elected the exemption in MFRS 1 which allows the Group not to restate any contracts that were completed before 1 October 2017. This election does not have any impact to the financial results to the Group.

(b) Amendments to MFRS 116 *Property, Plant and Equipment* and MFRS 141 *Agriculture: Bearer Plants*

Prior to the adoption of the amendments to MFRS 116 and MFRS 141, all new planting expenditure incurred on land clearing, planting and upkeep of trees to maturity was capitalised as plantation development expenditure and was not amortised except for those short land leases held in Indonesia where the plantation development expenditure was amortised using the straight-line method over the estimated productive years. Replanting expenditure was recognised in profit or loss in the year in which the expenditure was incurred. Agriculture produce which forms part of the bearer plants was not separately identified and recognised.

With the adoption of the amendments to MFRS 116 and MFRS 141, all new planting expenditure and replanting expenditure are recognised as bearer plants under property, plant and equipment and measured at cost less accumulated depreciation. The agricultural produce that grows on bearer plants is measured at fair value less costs to sell. The changes in fair value less costs to sell of the produce is recognised in profit or loss.

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

(c) *MFRS 9 Financial Instruments*

Classification and measurement of financial assets, other than available-for-sale financial assets, and financial liabilities remain unchanged under MFRS 9.

Previously, the Group's quoted and unquoted investments in equity instruments were classified as available-for-sale ("AFS") financial assets. Unquoted investments were measured at cost and quoted equity instruments were measured at fair value with fair value gains or losses recognised in other comprehensive income ("OCI"). On derecognition, the cumulative gain or loss recognised in OCI was reclassified from equity into profit or loss. These AFS financial assets satisfy the conditions for classification as financial assets at fair value through OCI under MFRS 9 with all subsequent changes in fair value being recognised in OCI and not subsequently transferred to profit or loss on derecognition.

In respect of impairment of financial assets, MFRS 9 replaces the "incurred loss" model in MFRS 139 with an "expected credit loss" ("ECL") model. The new impairment model applies to financial assets measured at amortised cost and contract assets, but not to investments in equity instruments. Under this new model, the Group is required to record ECL on all its loan and trade receivables, either on a 12-month or lifetime basis. The Group applies the simplified approach and record lifetime ECL on all trade receivables.

(d) *MFRS 15 Revenue from Contracts with Customers*

Prior to adoption of MFRS 15, the Group recognised revenue from contracts with customers when significant risks and rewards of ownership of goods and services had been transferred to the customers, recovery of the consideration was probable, there was no continuing management involvement with the goods and the amount of revenue could be measure reliably.

Upon adoption of MFRS 15, the Group recognises revenue to depict the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Group expects to be entitled in exchange for goods and services. Revenue is recognised when a customer obtains control of goods and services, i.e. when the customer has the ability to direct the use of and obtain benefits from the goods and services.

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

 (e) Effect on Transition to MFRS Framework
Reconciliation of Profit or Loss

	Individual Quarter - 3 months ended 31 December 2017					Restated under MFRSs
	Previously Stated under FRSs	Effect on Adoption of MFRS 1	Effect on Adoption of MFRS 9	Effect on Adoption of MFRS 15	Effect on Adoption of MFRS 141	
	RM'000	RM'000	RM'000	RM'000	RM'000	
Revenue	5,341,646	-	-	(16,648)	-	5,324,998
Operating expenses	(4,918,286)	-	(114,755)	16,340	10,308	(5,006,393)
Other operating income	103,477	-	4,903	1,566	-	109,946
Finance costs	(47,760)	-	-	-	-	(47,760)
Share of results of associates	2,910	-	-	-	-	2,910
Share of results of joint ventures	4,773	-	-	-	-	4,773
Profit before taxation	486,760	-	(109,852)	1,258	10,308	388,474
Tax expense	(109,605)	(46)	-	79	(453)	(110,025)
Net profit for the period	377,155	(46)	(109,852)	1,337	9,855	278,449
Attributable to:						
Equity holders of the Company	177,899	(21)	(58,587)	524	4,873	124,688
Non-controlling interests	199,256	(25)	(51,265)	813	4,982	153,761
	377,155	(46)	(109,852)	1,337	9,855	278,449
Earnings per share - basic	44.2	-	(14.6)	0.2	1.2	31.0

