OSK Holdings Berhad (207075-U)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Assets:		
Non-current		
Property, plant and equipment	**785,130**	9,398
Investment properties	**570,342**	371,921
Investments in associated companies and a joint venture	**2,791,783**	2,245,521
Biological assets	**17,298**	-
Intangible assets	**2,084**	953
Inventories	**1,097,344**	-
Deferred tax assets	**84,487**	1,100
Available-for-sale securities	**882**	165
Capital financing	**16,750**	36,657
Trade receivables	**36,645**	-
Other assets	**4,455**	-
	5,407,200	2,665,715
Current		
Inventories	**472,168**	-
Securities at fair value through profit or loss	**16,309**	82,618
Capital financing	**365,368**	358,339
Trade receivables and contract assets	**779,048**	496
Other assets	**109,119**	3,597
Tax recoverable	**26,139**	3,403
Derivative asset	**30,718**	-
Cash and short term funds	**439,594**	2,714
	2,238,463	451,167
Non-current assets held for sale	**5,100**	-
	2,243,563	451,167
Total Assets	**7,650,763**	3,116,882

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015 (CONT'D)

	Note	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Liabilities:			
Non-current			
Medium term notes	B8	**746,837**	-
Borrowings	B8	**846,974**	-
Deferred income		**168,233**	-
Trade payables		**48,415**	-
Other liabilities		**2,121**	-
Deferred tax liabilities		**136,772**	11,862
		1,949,352	11,862
Current			
Borrowings	B8	**604,433**	378,214
Deferred income		**6,196**	2,654
Trade payables and contract liabilities		**474,264**	818
Tax payable		**20,475**	267
Other liabilities		**288,349**	15,076
		1,393,717	397,029
Total Liabilities		**3,343,069**	408,891
Net Assets		**4,307,694**	2,707,991
Equity:			
Share capital		**1,402,891**	969,058
Treasury shares, at cost	A5(c)	**(30,234)**	(30,232)
		1,372,657	938,826
Reserves		**2,721,375**	1,769,165
Issued capital and reserves attributable to Owners of the Company		**4,094,032**	2,707,991
Non-controlling interests		**213,662**	-
Total Equity		**4,307,694**	2,707,991
Net Assets per share attributable to Owners of the Company (RM)		**2.96**	2.85

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2014)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	Note	**Current quarter ended 31.12.2015 RM'000**	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
Revenue		**458,571**	15,664	**760,735**	59,928
Cost of sales		**(315,302)**	(4,943)	**(510,149)**	(16,827)
Gross profit		**143,269**	10,721	**250,586**	43,101
Other income		**34,461**	13,342	**411,881**	16,426
Administrative expenses		**(68,725)**	(7,961)	**(129,798)**	(15,487)
Other expenses		**(9,728)**	(24)	**(22,777)**	(2,705)
		99,277	16,078	**509,892**	41,335
Finance costs		**(18,484)**	(846)	**(26,865)**	(2,498)
		80,793	15,232	**483,027**	38,837
Share of results of associated companies and a joint venture		**22,787**	41,930	**121,695**	176,778
Profit Before Tax		**103,580**	57,162	**604,722**	215,615
Income tax		**(18,543)**	(2,882)	**(34,920)**	(11,360)
Profit After Tax for the period		**85,037**	54,280	**569,802**	204,255
Profit attributable to:					
Owners of the Company		**85,472**	54,280	**561,528**	204,255
Non-controlling interests		**(435)**	-	**8,274**	-
		85,037	54,280	**569,802**	204,255
Earnings Per Share attributable to Owners of the Company (sen)					
Basic	B11(a)	**6.17**	5.71	**49.81**	21.29
Diluted	B11(b)	**6.17**	5.71	**49.81**	21.29

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2014)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	Current quarter ended 31.12.2015 RM'000	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
Profit After Tax for the period	**85,037**	54,280	**569,802**	204,255
Other Comprehensive Income for the period, net of tax				
Items that may be reclassified subsequently to profit or loss:				
Unrealised gain on revaluation of derivative	**922**	-	**922**	-
Unrealised gain on foreign currency translation	**762**	-	**41,043**	-
Share of other comprehensive income / reserves of an associated company	**19,320**	14,692	**48,854**	24,617
Total Other Comprehensive Income for the period, net of tax	**21,004**	14,692	**90,819**	24,617
	106,041	68,972	**660,621**	228,872
Total Comprehensive Income attributable to :				
Owners of the Company	**106,015**	68,972	**625,834**	228,872
Non-controlling interests	**26**	-	**34,787**	-
	106,041	68,972	**660,621**	228,872

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2014)

OSK Holdings Berhad (207075-U)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	Attributable to Owners of the Company										
	Share capital	Treasury shares [Note A5(c)]	Share premium	Revalua -tion reserve	Foreign exchange reserve	Hedge reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1.1.2015	969,058	(30,232)	-	76,321	-	-	22,196	1,670,648	2,707,991	-	2,707,991
Total Comprehensive Income	-	-	-	-	14,628	824	48,854	561,528	625,834	34,787	660,621
Dividends paid to Owners of the Company (Note A6)	-	-	-	-	-	-	-	(224,815)	(224,815)	-	(224,815)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(2,786)	(2,786)	(135)	(2,921)
Share buybacks by the Company	-	(2)	-	-	-	-	-	-	(2)	-	(2)
Acquisitions of subsidiary companies:											
- *Shares issued*	292,328	-	251,402	-	-	-	-	-	543,730	-	543,730
- *Non-controlling interests arising from business combination*	-	-	-	-	-	-	-	-	-	1,001,805	1,001,805
- *Indirect non-controlling interests under subsidiary companies*	-	-	-	-	-	-	-	-	-	66,982	66,982
Acquisitions of additional interests in subsidiary companies from non-controlling interests:											
- *Shares issued*	141,505	-	85,079	-	-	-	-	-	226,584	-	226,584
- *Accretion of equity interests*	-	-	-	-	-	-	-	-	-	(889,777)	(889,777)
- *Gain on acquisitions*	-	-	-	-	-	-	-	292,542	292,542	-	292,542
Effects of acquisitions of warrants in subsidiary companies	-	-	-	-	-	-	-	(75,047)	(75,047)	-	(75,047)
Dilution of interests in a subsidiary company of an associated company	-	-	-	-	-	-	-	1	1	-	1
Total transactions with Owners and changes in ownership interests	433,833	(2)	336,481	-	-	-	-	(10,105)	760,207	178,875	939,082
As at 31.12.2015	1,402,891	(30,234)	336,481	76,321	14,628	824	71,050	2,222,071	4,094,032	213,662	4,307,694

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015 (CONT'D)

	Attributable to Owners of the Company					
	Share capital	Treasury shares	Revaluation reserve	Other reserves	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1.1.2014	969,058	(787)	76,321	(2,421)	1,553,437	2,595,608
Total Comprehensive Income	-	-	-	24,617	204,255	228,872
Dividends paid to Owners of the Company	-	-	-	-	(71,322)	(71,322)
Share buybacks by the Company	-	(29,445)	-	-	-	(29,445)
Acquisitions of additional interests from non-controlling interests in an associated company	-	-	-	-	(15,722)	(15,722)
Total transactions with Owners and changes in ownership interests	-	(29,445)	-	-	(87,044)	(116,489)
As at 31.12.2014	969,058	(30,232)	76,321	22,196	1,670,648	2,707,991

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2014)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015