	Cumulative Quarter - 3 months ended 31 December 2017					Restated under MFRSs
	Previously Stated under FRSs	Effect on Adoption of MFRS 1	Effect on Adoption of MFRS 9	Effect on Adoption of MFRS 15	Effect on Adoption of MFRS 141	
	RM'000	RM'000	RM'000	RM'000	RM'000	
Revenue	5,341,646	-	-	(16,648)	-	5,324,998
Operating expenses	(4,918,286)	-	(114,755)	16,340	10,308	(5,006,393)
Other operating income	103,477	-	4,903	1,566	-	109,946
Finance costs	(47,760)	-	-	-	-	(47,760)
Share of results of associates	2,910	-	-	-	-	2,910
Share of results of joint ventures	4,773	-	-	-	-	4,773
Profit before taxation	486,760	-	(109,852)	1,258	10,308	388,474
Tax expense	(109,605)	(46)	-	79	(453)	(110,025)
Net profit for the period	377,155	(46)	(109,852)	1,337	9,855	278,449
Attributable to:						
Equity holders of the Company	177,899	(21)	(58,587)	524	4,873	124,688
Non-controlling interests	199,256	(25)	(51,265)	813	4,982	153,761
	377,155	(46)	(109,852)	1,337	9,855	278,449
Earnings per share - basic	44.2	-	(14.6)	0.2	1.2	31.0

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

	30 September 2017					
	Previously Stated under FRSS	Effect on Adoption of MFRS 1	Effect on Adoption of MFRS 9	Effect on Adoption of MFRS 15	Effect on Adoption of MFRS 141	Restated under MFRSS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets						
Property, plant and equipment	5,487,466	-	-	-	2,467,137	7,954,603
Biological assets	2,725,985	-	-	-	(2,725,985)	-
Other investments	2,400,912	-	36,968	-	-	2,437,880
Deferred tax assets	453,110	-	-	(80)	(7,364)	445,666
Other non-current assets	2,497,926	-	-	-	-	2,497,926
	13,565,399	-	36,968	(80)	(266,212)	13,336,075
Current assets						
Inventories	1,834,008	-	-	(17,558)	-	1,816,450
Biological assets	37,806	-	-	-	80,786	118,592
Trade and other receivables	2,627,540	-	(24,466)	17,851	-	2,620,925
Contract assets	-	-	-	284	-	284
Contract costs	-	-	-	652	-	652
Property development costs	154,696	-	-	(777)	-	153,919
Other current assets	2,811,706	-	-	-	-	2,811,706
	7,465,756	-	(24,466)	452	80,786	7,522,528
Total assets	21,031,155	-	12,502	372	(185,426)	20,858,603
30 September 2017						
	Previously Stated under FRSS	Effect on Adoption of MFRS 1	Effect on Adoption of MFRS 9	Effect on Adoption of MFRS 15	Effect on Adoption of MFRS 141	Restated under MFRSS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current liabilities						
Trade and other payables	1,616,627	-	-	(56,099)	-	1,560,528
Contract liabilities	-	-	-	57,803	-	57,803
Other current liabilities	1,587,334	-	-	-	-	1,587,334
	3,203,961	-	-	1,704	-	3,205,665
Non-current liabilities						
Deferred tax liabilities	284,561	(73,302)	-	-	175,420	386,679
Other non-current liabilities	4,172,821	-	-	-	-	4,172,821
	4,457,382	(73,302)	-	-	175,420	4,559,500
Total liabilities	7,661,343	(73,302)	-	1,704	175,420	7,765,165
Equity						
Share capital	498,760	(380)	-	-	-	498,380
Treasury shares	(446,671)	-	-	-	-	(446,671)
Reserves	6,645,684	(386,338)	26,619	(522)	(167,125)	6,118,318
	6,697,773	(386,718)	26,619	(522)	(167,125)	6,170,027
Non-controlling interests	6,672,039	460,020	(14,117)	(810)	(193,721)	6,923,411
Total equity	13,369,812	73,302	12,502	(1,332)	(360,846)	13,093,438
Total equity and liabilities	21,031,155	-	12,502	372	(185,426)	20,858,603
Net assets per share attributable to equity holders of the Company						
	16.63	(0.96)	0.07	-	(0.41)	15.33

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(The figures have not been audited)

Reconciliation of Cash Flows

	31 December 2017					Restated under MFRSs RM'000
	Previously Stated under FRSs RM'000	Effect on Adoption of MFRS 1 RM'000	Effect on Adoption of MFRS 9 RM'000	Effect on Adoption of MFRS 15 RM'000	Effect on Adoption of MFRS 141 RM'000	
	Profit before tax	486,760	-	(109,852)	1,259	
Adjustments for non-cash flow:						
Non-cash items	139,193	-	-	-	15,254	154,447
Non-operating items	8,219	-	109,852	9	62	118,142
Operating profit before working capital changes	634,172	-	-	1,268	25,623	661,063
Working capital changes:						
Net change in current assets	(566,629)	-	-	(6,392)	3,499	(569,522)
Net change in current liabilities	(89,779)	-	-	5,124	-	(84,655)
Cash generated used in operations	(22,236)	-	-	-	29,122	6,886
Interest received	1,010	-	-	-	-	1,010
Interest paid	(39,137)	-	-	-	-	(39,137)
Income tax paid	(115,552)	-	-	-	-	(115,552)
Retirement benefits paid	(6,634)	-	-	-	-	(6,634)
Net cash used in operating activities	(182,549)	-	-	-	29,122	(153,427)
Net cash used in investing activities	(46,161)	-	-	-	(29,122)	(75,283)
Net cash generating from investment activities	417,938	-	-	-	-	417,938
Net increased in cash and cash equivalents	189,228	-	-	-	-	189,228
Exchange difference	(39,857)	-	-	-	-	(39,857)
Opening cash and cash equivalents	1,631,621	-	-	-	-	1,631,621
Closing cash and cash equivalents	1,780,992	-	-	-	-	1,780,992

A3. Seasonal and cyclical operations

The Group's operations are affected to the extent that the plantation operations are influenced by seasonal crop production, weather conditions and fluctuations in commodity prices.

A4. Unusual items

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

A5. Material changes in estimates

There were no significant changes in the amounts of estimates reported in prior interim periods or prior financial years that have a material effect in the current interim period.

A6. Issuance and repayment of debt and equity securities

There were no issuances and repayments of debt securities, share buybacks, share cancellations or resale of treasury shares for the financial year to-date except for share buybacks of 4,155,800 shares in the Company from the open market. The average price paid for the shares repurchased was RM16.42 per share and the total consideration paid, including transaction costs, was RM68,460,309. The shares bought back were financed by internally generated funds and held as treasury shares.

A7. Dividends paid

No dividend has been paid during the current quarter ended 31 December 2018 (31 December 2017: Nil).

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(The figures have not been audited)

A8. Segment information

Segment information is presented in respect of the Group's reportable segments which are based on the Group's management and internal reporting structure.