	Note	Current year to date ended 31.12.2015 RM'000	Preceding year to date ended 31.12.2014 RM'000
Cash Flows From Operating Activities			
Profit before tax		**604,722**	215,615
Adjustments for:			
Non-cash and non-operating items		**(362,654)**	(34,786)
Share of results of associated companies and a joint venture		**(121,695)**	(176,778)
Operating profit before working capital changes		**120,373**	4,051
(Increase) / Decrease in operating assets:			
Capital financing		**10,133**	17,970
Inventories		**(85,543)**	-
Receivables and contract assets		**(208,694)**	(2,561)
Increase / (Decrease) in operating liabilities:			
Deferred income		**(279)**	650
Payables and contract liabilities		**202,175**	(10,324)
Cash generated from operations		**38,165**	9,786
Interest received		**38,297**	34,281
Interest paid		**(29,659)**	(11,150)
Income tax paid		**(67,806)**	(7,396)
Refund of income tax		**2,541**	2,984
Net cash (used in)/generated from operating activities		**(18,462)**	28,505
Cash Flows From Investing Activities			
Acquisitions of additional interests in associated companies and a joint venture	A8 (a)	**(261,775)**	-
Acquisitions of additional interests in subsidiary companies from non-controlling interests	A8 (d)	**(370,415)**	-
Acquisitions of warrants in subsidiary companies		**(75,047)**	-
Cash inflow from acquisitions of subsidiary companies	A8 (c)	**292,339**	-
Dividends received		**267**	461
Fund distribution income received		**1,052**	-
Expenditure incurred on investment properties		**(19,025)**	(970)
Share listing expenses		**(236)**	-
Interest received		**67**	2
Payment for trademarks		**-**	(12)
Proceeds from disposals of plant and equipment		**631**	269
Proceeds from disposals of securities at fair value through profit or loss		**29,857**	47,296
Purchase of securities at fair value through profit or loss		**-**	(5,100)
Purchase of:			
- property, plant and equipment		**(22,374)**	(1,062)
- software licenses		**(305)**	(36)
- biological assets		**(308)**	-
Repayment from associated company		**1,761**	-
Share buybacks by the Company	A5 (c)	**(2)**	(29,445)
Net cash (used in) / generated from investing activities		**(423,513)**	11,403

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015 (CONT'D)

	Note	Current year to date ended 31.12.2015 RM'000	Preceding year to date ended 31.12.2014 RM'000
Cash Flows From Financing Activities			
Dividends paid to Owners of the Company		**(224,815)**	(71,322)
Dividends paid to non-controlling interests		**(2,921)**	-
Drawdown of borrowings - net		**345,956**	87,995
Expenses incurred on borrowings and medium term notes		**(5,823)**	-
Interest paid		**(25,684)**	(2,498)
Proceeds from issuance of medium term notes		**750,000**	-
Net cash generated from financing activities		**836,713**	14,175
Net increase in Cash and Cash Equivalents		**394,738**	54,083
Effects of exchange rate changes		**746**	-
Cash and Cash Equivalents at beginning of year		**56,098**	2,015
Cash and Cash Equivalents at end of year		**451,582**	56,098
Cash and Cash Equivalents comprised:			
Cash and short term funds		**439,594**	2,714
Securities at fair value through profit or loss, liquid investments		**16,105**	53,384
		455,699	56,098
Bank overdrafts		**(4,117)**	-
		451,582	56,098

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2014)

QUARTERLY REPORT FOR FOURTH QUARTER ENDED 31 DECEMBER 2015

The unaudited interim financial report ("the quarterly report") have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") issued by the MASB

A1. Basis of preparation

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014 and the accompanying explanatory notes, which 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.

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2014 other than the newly acquired subsidiary companies, OSK Property Holdings Berhad ("OSKP") and PJ Development Holdings Berhad ("PJD"), which have early adopted MFRS 15: Revenue prior to acquisition date, 4 August 2015. Therefore, the Group has also early adopted MFRS 15 and there were no material impact on the financial statements of the Group. On 4 August 2015, an investment property, namely Plaza OSK, was reclassified as owner-occupied property and was transferred at its fair value to property, plant and equipment due to a change in its use. The fair value was determined based on a valuation carried out by an independent valuer using the comparison method of valuation.

For the current year to date, the Group adopted the following standards, amendments to published standards and interpretations that are applicable and effective for the Groupûs financial year beginning on 1 January 2015:

(a) Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

Amendments to MFRS 119 clarify the application of MFRS 119 Employee Benefits to plans that require employees or third parties to contribute towards the cost of benefits. The amendment permits contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided.

Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits; that means either in accordance with the formula in the pension plan, or where the plan provides a materially higher level of benefit for service in later years, on a straight line basis. Contributions that are not linked to service are reflected in the measurement of the benefit obligation.

(b) Annual Improvements to MFRSs 2010 - 2012 Cycle

(i) MFRS 2 Share-based Payment

The amendment clarifies the definition of ñvesting conditionò by separately defining ñperformance conditionò and ñservice conditionò.

A1. Basis of preparation (Cont'd)

(b) Annual Improvements to MFRSs 2010 - 2012 Cycle (Cont'd)

(ii) MFRS 3 Business combinations

This amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is to be classified as a financial liability or as equity, on the basis of the definitions under MFRS 132. The amendment requires other non-equity contingent consideration, both financial and non-financial, to be measured at fair value at each reporting date, with changes in fair value recognised in profit and loss in accordance with MFRS 9 Financial Instruments.

This is applicable for business combinations where the acquisition date is on or after 1 July 2014.

(iii) MFRS 8 Operating segments

The standard is amended to include a disclosure of judgements made by management in aggregating operating segments. This includes a brief description of the operating segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics. This amendment requires a reconciliation of segmentsô assets to the entityọs assets when segment assets are reported and such amounts are regularly provided to the chief operating decision maker.

(iv) MFRS 13 Fair value measurement

MFRS 13 amended the basis of conclusions to clarify that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial.

(v) MFRS 116 Property, plant and equipment and MFRS 138 Intangible assets

Both standards are amended to clarify the treatment of gross carrying amount and accumulated depreciation when an entity revalued an asset. The carrying amount of that asset is adjusted to the revalued amount.

At the date of the revaluation, the asset is treated in one of the following ways:

- the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset, and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses; or

- the accumulated depreciation is eliminated against the gross carrying amount of the asset.

A1. Basis of preparation (Cont'd)

(b) Annual Improvements to MFRSs 2010 - 2012 Cycle (Cont'd)

(vi) MFRS 124 Related party disclosures

The definition of ñrelated partyò is extended to include a management entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The reporting entity is not required to disclose the compensation paid by the management entity to the management entityçs employees or directors, but it is required to disclose the amounts incurred by the reporting entity for the provision of key management personnel services.

(c) Annual Improvements to MFRSs 2011 - 2013 Cycle

(i) MFRS 1 First-time adoption of International Financial Reporting Standards

The basis of conclusions clarifies that a first-time adopter is allowed to apply new MFRS that is not yet effective if that MFRS permits early application. Notwithstanding with the advantages of applying a more recent version of MFRS, the first-time adopter can use either the MFRS that is currently mandatory or the new MFRS that is not yet mandatory.

(ii) MFRS 3 Business combinations

The standard is amended to clarify that MFRS 3 does not apply to the accounting for the formation of any joint arrangement in the financial statements of the joint arrangement itself.

(iii) MFRS 13 Fair value measurement

MFRS 13 has been amended to clarify that portfolio exception, whereby entities are exempted from measuring the fair value of a group of financial assets and financial liabilities with offsetting risk positions on a net basis, applies to all contracts within the scope of MFRS 139 or MFRS 9, regardless of whether they meet the definition of a financial asset or financial liability under MFRS 132.

An entity shall apply the amendment prospectively from the beginning of the first annual period in which MFRS 13 is applied.

(iv) MFRS 140 Investment property

The standard clarifies the inter-relationship between MFRS 3 and MFRS 140 when classifying property as investment property or owner-occupied property. This standard was amended to clarify that judgement is required to determine whether an acquired property is an investment property under MFRS 140 or the acquisition of the investment property constitutes a business combination under MFRS 3.

This amendment can be applied to individual acquisitions of investment property before 1 July 2014 if, and only if, the information necessary to apply the amendment is available.