a) Segment revenue and results

	Plantations	Manufacturing	Property Development	Investment Holding/ Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended						
31 December 2018						
Revenue						
External revenue	1,709,187	2,317,205	39,809	152,798	-	4,218,999
Inter-segment revenue	251,657	-	-	53,462	(305,119)	-
Total revenue	1,960,844	2,317,205	39,809	206,260	(305,119)	4,218,999
Results						
Operating results	124,142	138,724	10,629	139,794	(11,054)	402,235
Finance costs	(4,981)	(14,386)	-	(40,060)	11,054	(48,373)
Share of results of associates	2,498	858	501	(71)	-	3,786
Share of results of joint ventures	6,733	-	-	(1,551)	-	5,182
Segment results	128,392	125,196	11,130	98,112	-	362,830
Profit before taxation						362,830
3 months ended						
31 December 2017 - Restated						
Revenue						
External revenue	2,560,024	2,631,620	17,882	115,472	-	5,324,998
Inter-segment revenue	270,628	-	-	302,677	(573,305)	-
Total revenue	2,830,652	2,631,620	17,882	418,149	(573,305)	5,324,998
Results						
Operating results	318,012	188,394	1,117	(70,235)	(8,737)	428,551
Finance costs	(4,435)	(14,983)	-	(37,079)	8,737	(47,760)
Share of results of associates	1,172	444	615	679	-	2,910
Share of results of joint ventures	(1,324)	-	-	6,097	-	4,773
Segment results	313,425	173,855	1,732	(100,538)	-	388,474
Profit before taxation						388,474

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b) Segment assets

	Plantations	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2018					
Operating assets	6,809,883	6,877,716	1,487,103	3,900,738	19,075,440
Associates	79,589	10,157	74,170	29,370	193,286
Joint ventures	161,432	-	-	103,538	264,970
Segment assets	<u>7,050,904</u>	<u>6,887,873</u>	<u>1,561,273</u>	<u>4,033,646</u>	<u>19,533,696</u>
Tax assets					467,509
Total assets					<u>20,001,205</u>
At 30 September 2018 - Restated					
Operating assets	6,430,707	6,821,135	1,478,288	4,668,886	19,399,016
Associates	72,268	9,457	73,669	30,170	185,564
Joint ventures	153,964	-	-	105,336	259,300
Segment assets	<u>6,656,939</u>	<u>6,830,592</u>	<u>1,551,957</u>	<u>4,804,392</u>	<u>19,843,880</u>
Tax assets					451,921
Total assets					<u>20,295,801</u>

c) Segment liabilities

	Plantations	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2018					
Segment liabilities	1,419,050	2,374,985	104,385	3,150,965	7,049,385
Tax liabilities					473,268
Total liabilities					<u>7,522,653</u>
At 30 September 2018 - Restated					
Segment liabilities	1,268,745	2,358,528	107,623	3,161,674	6,896,570
Tax liabilities					469,184
Total liabilities					<u>7,365,754</u>

A9. Material events subsequent to end of period

In the interval between the end of the reporting period and the date of this report, no material events have arisen which have not been reflected in the interim report.

A10. Changes in composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations during the current quarter review except for the following:

On 26 March 2018, a subsidiary of the Company entered into a Sale of Shares Agreement ("SSA") with a related party to dispose its wholly-owned subsidiary, See Sen Bulking Installation Sdn Bhd ("SSBI"), for a cash consideration of RM1.29 million. The cash consideration will be adjusted based on SSBI's net realisable assets for the month end immediately preceding the date of fulfilment of the last of the conditions precedent.

Prior to expiration of the extended period of the SSA on 25 December 2018, both parties have mutually agreed to extend the cut-off period for fulfilment of the conditions precedent for a further 6 months, expiring on 25 June 2019. The disposal is yet to be completed pending fulfilment of conditions precedent.

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(The figures have not been audited)

A11. Changes in contingent liabilities and contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last annual financial statements for the year ended 30 September 2018.

A12. Capital commitments

At the end of the reporting year, the Group's capital commitments were as follows:

	At 31 December 2018 RM'000	At 30 September 2018 RM'000
Capital expenditure		
Approved and contracted	182,933	133,494
Approved but not contracted	713,713	841,213
	896,646	974,707
Joint venture		
Share of capital commitment of a joint venture	5,141	8,641

A13. Significant Related Party Transactions

The following significant related party transactions of the Group have been entered into in the ordinary course of business at prices mutually agreed upon between the parties on terms not more favourable to the related party than those generally available to the public and are not detrimental to the non-controlling interests of the Company:

	Cumulative Quarter 3 months ended 31 December	
	2018 RM'000	2017 RM'000
a) Transactions with associates and joint ventures:		
Sales of goods	71,221	120,071
Purchase of goods	316,818	449,285
Service charges paid	863	695
Research and development services paid	3,408	3,935

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	Cumulative Quarter	
	3 months ended	
	31 December	
	2018	2017
	RM'000	RM'000
b) Transactions with companies in which certain Directors are common directors and/or have direct or deemed interest:		
Sales of goods:		
Taiko Marketing Sdn Bhd	67,329	71,203
Taiko Marketing (S) Pte Ltd	1,361	486
Chlor-Al Chemical Pte Ltd	1,685	2,460
Storage tanks rental received:		
Taiko Marketing Sdn Bhd	999	1,026
Purchases of goods:		
Taiko Marketing Sdn Bhd	12,145	16,320
Taiko Marketing (S) Pte Ltd	10,459	11,595
Taiko Acid Works Sdn Bhd	718	946
Borneo Taiko Clay Sdn Bhd	1,151	1,420
Bukit Katho Estate Sdn Bhd	937	1,516
Kampar Rubber & Tin Co Sdn Bhd	1,550	2,048
Ladang Tai Tak (Kota Tinggi) Sdn Bhd	1,495	553
Malay Rubber Plantations (M) Sdn Bhd	1,339	2,162
PT Agro Makmur Abadi	11,510	16,215
PT Bumi Karyatama Raharja	972	-
PT Safari Riau	5,042	10,914
Taiko Drum Industries Sdn Bhd	1,405	768
Supply of contract labours and engineering works:		
K7 Engineering Sdn Bhd	598	179
c) Transactions between subsidiaries and their non-controlling interests:		
Sales of goods:		
Mitsubishi Corporation	11,455	17,700
Mitsui & Co Ltd	62,346	87,062
Tejana Trading & Management Services Sdn Bhd	-	1,103
Purchases of goods:		
Mitsubishi Gas Chemical Singapore Pte Ltd	3,551	1,546
PT Letawa	-	2,759
PT Tanjung Bina Lestari	-	28,163
PT Tanjung Sarana Lestari	359,764	221,891
Tejana Trading & Management Services Sdn Bhd	-	1,362

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(The figures have not been audited)

B. Explanatory Notes as required by the Bursa Securities' Listing Requirements
B1. Detailed analysis of performance
1st Quarter FY 2019 vs 1st Quarter FY 2018

	Quarter Ended		Changes %
	31 December		
	2018	2017	
	RM'000	RM'000	
		Restated	
Revenue	<u>4,218,999</u>	<u>5,324,998</u>	(20.8)
Segment results:			
Plantations	128,392	313,425	(59.0)
Manufacturing	125,196	173,855	(28.0)
Property development	11,130	1,732	542.6
Investment holding/Others	98,112	(100,538)	197.6
Profit before taxation	<u>362,830</u>	<u>388,474</u>	(6.6)

The Group's profit before taxation was lower at RM362.83 million (1Q2018: RM388.47 million) with a decline of 20.8% in revenue to RM4,219.00 million (1Q2018: RM5,325.00 million). Comments on the respective business segments are as follows:

Plantations' profit was 59.0% lower at RM128.39 million (1Q2018: RM313.43 million) with revenue dropped 30.7% to RM1,960.84 million (1Q2018: RM2,830.65 million). Despite of the improvement in FFB production, the current quarter's profit was impacted by the weaker CPO and PK selling prices.

Manufacturing reported a 28.0% lower profit of RM125.20 million (1Q2018: RM173.85 million) whilst revenue was 11.9% lower at RM2,317.21 million (1Q2018: RM2,631.62 million).

The oleochemical division registered a decrease in the current quarter's profit by 31.1% to RM94.54 million (1Q2018: RM137.08 million) from lower selling prices. Profits from China and Europe operations declined due to lower margin while operations in Malaysia contributed higher returns. The chemical division posted a 17.5% lower profit at RM29.30 million (1Q2018: RM35.50 million) impacted by lower selling prices and higher energy cost.

Property Development achieved a higher profit of RM11.13 million (1Q2018: RM1.73 million) contributed by the increase in revenue to RM39.81 million (1Q2018: RM17.88 million).