The adoption of amendments to the above standards and annual improvements have no material financial impact to the Group.

A1. Basis of preparation (Cont'd)

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year:

(a) For financial year beginning on/after 1 January 2016

(i)	Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
(ii)	Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception
(iii)	Amendments to MFRS 101	Disclosure Initiative
(iv)	Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
(v)	Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants
(vi)	Amendments to MFRS 127	Equity Method in Separate Financial Statements
(vii)	Amendments to MFRS 11	Accounting for Acquisitions of interests in Joint Operations
(viii)	MFRS 14	Regulatory Deferral Accounts

(ix) Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRSs 2012ï 2014 Cycle" inclusive of MFRS 5 Non-current Assets Held for Sale and Discontinued Operations, Amendments to MFRS 7 Financial Instruments: Disclosures, MFRS 119 Employee Benefits and MFRS 134 Interim Financial Reporting

Amendments to MFRS 10 and MFRS 128 clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these standards have been deferred and yet to be announced by MASB.

Amendments to MFRS 10, MFRS 12 and MFRS 128 clarify the exemption from preparing consolidated financial statements for an intermediate parent entity, a subsidiary providing services that supports parent's investment activities, application of the equity method by a non-investment entity that has an interest in an associate or joint venture that is an investment entity, and such exemption shall be disclosed.

A1. Basis of preparation (Cont'd)

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year: (Cont'd)

(a) For financial year beginning on/after 1 January 2016 (Cont'd)

Amendments to MFRS 101 clarify that an entity shall decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. An entity shall not reduce the understandability of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions. In determining a systematic manner, the entity shall consider the effect on the understandability and comparability of its financial statements. Each entity considers the nature of its operations and the policies that the users of its financial statements would expect to be disclosed for that type of entity.

Amendments to MFRS 116 and MFRS 138 clarify that the use of revenue-based methods to calculate the depreciation of an item of property, plant and equipment is not appropriate. This is because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

Amendments to MFRS 116 and MFRS 141 regarding bearer plants introduce a new category of biological assets i.e. the bearer plants. A bearer plant is a living plant that is used in the production and supply of agricultural produce, is expected to bear produce for more than one period, and has remote likelihood of being sold as agricultural produce (except for incidental scrap sales). Bearer plants are accounted for under MFRS 116 as an item of property, plant and equipment. Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell under MFRS 141, with fair value changes recognised in profit or loss as the produce grows.

Amendments to MFRS 127 allow an entity to use the equity method in its separate financial statements to account for investments in subsidiary companies, joint ventures and associated companies, in addition to the existing cost method.

Amendments to MFRS 11 require an investor to apply the principles of MFRS 3 ôBusiness Combinationô when it acquires an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not remeasured when the acquisition of an additional interest in the same joint operation results in retaining joint control.

MFRS 14 is an optional standard that allows an entity whose activities are subject to rate-regulations, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of MFRS. Entities that adopt MFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in the account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements.

A1. Basis of preparation (Cont'd)

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year: (Cont'd)

(a) For financial year beginning on/after 1 January 2016 (Cont'd)

Annual Improvements to MFRSs 2012 ï 2014 Cycle consist of the following amendments:

(i) MFRS 5 Non-current Assets Held for Sale and Discontinued Operations

Amendment to MFRS 5 introduces specific guidance in MFRS 5 for cases in which an entity reclassifies an asset from held for sale to held-for-distribution or vice-versa and cases in which held-for-distribution is discontinued. The amendment clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal and that changing the disposal method does not change the date of classification.

(ii) MFRS 7 Financial Instruments: Disclosures

Amendment to MFRS 7 clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset and an entity must assess the nature of the fee and arrangement in order to assess whether the disclosures are required; and clarifies the applicability of the amendments to MFRS 7 on offsetting disclosures to condensed interim financial statements. The amendment requires an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety.

(iii) MFRS 119 Employee Benefits

Amendment to MFRS 119 clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. When there is no deep market for high quality corporate bonds, government bonds denominated in similar currency must be used.

(iv) MFRS 134 Interim Financial Reporting

Amendment to MFRS 134 clarifies the meaning of 'elsewhere in the interim financial report' as used in MFRS 134 and states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and some other statements that are available to users of the financial statements on the same terms and at the same time.

The adoption of amendments to the above standards and ñAnnual Improvements to MFRSs 2012-2014 Cycle" are not expected to have material financial impact to the Group as the amendments focus on clarification of the definition under respective standards and requirement on additional disclosures.

A1. Basis of preparation (Cont'd)

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year: (Cont'd)

(b) <u>For financial year beginning on/after 1 January 2018</u>

<u>MFRS 9 Financial Instruments</u>

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss ("FVTPL") and fair value through other comprehensive income ("FVOCI"). The classification is based on both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument. This option does not apply to instrument held for trading. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For financial liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entityôs own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The financial effects of adoption of MFRS 9 are still being assessed by the Group due to the complexity and significant changes in its requirements.

A2. Seasonality or cyclicality of interim operations

The business operations of the Group for the current year to date were not materially affected by any seasonal or cyclical factors.

A3. Unusual items of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A4. Changes in estimates of amounts reported previously

There were no significant changes in estimates of amounts reported in prior interim periods or prior financial years.

A5. Issues, repurchases and repayments of debts and equity securities

During current year to date ended 31 December 2015, the Company has completed the following:

(a) New ordinary shares

During the year, the Company issued 433,832,718 new ordinary shares of RM1.00 each for the acquisitions of subsidiary companies and acquisitions of additional interests subsequently in OSKP and PJD as disclosed in Note A8(c). The new ordinary shares issued rank pari passu in all respect with the existing ordinary shares of the Company.

(b) Warrant C 2015/2020

On 23 July 2015, the Company issued 237,732,751 Warrants C 2015/2020 pursuant to the Bonus Issue of Warrants, which were listed on the Main Market of Bursa Securities with effect from 9.00 a.m. on 4 August 2015.

The Stock Short Name, Stock Number and ISIN Code of the Warrant C 2015/2020 are "OSK-WC", "5053WC" and "MYL5053WCU71ò respectively. The main features of Warrant C 2015/2020 are as follows:

(i) Each Warrant C 2015/2020 entitles the holder to subscribe for 1 new ordinary share of RM1.00 each in the Company at a exercise price of RM1.80 per share by cash at any time during normal business hours up to 5.00 pm on or before 22 July 2020; and

(ii) Full provisions regarding the transferability of Warrant C 2015/2020 to new ordinary shares, which will thereafter rank pari passu with the existing ordinary shares of the Company, adjustment of the Exercise Price in certain circumstances, quotation on Bursa Securities and other terms and conditions pertaining to the Warrant C 2015/2020 are set out in detail in a Deed Poll executed by the Company on 7 July 2015, which is available for inspection at the registered office of the Company.

As at 31 December 2015, the total number of Warrant C 2015/2020 which remained unexercised was 237,732,751.

A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)

(c) Share buybacks / Treasury shares of the Company

The Company purchased 1,000 ordinary shares for a total cash consideration of RM1,715 from the open market at an average cost of RM1.71 per share. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965. Summary of share buybacks is as follows:

	Number of shares	Highest price RM	Lowest price RM	Average cost (included transaction costs) RM	Total amount paid RM
As at 1 January 2015	18,097,253	2.82	0.90	1.67	30,232,704
December	1,000	1.67	1.67	1.71	1,714
As at 31 December 2015	18,098,253	2.82	0.90	1.67	30,234,418

(d) Establishment of a Medium Term Note Programme for the issuance of medium term notes of up to RM990.00 million in nominal value ("MTN Programme")

On 15 October 2015, the Company lodged with the Securities Commission Malaysia ("SC") all the required information and relevant documents relating to the MTN Programme pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC. The MTN Programme provides the Company the flexibility to raise funds via the issuance of MTNs which can be utilised to refinance its existing borrowings and to fund its working capital requirements. The MTN Programme is unrated and has a tenure of fifteen (15) years from the date of its first issuance.

On 30 October 2015, the Company issued MTNs of RM750.00 million to refinance its existing borrowings. The MTNs were issued in 12 tranches with maturities commencing from 2017 to 2022. The MTNs are redeemable every 6 months commencing 18 months after the first issuance date. The MTNs issued bear interest rate of 4.93% per annum.

A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)

(d) Establishment of a Medium Term Note Programme for the issuance of medium term notes of up to RM990.00 million in nominal value ("MTN Programme") (Contd.)

The terms of the MTN Programme contain various covenants, including the following:-

(i) The Company shall maintain a Gearing Ratio of not exceeding 1.50 times throughout the tenure of the MTN Programme.

(ii) The Company shall maintain a Security Cover Ratio of not less than 1.50 times throughout the tenure of the MTN Programme.

(iii) The Company shall maintain a Debt Service Reserve Account ("DSRA") of an amount equivalent to one interest payment, which is pre-funded from the Company's internal fund and shall ensure that there are sufficient funds in the DSRA.

The amount can be utilised for the payment of interest of MTNs in the event of a default in interest payment obligations. Any utilised funds shall be replenished within 14 days from the date of withdrawal/shortfall.

The MTN Programme are secured by the following:

(i) First party legal charge by way of Memorandum of Deposit with Power of Attorney over shares and warrants in certain subsidiary companies; and

(ii) First party assignment and charge over the Company's right (including right to sue), title, interest and benefit in and under the DSRA and Disbursement Account and all monies standing to the credit thereto.

Apart from disclosed above there were no issuances, repurchases and repayments of debt and equity securities of the Company for the current year to date.

A6. Dividends paid

The dividends paid by the Company are as follows:	**RM'000**
(i) A single-tier final dividend of 5.0 sen per share in respect of the preceding financial year ended 31 December 2014 was paid on 8 May 2015	47,551
(ii) A single-tier special dividend of 15.0 sen per share for the current financial year ended 31 December 2015 was paid on 4 August 2015	142,644
(iii) A single-tier interim dividend of 2.5 sen per share for the current financial year ended 31 December 2015 was paid on 12 November 2015	34,620
	224,815

A7. Segmental information

The Group is organised into four major business segments based on products and services, which are regularly provided to and reviewed by the chief operating decision makers who included Board of Directors and senior management of the Group:

(a) Financial services & Investment Holdings

(i)	Investment Holdings	-	Investing activities and other insignificant business segment, where investments contribute dividend income and interest income as well as sharing of results of the investee companies.
(ii)	Capital Financing	-	Capital financing activities, generating interest, fee and related income.

(b) Properties & Construction

(i)	Property Development	-	Property development of residential and commercial properties including townships for sale as well as provision of project management services.
(ii)	Property Investment & Management	-	Management and letting of properties, contributing rental yield and appreciation of properties.
(iii)	Construction	-	Building construction and other construction contracts.

(c) Industrial Products

(i)	Cables & Wires	-	Manufacturing and trading of cable and wire products.
(ii)	Building Materials	-	Manufacturing and sale of concrete wall panels, an Industrial Building System (IBS) material; and trading of building materials.

(d) Hotels & Timeshare Management - Management of hotels, resorts including golf course operations and management of timeshare membership scheme.

Business segment revenue and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The inter-segment transactions have been entered into at terms mutually agreed between the segments concerned and have been eliminated to arrive at the Group's results.

Upon the Company completed acquisitions of OSKP and PJD as disclosed in Note A8(c), the Group's business segments have diversified to include properties and construction, industrial products and hotel and timeshare management.

A7. Segmental information (Cont'd)

Business segments

The following table provides an analysis of the Group's revenue and results by business segment:

(RM'000)	Financial Services & Investment Holdings	Properties & Construction	Industrial Products	Hotels & Timeshare Management	Inter-segments Eliminations	Total
Current year to date ended 31.12.2015						
Revenue						
External parties	**40,744**	**552,372**	**113,783**	**53,836**	**-**	**760,735**
Inter-segment	**19,367**	**73,999**	**515**	**206**	**(94,087)**	**-**
Dividends from subsidiary companies	**56,174**	**-**	**-**	**-**	**(56,174)**	**-**
Dividend from an associated company	**15,348**	**-**	**-**	**-**	**(15,348)**	**-**
Total	**131,633**	**626,371**	**114,298**	**54,042**	**(165,609)**	**760,735**
Results						
Segment profits	**367,386**	**100,249**	**9,878**	**7,601**	**(2,087)**	**483,027**
Share of results of associated companies and a joint venture	**121,695**	**-**	**-**	**-**	**-**	**121,695**
Profit before tax	**489,081**	**100,249**	**9,878**	**7,601**	**(2,087)**	**604,722**
Income tax expense						**(34,920)**
Profit after tax for the period						**569,802**
Preceding year to date ended 31.12.2014						
Revenue						
External parties	42,711	17,217	-	-	-	59,928
Inter-segment	3,535	1,487	-	-	(5,022)	-
Dividend from an associated company	25,987	-	-	-	(25,987)	-
Total	72,233	18,704	-	-	(31,009)	59,928
Results						
Segment profits	15,539	23,298	-	-	-	38,837
Share of profits of an associated company	176,778	-	-	-	-	176,778
Profit before tax	192,317	23,298	-	-	-	215,615
Income tax expense						(11,360)
Profit after tax for the period						204,255

A7. Segmental information (Cont'd)

Geographical segments

The Group's operations are mainly based in Malaysia and Australia. Other geographical segments mainly include Singapore, Thailand, Vietnam and British Virgin Islands. In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers and non-current assets are based on the geographical location of the assets.

	Malaysia RM'000	Australia RM'000	Others RM'000	Total RM'000
Current year to date ended 31.12.2015				
Revenue	743,293	1,548	15,894	760,735
Profit/(Loss) before tax	608,568	(2,471)	(1,375)	604,722
Capital expenditure	41,731	10	64	41,805
Total segment assets	7,010,341	522,645	7,151	7,540,137
Preceding year to date ended 31.12.2014				
Revenue	59,928	-	-	59,928
Profit before tax	215,615	-	-	215,615
Capital expenditure	1,098	-	-	1,098
Total segment assets	3,112,379	-	-	3,112,379

A8. Effects of changes in the composition of the Group for the current year to date

(a) Increase of equity interests in RHB Capital Berhad ("RHBC") via Dividend Reinvestment Plan ("DRP") and subscription of renounceable rights shares

On 24 April 2015, RHBC issued and allotted 16,024,645 new RHBC shares at the issue price of RM7.03 per share which was applied to the interim dividend in respect of financial year ended 31 December 2014. The Company had elected to reinvest 2,182,412 new shares in RHBC via DRP and received RM5,498.92 balance in cash out of its dividend entitlement of RM15,347,855. The Company's equity interest in RHBC increased to 9.97% from 9.94%.

On 23 September 2015, RHBC announced a renounceable rights issue of 517,696,286 new ordinary shares at an issue price of RM4.82 per Rights Share, on the basis of one (1) Rights Share for every five (5) existing RHBC shares held as at 5.00 p.m. on 23 November 2015. The Company had subscribed 51,596,000 of its Rights Shares entitlement in RHBC. The Company's equity interest in RHBC increased to 10.07% from 9.97%. As at 22 December 2015, the Company had elected to further subscribe 1,853,200 Excess Rights Shares in RHBC. Accordingly, the Company's equity interest in RHBC increased to 10.13% from 10.07%.

On 27 November 2015, the Company received approvals from Bank Negara Malaysia in relation to the increase of equity interest in RHBC.

(b) Subscription of new ordinary shares of OSK Capital Sdn Bhd ("OSKC") by way of bonus issue

On 30 June 2015, the Company subscribed for 30,000,000 new ordinary shares of RM1.00 each in OSKC, a wholly-owned subsidiary company of the Company, by way of bonus issue. The issued and paid-up share capital of OSKC increased from RM70,000,000 to RM100,000,000. The Company's equity interest in OSKC remained at 100%.