Investment holdings/Others recorded a substantial increase in profit by 197.6% to RM98.12 million (1Q2018: RM100.54 million loss) mainly attributed by a RM37.98 million (1Q2018: RM120.6 million) foreign exchange currency gain on translation of inter-company loans denominated in foreign currencies, farming sector's higher profit of RM56.54 million (1Q2018: RM31.94 million) from increased in crop production over a larger cropped area, and RM22.50 million surplus (1Q2018: RM13.60 million surplus) from government acquisition of plantation land.

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(The figures have not been audited)

**B2. Comparison of current quarter's results to the preceding quarter
1st Quarter FY 2019 vs 4th Quarter FY 2018**

	<u>Quarter Ended</u>		Changes %
	31 December 2018 RM'000	30 September 2018 RM'000 Restated	
Revenue	<u>4,218,999</u>	<u>4,322,368</u>	(2.4)
Segment results:			
Plantations	128,392	176,152	(27.1)
Manufacturing	125,196	67,447	85.6
Property development	11,130	21,249	(47.6)
Investment holding/Others	98,112	(25,495)	484.8
Profit before taxation	<u>362,830</u>	<u>239,353</u>	51.6

For the current quarter, Group's profit before taxation rose 51.6% to RM362.83 million compared to RM239.35 million reported in the preceding quarter whilst revenue was marginally lower at RM4,219.00 million (4Q2018: RM4,322.37 million). Comments on the respective business segments are as follows:

Plantations recorded 27.1% lower profit to RM128.39 million (4Q2018: RM176.15 million) from lower realised CPO and PK selling prices, decrease in fair value of unharvested FFB to RM9.30 million (4Q2018: RM11.00 million increase in fair value) and increase in CPO production cost.

Manufacturing's profit increased substantially by 85.6% to RM125.20 million (4Q2018: RM67.45 million) despite revenue decreased by 9.2% to RM2,317.21 million (4Q2018: RM2,552.34 million).

The oleochemical division recorded a much higher profit of RM94.54 million (4Q2018: RM32.03 million) mainly from Malaysia operations' higher margins. The current quarter's higher profit was also aided by a RM21.14 million unrealised gain (4Q2018: RM9.39 million unrealised loss) from fair value changes on outstanding derivative contracts. The chemical division posted a 15.4% lower profit at RM29.30 million (1Q2018: RM25.40 million) impacted by lower selling prices and higher energy cost.

Property Development segment recorded a decrease in profit to RM11.13 million (4Q2018: RM21.25 million) with revenue dropped 44.3% to RM39.81 million (4Q2018: RM71.53 million).

Investment holdings/Others' result improved sharply by 484.8% to RM98.11 million profit (4Q2018: RM25.50 million loss) mainly due to foreign exchange currency gain of RM37.98 million (4Q2018: RM15.86 million loss) on translation of inter-company loans denominated in foreign currencies, farming sector's profit of RM56.54 million (4Q2018: RM7.70 million loss) from increased in crop production over a larger cropped area, and RM22.5 million surplus (4Q2018: Nil) from government acquisition of plantation land.

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(The figures have not been audited)

B3. Current year's prospects

The prevailing CPO prices had since recovered from the preceeding quarter's low levels. We are optimistic that the prospect for the Group's plantations profit for the financial year 2019 will be satisfactory should such recovery be sustained.

The Group's oleochemical business is anticipated to sustain its performance with higher capacity utilisation and improvement in margins.

Despite higher energy and raw material costs have impacted on the industrial chemical division's profit which is however projected to be satisfactory.

Overall, the Group anticipates a reasonably satisfactory profit for the financial year 2019.

B4. Variance of actual profit from forecast profit

The Group did not issue any forecast profit or profit guarantee during the current financial year to-date.