(c) Acquisitions of OSK Property Holdings Berhad ("OSKP") and PJ Development Holdings Berhad ("PJD")

On 23 July 2015, the Company issued a total of 292,328,080 new ordinary shares of RM1.00 each of which:

(i) 177,642,601 new ordinary shares of RM1.00 each for the acquisition of 177,642,601 OSKP shares representing 72.36% of the issued and paid-up share capital of OSKP (excluding 3,172,800 treasury shares); and

(ii) 114,685,479 new ordinary shares of RM1.00 each for the acquisition of 143,356,849 PJD shares representing 31.59% of the issued and paid-up share capital of PJD (excluding 4,778,300 treasury shares).

On 23 July 2015, the Company issued 237,732,751 Warrants C pursuant to the Bonus Issue of Warrants on the basis of one (1) free Warrant C for every four (4) existing OSKH Shares held on entitlement date, 21 July 2015.

Hence, the Company obtained control of OSKP and PJD and both OSKP and PJD have become subsidiary companies of the Company. The Company has a 31.59% controlling interests in PJD on the basis that the Company is the single largest shareholder of PJD.

A8. Effects of changes in the composition of the Group for the current year to date (Cont'd)

(c) Acquisitions of OSK Property Holdings Berhad ("OSKP") and PJ Development Holdings Berhad ("PJD") (Cont'd)

On 4 August 2015, such new shares and Warrants C were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad effective from 9.00 a.m. and the Company paid the special single-tier cash dividend of 15 sen per share, marking the completion of the acquisitions of OSKP and PJD, Bonus Issue of Warrants as well as the Special Cash Dividend.

Upon completion of the acquisitions of OSKP and PJD, the businesses of the Group have been diversified to include property development and construction, manufacturing and trading of cables and building materials, as well as hotel and leisure.

On 17 August 2015, the Companyøs securities have been reclassified from Finance sector to Properties sector. The Stock Number and Stock Short Name of the Companyøs securities remain unchanged.

The fair value of consideration transferred and the effects on cash flows of the acquisitions of subsidiary companies, OSKP and PJD, are as follows:

	RM'000
Fair value of consideration for the acquisitions	543,730
Less: Non-cash consideration (Fair value of equity instruments issued)	(543,730)
Total consideration satisfied by cash	-
Less: Cash and cash equivalents of subsidiary companies acquired	(292,339)
Cash inflow from acquisitions of subsidiary companies	(292,339)

The fair value of the 292,328,080 ordinary shares of the Company issued as consideration for the acquisitions of OSKP and PJD was determined on the basis of the closing market price of the Company's ordinary shares of RM1.86 per share on the acquisition date.

A8. Effects of changes in the composition of the Group for the current year to date (Cont'd)

(c) Acquisitions of OSK Property Holdings Berhad ("OSKP") and PJ Development Holdings Berhad ("PJD") (Cont'd)

The recognised provisional fair values of identifiable assets and liabilities of OSKP and PJD at acquisition date are as follows:

		As at date of acquisition RM'000
Non-current assets	Property, plant and equipment	603,981
	Investment properties	341,496
	Investments in associated companies and a joint venture	97,642
	Biological assets	16,565
	Intangible assets	1,055
	Available-for-sale securities	717
	Inventories: Land held for property development	1,066,335
	Deferred tax assets	65,008
	Trade receivables	45,196
Current assets	Inventories: Property development costs	344,591
	Inventories: Others	54,448
	Tax recoverable	14,889
	Trade receivables	297,027
	Contract assets	338,165
	Other receivables, deposits and prepayments	38,649
	Cash and bank balances	304,051
Non-current liabilities	Borrowings	(525,869)
	Trade payables	(49,389)
	Other payables, accruals and provision	(8,822)
	Deferred income	(172,054)
	Deferred tax liabilities	(121,882)
Current liabilities	Borrowings	(179,447)
	Trade payables	(330,223)
	Contract liabilities	(73,106)
	Other payables, accruals and provision	(162,287)
	Deferred income	(3,699)
	Tax payable	(27,357)
Provisional fair value of total net assets		1,975,680
Non-controlling interests measured at fair value		(1,068,787)
Group's share of net assets		906,893
Less: Negative goodwill on consolidation recognised in consolidated statement of profit or loss		(363,163)
Total fair value of consideration transferred for the acquisitions		543,730

A8. Effects of changes in the composition of the Group for the current year to date (Cont'd)

(c) Acquisitions of OSK Property Holdings Berhad ("OSKP") and PJ Development Holdings Berhad ("PJD") (Cont'd)

The fair value of the non-controlling interest represents its share of the fair value of PJD and OSKP at the acquisition date, estimated using the purchase price allocation method. The negative goodwill on business combination is not taxable for tax purpose.

Acquisition-related costs of RM5.30 million have been charged to administrative expenses in the consolidated statements of profit or loss for the year ended 31 December 2015.

Provisional fair values are assigned to the property, plant and equipment, investment properties, inventories including land held for property development, property development cost, investment in associated company and intangible assets. Professional consultants have been commissioned to undertake valuation of those assets.

OSKP and PJD contributed the following revenue and profit to the Group's consolidated statement of profit or loss for the current financial year since the date of acquisition for approximately five months results:

Five months ended 31 December 2015	Date of acquisition to 31.12.2015 RM'000
Revenue	704,342
Profit before tax	101,382
Profit for the period	73,936

If the results of OSKP and PJD have been consolidated from the beginning of the year, 1 January 2015 to 31 December 2015, the consolidated results of the Group for the year ended 31 December 2015 would have been as follows:

Pro forma results of the Group	1.1.2015 to 31.12.2015 RM'000
Revenue	1,729,818
Profit before tax	264,054
Profit for the year	186,854

(d) Acquisitions of additional equity interests from non-controlling interests of OSKP and PJD

(i) Acquisitions of additional equity interest in OSKP

From 18 August 2015 to 23 November 2015, OSKP alloted 82,258,961 new shares for the conversion of warrants by its warrantholders. From 25 August 2015 to 18 December 2015, the Company acquired additional 8,312,600 ordinary shares of RM1.00 each in OSKP from the open market for a total consideration of RM16,194,022 at an average cost of RM1.96 per share.

A8. Effects of changes in the composition of the Group for the current year to date (Cont'd)

(d) Acquisitions of additional equity interests from non-controlling interests of OSKP and PJD (Contd.)

(i) Acquisitions of additional equity interest in OSKP (Contd.)

The Company received a total valid acceptance of 132,297,096 OSKP shares pursuant to OSKP Offer for a total consideration of RM95,249,694, out of which 48,845,997 OSKP shares accepted the OSKP Offer for Cash and 83,451,099 OSKP shares accepted the OSKP Offer for share exchange offer of the Company's shares at an issue price of RM1.95 per share based on an exchange ratio of one (1) Company's share for every one (1) OSKP shares surrendered. On 18 December 2015, the compulsory acquisition of the Remaining Offer Shares of OSKP was completed. Accordingly, the Company's equity interest in OSKP increased to 100% from 72.36%.

(ii) Acquisitions of additional equity interest in PJD

From 30 July 2015 to 7 September 2015, the Company acquired 57,633,300 ordinary shares of RM1.00 each in PJD from the open market for a total consideration of RM89,589,214 at an average cost of RM1.55 per share. From 21 August 2015 to 25 August 2015, PJD allotted 69,841,685 new shares for the conversion of warrants by its warrantholders. The Company received a total valid acceptance of 266,949,096 PJD shares pursuant to PJD Offer for a total consideration of RM303,258,482, out of which 194,382,172 PJD shares accepted the PJD Offer for cash and 72,566,924 PJD shares accepted the PJD Offer for share exchange offer of the Company's share at an issue price of RM1.95 per share based on an exchange ratio of four (4) Company's share for every five (5) PJD shares surrendered. Accordingly, the Companyĝs equity interest in PJD increased to 89.36% from 31.59%.