B5. Income tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 December		31 December	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Current tax				
Malaysian taxation	31,666	53,075	31,666	53,075
Overseas taxation	35,981	56,597	35,981	56,597
	<u>67,647</u>	<u>109,672</u>	<u>67,647</u>	<u>109,672</u>
Deferred tax				
Relating to origination and reversal of temporary differences	6,366	(1,569)	6,366	(1,569)
(Over)/under provision in respect of previous years	(1,673)	2,096	(1,673)	2,096
	<u>4,693</u>	<u>527</u>	<u>4,693</u>	<u>527</u>
(Over)/Under provision in respect of previous years				
Malaysian taxation	(269)	(217)	(269)	(217)
Overseas taxation	(167)	43	(167)	43
	<u>(436)</u>	<u>(174)</u>	<u>(436)</u>	<u>(174)</u>
	<u>71,904</u>	<u>110,025</u>	<u>71,904</u>	<u>110,025</u>

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(The figures have not been audited)

Reconciliation of effective taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 December		3 months ended 31 December	
	2018 RM'000	2017 RM'000 Restated	2018 RM'000	2017 RM'000 Restated
Profit before taxation	362,830	388,474	362,830	388,474
Taxation at Malaysia income tax rate of 24% (FY 2018: 24%)	87,079	93,234	87,079	93,234
Effect of difference tax rates in foreign jurisdiction	(6,262)	(3,382)	(6,262)	(3,382)
Withholding tax on foreign dividend and interest income	9,582	3,055	9,582	3,055
Expenses not deductible for tax purposes	33,858	50,162	33,858	50,162
Tax exempt and non-taxable income	(36,988)	(20,029)	(36,988)	(20,029)
Effect of reduction in Malaysia income tax rate on incremental chargeable income	-	1	-	1
Tax incentives	(864)	(975)	(864)	(975)
Deferred tax (liabilities)/assets not recognised during the period/year	(1,452)	(215)	(1,452)	(215)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(13,064)	(9,154)	(13,064)	(9,154)
Tax effect on associates' and joint ventures' results	(1,753)	(1,832)	(1,753)	(1,832)
Recognition of deferred tax assets not taken up previously	-	(16)	-	(16)
Recognition of unabsorbed reinvestment allowance	-	(1,479)	-	(1,479)
Over provision of previous years tax expenses	(436)	(174)	(436)	(174)
(Over)/under provision of previous years deferred tax	(1,673)	2,096	(1,673)	2,096
Others	3,877	(1,267)	3,877	(1,267)
Tax expense	71,904	110,025	71,904	110,025

B6. Status of corporate proposals

There were no corporate proposals announced.

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B7. Group borrowings

As at the end of the reporting period, the Group's borrowings were as follows:

	At 31 December 2018								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
Term Loans	Euro	7,300	34,627	Euro	1,436	6,810	Euro	8,736	41,437
<u>Unsecured</u>									
Bank overdraft		-	-	Euro	28,991	137,523	Euro	28,991	137,523
Revolving credit		-	-	Euro	10,000	47,437	Euro	10,000	47,437
		-	-	Rp	199,113,452	57,285	Rp	199,113,452	57,285
		-	-	Rmb	50,000	30,070	Rmb	50,000	30,070
Trade financing		-	-	AUD	6,000	17,501	AUD	6,000	17,501
Term loans	USD	45,000	187,478	USD	79,436	328,467	USD	79,436	328,467
Export credit refinancing	Euro	50,000	237,266	Euro	36,500	173,178	Euro	86,500	410,444
Bankers' acceptance		-	-		-	216,813		-	216,813
Islamic medium term notes		-	3,100,000		-	-		-	3,100,000
Total		-	3,559,371		-	1,352,450		-	4,911,821

	At 31 December 2017								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
<u>Secured</u>									
Term Loans	Euro	8,735	42,453	Euro	2,734	13,285	Euro	11,469	55,738
<u>Unsecured</u>									
Bank overdraft		-	-	Euro	23,853	115,924	Euro	23,853	115,924
Revolving credit		-	-	Euro	38,000	184,680	USD	38,000	184,680
Trade financing		-	-	USD	121,922	493,786	USD	121,922	493,786
Term loans	USD	50,000	202,272		-	-	USD	50,000	202,272
	Euro	45,000	218,700	Euro	5,000	24,300	Euro	50,000	243,000
Export credit refinancing		-	-		-	245,075		-	245,075
Bankers' acceptance		-	-		-	685,892		-	685,892
Islamic medium term notes		-	3,100,000		-	-		-	3,100,000
Total		-	3,563,425		-	1,762,942		-	5,326,367