The acquisitions of additional equity interests from non-controlling interests of OSKP and PJD have the following effects to the Group:

	RM'000
Net assets acquired from non-controlling interests	889,777
Gains on consolidation recognised in equity	(292,542)
Less: Non-cash consideration (Fair value of equity instruments issued)	(226,820)
Cash outflow on acquisitions of additional equity interest in subsidiary companies	370,415

The fair value of the 141,504,638 ordinary shares of the Company issued as consideration for the acquisitions of OSKP and PJD was determined on the basis of the closing market price of the Company's ordinary shares on the respective dates.

A8. Effects of changes in the composition of the Group for the current year to date (Cont'd)

(e) Changes of issued and paid up share capital in Scotia Acres Sdn Bhd ("Scotia")

During the financial period, Scotia Acres Sdn. Bhd. ("Scotia"), a 50% owned joint venture of PJD Group, has increased its issued and paid up share capital for working capital purposes as follows:

- 29 October 2015, from RM34,340,572 to RM35,340,572 by the issuance of 1,000,000 ordinary shares of RM1.00 each.

- 30 November 2015, from RM35,340,572 to RM36,140,572 by the issuance of 800,000 ordinary shares of RM1.00 each.

- 29 December 2015, from RM36,140,572 to RM36,640,572 by the issuance of 500,000 ordinary shares of RM1.00 each.

DLHA Management Services Sdn. Bhd. ("DLHA"), a wholly-owned subsidiary company of PJD and in turn an indirect subsidiary company of the Company, has subscribed for 1,650,000 ordinary shares of RM1.00 each for cash consideration of RM1,650,000 in proportion to the existing shareholdings of DLHA in Scotia, representing 50% of the total allotment of 3,300,000 ordinary shares of RM1.00 each in share capital of Scotia.

(f) Delisting of OSKP's Securities

On 12 November 2015, with effect from 9.00 a.m., the securities of OSKP were removed from the Official List of Bursa Securities pursuant to Paragraph 16.07 (a) of the Main Market Listing Requirements of Bursa Securities.

A9. Events after the end of the current quarter that have not been reflected in this quarterly report

Proposed acquisition of development land

On 8 January 2016, Aspect Synergy Sdn. Bhd (ñASSBò), an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement with AmBank (M) Berhad (ñABMBò) for the proposed acquisition of six (6) parcels of freehold agricultural lands held under Geran 67449 Lot 462, Geran 67450 Lot 1163, Geran 67452 Lot 1669, Geran 67453 Lot 1531, Geran 126111 Lot 29778 and Geran 126113 Lot 29779, all measuring 767.73 acres in total and situated in the Mukim of Rantau, District of Seremban, Negeri Sembilan for a total purchase consideration of RM145.00 million, representing approximately RM188,868.48 per acre or RM4.34 per square foot.

The proposed acquisition of land is subject to obtaining the approval of the Estate Land Board to transfer the Lands in favour of ASSB and is expected to be completed by the end of the second quarter of 2016.

A10. Significant unrecognised contractual commitments

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Contracted but not provided for:		
- Acquisition of office equipment and software	9,325	144
- Investment property expenses	33	82
- Development of an investment property under construction	38,817	13,642
- Acquisition of land held for property development	8,535	-
- Professional fees	104	959
- Construction of buildings	62	121
	56,876	14,948

A11. Significant related party transactions

	Income / (Expense) Current year to date ended 31.12.2015 RM'000
(a) Significant transactions with an associated group of companies:	
Office rental income from:	
RHB Investment Bank Berhad	8,715
RHB Asset Management Sdn Bhd	1,567
RHB Bank Berhad	750
RHB Trustee Berhad	311
RHB Research Institute Sdn Bhd	276
Fund distribution income of Cash Management Fund from:	
RHB Asset Management Sdn Bhd	1,052
Interest income from:	
RHB Asset Management Sdn Bhd	820
Interest expense to:	
RHB Bank Berhad	(17,419)
Banking facility fee paid to:	
RHB Bank Berhad	(1,250)
RHB Investment Bank Berhad	(1,250)
Commitment fee paid to:	
RHB Bank Berhad	(695)
Brokerage fee paid to:	
RHB Investment Bank Berhad	(318)
Advisory fee paid to:	
RHB Investment Bank Berhad	(1,000)
(b) Significant transactions with other related parties:	
Construction work paid to:	
Dindings Construction Sdn Bhd	(8,765)
Insurance premium paid to:	
Dindings Risks Management Services Sdn Bhd	(360)
DC Services Sdn Bhd	(426)
Dindings Life Agency Sdn Bhd	(318)
Sincere Source Sdn Bhd	(405)

A12. Fair value measurement

Determination of fair value

The carrying amounts of trade and other receivables/payables, cash and cash equivalents and short term borrowings approximated their fair values due to the relatively short term maturity in nature of these financial instruments. The Groupộs capital financing are mostly fixed rate loans with short term maturities of less than one year and the carrying amounts of capital financing are approximate their fair values. The fair values of impaired fixed rate capital financing are represented by their carrying value, net of individual impairment allowance, being the expected recoverable amount.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair values are observable for the assets or liabilities, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data for the assets or liabilities.

The following table shows an analysis of financial instruments recorded at recurring fair value measurement within the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
As at 31.12.2015				
Non financial assets				
Investment properties	-	243,075	327,267	570,342
Biological assets	-	-	17,298	17,298
Financial assets				
Available-for-sale securities	-	-	882	882
Securities at fair value through profit or loss	16,309	-	-	16,309
Derivative asset	-	30,718	-	30,718
	16,309	273,793	345,447	635,549
As at 31.12.2014				
Non financial asset				
Investment properties	-	203,921	168,000	371,921
Financial assets				
Available-for-sale securities	-	-	165	165
Securities at fair value through profit or loss	82,618	-	-	82,618
	82,618	203,921	168,165	454,704

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the last bid price. There were no transfers between Level 1 and 2 during the year.

PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

B1. Performance analysis of the Group for the current quarter and year to date

The Group's financial performance are analysed as below:

	Immediate preceding quarter ended 30.9.2015 RM'000	**Current quarter ended 31.12.2015 RM'000**	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
Revenue	274,600	**458,571**	15,664	**760,735**	59,928
Pre-tax profit from the businesses	391,445	**80,793**	15,232	**483,027**	38,837
Share of results of associates & joint venture	11,361	**22,787**	41,930	**121,695**	176,778
Pre-tax profit	402,806	**103,580**	57,162	**604,722**	215,615
Profit after tax from the businesses	378,718	**62,250**	12,350	**448,107**	27,477
Share of results of associates & joint venture	11,361	**22,787**	41,930	**121,695**	176,778
Profit After Tax ("PAT")	390,079	**85,037**	54,280	**569,802**	204,255
Profit after tax attributable to Owners of the Company ("PATOC")	381,370	**85,472**	54,280	**561,528**	204,255
Other comprehensive income attributable to Owners of the Company	15,734	**20,543**	14,692	**64,306**	24,617
Total Comprehensive Income attributable to Owners of the Company	397,104	**106,015**	68,972	**625,834**	228,872
Earnings Per Share ("EPS") (sen)	31.35	**6.17**	5.71	**49.81**	21.29

(a) Current Year To Date compared with Preceding Year To Date

Overall performance

The Group achieved pre-tax profit for the year ended 31 December 2015 (ñFY15ò) of RM604.72 million, increased by RM389.10 million or 180%, compared with RM215.62 million in the preceding year ended 31 December 2014 (ñFY14ò). The PAT of the Group increased to RM569.80 million for FY15, up by RM365.54 million or 179% from RM204.26 million in the FY14. The Groupôs PATOC for FY15 of RM561.53 million was RM357.27 million or 175% higher than FY14 of RM204.26 million. The Groupôs earnings per share (ñEPSò) for FY15 increased to 49.81 sen from 21.29 sen in FY14, up by 28.52 sen or 134%.

The FY15 pre-tax profit consists of profits of RM107.78 million (FY14: RM38.84 million) contributed by all business segments; negative goodwill arising from the acquisitions of OSKP and PJD of RM363.16 million and the acquisition of additional interests in RHB Capital Berhad ("RHBC") of RM12.09 million; and share of profits of RM121.70 million (FY14: RM176.78 million).

B1. Performance analysis of the Group for the current quarter and year to date (Cont'd)

(a) Current Year To Date compared with Preceding Year To Date (Cont'd)

The equity attributable to Owners of the Company as at 31 December 2015 increased to RM4.09 billion, higher by RM1.38 billion or 51% compared with RM2.71 billion as at 31 December 2014. Net asset per share attributable to Owners of the Company improved to RM2.96 as at 31 December 2015, an increase by RM0.11 from RM2.85 as at 31 December 2014, after accounting for dividend payments to Owners of the Company of RM224.82 million or 22.5 sen per share; and the issuance of 433.83 million new shares for the acquisitions of and additional interests in OSKP and PJD.

Performance analysis of the respective business segments

Business Segments	**Current quarter ended 31.12.2015 RM'000**	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
Investment Holdings	*30,311*	*42,164*	*474,426*	*174,286*
Capital Financing	*4,692*	*1,804*	*14,655*	*18,031*
Financial services & Investment Holdings	**35,003**	43,968	**489,081**	192,317
Property Development	*47,163*	-	*70,731*	-
Construction	*3,983*	-	*10,784*	-
Property Investment & Management	*8,284*	*13,194*	*18,734*	*23,298*
Properties & Construction	**59,430**	13,194	**100,249**	23,298
Industrial Products	**4,321**	**-**	**9,878**	**-**
Hotels & Timeshare Management	**6,913**	**-**	**7,601**	**-**
Less: Inter-segments eliminations	**(2,087)**	**-**	**(2,087)**	**-**
Pre-tax profit	**103,580**	57,162	**604,722**	215,615

Investment Holdings segment represented the Group's top profit contributor in FY15 with pre-tax profit of RM474.43 million, accounting for 78% of the Group's pre-tax profit, increased by RM300.14 million or 172% compared with RM174.29 million in FY14. The improvement in pre-tax profit was mainly due to RM375.25 million negative goodwill arising from the acquisitions of OSKP and PJD and additional interests in RHBC rights issue; despite lower share of profits of RM121.70 million (FY14: RM176.78 million) due to provision for career transition scheme undertaken by RHBC.

The Capital Financing business recorded pre-tax profit of RM14.66 million in FY15 compared with RM18.03 million in FY14, decreased by RM3.37 million mainly due to lower capital market activities and an allowance for doubtful debt of RM2.79 million in FY15.

The property development and construction business posted RM81.51 million for the post acquisition period of five months equivalent to 13% of the Group's pre-tax profit in year 2015, mainly arising from the contribution from the on-going projects such as Pan'gaea in Cyberjaya, Bandar Puteri Jaya in Sungai Petani and You City and You One in Klang Valley. Property investment & management business generated a pre-tax profit of RM18.73 million (FY14: RM23.30 million) which included a fair valuation surplus of an investment property of RM3.00 million (FY14: RM12.00 million).

Industrial Products and Hotels & Timeshare Management segments generated pre-tax profits of RM9.88 million and RM7.60 million for the five months ended 31 December 2015 respectively.

B1. Performance analysis of the Group for the current quarter and year to date (Cont'd)

(b) Current Quarter compared with Comparative Quarter of Preceding Year

The Group achieved profitable results for the current quarter ended 31 December 2015 (ñ4Q15ò) with pre-tax profit of RM103.58 million, increased by RM46.42 million or 81% compared with comparative quarter in 2014 (ñ4Q14ò) of RM57.16 million. The 4Q15 pre-tax profit of RM103.58 million consists of business profit of RM68.70 million (4Q14: RM15.23 million), higher by RM53.47 million or 351%; share of profits of RM22.79 million (4Q14: RM41.93 million); and negative goodwill arising from additional interests in RHBC of RM12.09 million in 4Q15. The improvement in pre-tax profit was mainly contributed by the newly acquired subsidiary companies, OSKP and PJD. The Groupôs EPS for 4Q15 rose by 0.46 sen to 6.17 sen compared with 5.71 sen in 4Q14.

B2. Commentary on pre-tax profit for current quarter compared with immediate preceding quarter

The Group reported pre-tax profit of RM103.58 million in 4Q15 compared with immediate preceding quarter ended 30 September 2015 (ñ3Q15ò) of RM402.81 million. The 4Q15 pre-tax profit consists: business profit of RM68.70 million (3Q15: RM28.29 million including two months post-acquisition profits of OSKP and PJD); share of profits of RM22.79 million (3Q15: RM11.36 million), up by RM11.43 million or 101%; and negative goodwill of RM12.09 million (3Q15: RM363.16 million).

B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast

(a) Prospects for the year 2016

The Malaysian economy is expected to continue to be challenging in year 2016.

The Groupôs main on-going property development projects such as Panôgaea in Cyberjaya, Emira in Shah Alam, Windmill Upon Hills in Genting Permai, Bandar Puteri Jaya in Sungai Petani, You City in Cheras and Harbour Place in Butterworth are progressing well and are expected to contribute to the Groupôs earnings for the year 2016. The Construction Division is expected to contribute positively with projects on hand. The Property Investment segment is expected to generate profitable rental yields.

The Industrial Products Division which includes manufacturing and trading of cables, wires and Integrated Building System (IBS) building materials are expected to remain profitable in year 2016. However, the growth rate will be moderate due to the softening of the property market resulting in weaker demand.

For the management of hotels, resorts and timeshare businesses, the Group seeks to leverage on the weak Ringgit to attract inbound foreign tourists and to promote domestic travel.

The Groupôs capital financing and investment holding businesses are expected to achieve profitable results for the Group.

The Board expects the economy to be challenging in year 2016 for the Group businesses. However, the Board is confident that the Group will achieve satisfactory results for the year 2016.

B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast (Cont'd)

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast previously announced by the Company.

B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast previously announced by the Company.

B5. Profit forecast/profit guarantee previously announced

There were no profit forecast or profit guarantee previously issued by the Company.

B6. Income tax expense

	Current quarter ended 31.12.2015 RM'000	Current year to date ended 31.12.2015 RM'000
In respect of the current year		
Malaysian income tax	(31,071)	(51,729)
Foreign income tax	(13)	(13)
	(31,084)	(51,742)
Over provision in respect of prior years		
Malaysian income tax	682	1,471
Deferred taxation	11,859	15,351
Income tax expense	(18,543)	(34,920)

Excluding share of profits of associates and negative goodwill, the effective tax rate for the current year to date is higher than the statutory tax rate of 25% mainly due to non-deductibility of certain expenses.

B7. Status of corporate proposals and utilisation of proceeds

(a) Status of corporate proposals announced but not completed as at 23 February 2016 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)

The acquisitions of OSKP and PJD as disclosed in Note A8 (c) completed on 4 August 2015. There were no other corporate proposals previously announced but not completed as at 23 February 2016.

(b) The status of utilisation of proceeds raised from any corporate proposal by the Company

There were no proceeds raised from any corporate proposal by the Company.