<u>Exchange Rates Applied</u>	At 31 December	
	2018	2017
USD / RM	4.1350	4.0500
Euro / RM	4.7437	4.8600
Rp1,000/RM	0.2877	-
Rmb / RM	0.6014	-
AUD/RM	2.9168	-

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(The figures have not been audited)

B8. Derivative financial instruments

The Group has entered into forward foreign exchange contracts as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments.

The commodity future contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the vegetable oil commodities.

As at 31 December 2018, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

	Contract / Notional value Net long/(short) RM'000	Fair value Net gains/(losses) RM'000
a) Forward foreign exchange contracts:		
- Less than 1 year	(1,007,971)	9,648
- 1 year to 3 years	-	-
- More than 3 years	-	-
b) Commodity futures contracts:		
- Less than 1 year	15,899	41,598
- 1 year to 3 years	-	-
- More than 3 years	-	-

Derivative financial instruments are recognised at fair value on contract dates and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised in profit or loss.

For the current quarter ended 31 December 2018, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Since the previous financial year, there have been no changes to the Group's risk management objectives, policies and processes.

B9. Fair value changes of financial liabilities

The Group does not have any financial liabilities which are measured at fair value through profit or loss except for derivative financial instruments.

B10. Material litigation

There was no pending material litigation as at the date of this report.

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(The figures have not been audited)

B11. Dividend

- a) The Directors do not recommend the payment of dividend for the first quarter ended 31 December 2018 (31 December 2017: Nil).
- b) Total dividend for the current financial year to-date is Nil (31 December 2017: Nil).

B12. Earnings Per Share

Basic earnings per share

The earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of shares of the Company in issue during the period.

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 December		3 months ended 31 December	
	2018	2017	2018	2017
		Restated		Restated
Net profit for the period attributable to equity holders of the Company (RM'000)	136,667	124,688	136,667	124,688
Weighted average number of shares ('000)	399,680	402,423	399,680	402,423
Earnings per share (sen)	34.2	31.0	34.2	31.0

B13. Audit report of preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 September 2018 was not subject to any qualifications.

BATU KAWAN BERHAD (6292-U)

(Incorporated in Malaysia)

Interim Financial Report for the first quarter ended 31 December 2018

(The figures have not been audited)

B14. Condensed Consolidated Statement of Profit or Loss

Profit before taxation for the period is arrived at after charging/(crediting) the following items:

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 December		3 months ended 31 December	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Interest income	(19,712)	(23,442)	(19,712)	(23,442)
Dividend income	(7,884)	(3,297)	(7,884)	(3,297)
Other income	(169,528)	(109,946)	(169,528)	(109,946)
Interest expense	48,373	47,760	48,373	47,760
Depreciation and amortisation	148,588	145,009	148,588	145,009
(Reversal of)/Provision for and write-off of receivables	(658)	4,166	(658)	4,166
Provision for and write-off of inventories	19,603	14,789	19,603	14,789
Deficit/(Surplus) on disposal of quoted or unquoted investment	922	(2,577)	922	(2,577)
Surplus on disposal of land	(424)	(235)	(424)	(235)
Surplus arising from government acquisition of land	(22,489)	(13,624)	(22,489)	(13,624)
Impairment of property, plant and equipment	-	-	-	-
Foreign exchange (gain)/loss	(36,892)	136,318	(36,892)	136,318
Gain on derivatives	(39,060)	(31,869)	(39,060)	(31,869)
Exceptional items	-	-	-	-

By Order of the Board

CHONG SEE TECK
YAP MIOW KIEN
CHIEW CINDY
Company Secretaries

18 February 2019