B8. Borrowings and debt securities as at the end of the reporting period

The Group has not issued any debt securities and the Groupôs borrowings at the end of the current year to date are as follows (denominated in Ringgit Malaysia unless otherwise stated):

		Note	As at 31.12.2015 RM'000
Non-current			
Secured:	Medium term notes	A5 (d)	**746,837**
Secured:	Bridging loan		**10,845**
	Term loan		**512,867**
	Term loan denominated in Australia Dollar		**194,106**
	Term loan denominated in United States Dollar		**129,156**
			846,974
			1,593,811
Current			
Secured:	Revolving credits		**154,800**
	Term loans		**33,532**
Unsecured:	Bank overdrafts		**4,117**
	Bankers' acceptances		**10,622**
	Revolving credits		**398,566**
	Trust receipts denominated in Vietnamese Dong		**2,796**
			604,433
			2,198,244

B9. Changes in material litigation

As at 23 Febraury 2016 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), saved as disclosed below, the Group was not engaged in any material litigation either as plaintiff or defendant and the Directors are not aware of any proceedings pending or threatened against the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business operations of the Group.

<u>Claims by BUCG (M) Sdn Bhd (ñBUCGò) against Atria Damansara Sdn Bhd ("ADSB")</u>

ADSB, an subsidiary company of OSKP and in turn an indirect subsidiary company of the Company, appointed BUCG (M) Sdn Bhd ("BUCG") pursuant to a Letter of Acceptance dated 29 June 2012 (ñthe Contractò) for the ñMain Building Works For Cadangan Pembangunan Semula Daripada 1 Blok Bangunan Komersil 4 Tingkat Dan 1 Blok Komersil 3 Tingkat Kepada 2 Blok Menara Pejabat 16 Tingkat Di Atas 4 Tingkat Podium Pusat Membeli-Belah Berserta 2 Aras Bawah Tanah Tempat Letak Kereta Dan 4 Aras Tempat Letak Kereta Bertingkat Atas Podium Di Atas P.T. 9089, P.T. 9090, P.T. 10166, P.T. 10197 Dan P.T. 10198, Jalan SS22/43, SS22, Mukim Sungai Buloh, Daerah Petaling, Selangor Darul Ehsanò (ñthe Worksò).

B9. Changes in material litigation (Contd.)

Claims by BUCG (M) Sdn Bhd (ñBUCGò) against Atria Damansara Sdn Bhd ("ADSB") (Contd.)

Under the Contract, the original Completion Dates for Sections A and B were fixed as follows:

Section	Brief Description of Section of the Works	Completion Date
A	The Whole of Podium Shopping Mall and Car Parks and External Works	15 May 14
B	The Whole of Remaining Works	15 Mar 15

BUCGôs progress of works was slow since the commencement of the Works. The Architect had given numerous notifications and reminders to BUCG with regard to BUCGôs slow progress of works.

BUCG submitted several applications for extension of time. The Architect after having assessed BUCGôs applications for extension of time, had granted extension of time to BUCG vide Certificate of Extension of Time Nos. 1 and 2 and revised the completion dates as follows:

Section	Brief Description of Section of the Works	Original Completion Date	Revised Completion Date
A5	Testing and Commissioning of Mechanical and Electrical Services	15 March 14	27 March 14
A	The Whole of Podium Shopping Mall and Car Parks and External Works	15 May 14	21 July 14
B	The Whole of Remaining Works	15 March 15	27 March 15

By the first half of 2014, it was obvious that BUCG was not able to complete the Works by the relevant Sectional Completion Dates.

So, ADSB discussed with BUCG about the involvement of a third party, Setiakon Builders Sdn Bhd (ñSetiakonò) in the execution of architectural works for the project to assist BUCG to improve work progress. BUCG consented to Setiakonôs involvement. The following works were handed over to Setiakon:-

(1) The remaining architectural works for Shopping Mall and Carpark Podium from Gridline 1 to 11 from Level 3A/P4 up to roof and Gridline 11 to 38 from Level 2 up to roof
(2) The entire architectural works for the two Towers as required under the Contract.

On 15 March 2015, the Performance Bond expired but BUCG failed to extend the Performance Bond. Pursuant to the Contract, ADSB thus withheld sums equivalent to the value of the Performance Bond from the sums certified under the Architectôs Interim Certificates 28 onwards until Certificate 32.

Despite so, ADSB made direct payments to BUCG's various Sub-Contractors under Interim Certificates 28 to 32 in the total amount of RM9,559,155.50.

Furthermore, ADSB had also made advances to BUCG in the total amount of RM4,874,763.13 in order to assist BUCG's cashflow to complete the Works.

B9. Changes in material litigation (Contd.)

Claims by BUCG (M) Sdn Bhd (ñBUCGò) against Atria Damansara Sdn Bhd ("ADSB") (Contd.)

Despite this and despite being aware that there were no sums payable to BUCG under Interim Certificates C28 to C32, on 3 August 2015, BUCG issued a Notice of Determination of Employment under Clause 26.1(a) of Agreement and Conditions of PAM Contract 2006 purportedly based on ADSBôs failure to pay the total certified amount under Payment Certificates Nos. C28 to C32 amounting to RM12,045,817.

On 2 September 2015, ADSB responded to BUCG's Notice of Determination stating, inter alia, that there was no sums due to BUCG pursuant to Payment Certificates Nos. C28 to C32 and that BUCG's determination of its own employment amounts to an invalid determination and a repudiation of the Contract.

BUCG filed their Payment Claim dated 13 October 2015 in the sum of RM73,281,314.17 made pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2012 and the Notice of Adjudication (Form 3) dated 19 November 2015.

ADSB which is strenuously disputing BUCGôs claims, has since filed its Payment Response dated 28 October 2015 and its Adjudication Response on 27 January 2016. ADSB is claiming right of set-off. Once the Respondent claims are taken into account, there is no sum payable to the Claimant. ADSB intends to commence arbitration proceedings against BUCG arising from disputes and differences in relation to the Atria Project. ADSBôs solicitors are currently finalizing the Notice of Arbitration (not filed yet).

Adjudicator is appointed but no decision made. ADSB applied for oral testimony.

B10. Dividends

For the current year to date ended 31 December 2015, the Company declared the followings:

(a) A single-tier special dividend of 15 sen per share as disclosed in Note A8 (c) (2014: No special dividend) was paid on 4 August 2015; and

(b) A single-tier interim dividend of 2.5 sen (2014: 2.5 sen) per share in respect of the current financial year ended 31 December 2015 was paid on 12 November 2015.

(c) The Board of Directors recommends a single-tier final dividend of 2.5 sen (2014: 5.0 sen) per share for the year ended 31 December 2015. The proposed dividend is subject to Shareholders' approval at the forthcoming Annual General Meeting. The entitlement date for the final dividend shall be determined by the Board of Directors.

Total single tier dividend for the current year to date amounted to 20.0 sen (2014: 7.5 sen) per share.

B11. Earnings Per Share ("EPS") attributable to Owners of the Company

	Current quarter ended 31.12.2015	Comparative quarter ended 31.12.2014	**Current year to date ended 31.12.2015**	Preceding year to date ended 31.12.2014
(a) Basic earnings per share				
Profit attributable to Owners of the Company (RM'000)	**85,472**	54,280	**561,528**	204,255
Weighted average number of ordinary shares in issue (ô000 shares)	**1,384,768**	950,961	**1,127,280**	959,440
Basic EPS (sen)	**6.17**	5.71	**49.81**	21.29
(b) Diluted earnings per share				
Profit attributable to Owners of the Company (RM'000):	**85,472**	54,280	**561,528**	204,255
Weighted average number of ordinary shares in issue (ô000 shares)	**1,384,768**	950,961	**1,127,280**	959,440
Effect of dilution from assumed exercise of Warrant C 2015/2020 ('000 shares)	- ^	-	- ^	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000 shares)	**1,384,768**	950,961	**1,127,280**	959,440
Diluted EPS (sen)	**6.17**	5.71	**49.81**	21.29

^ The Companyôs Warrant 2015/2020 that could potentially dilute basic earnings per share in future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive during the period from the warrant issuance date and reporting date.

B12. Auditors' report of preceding annual financial statements

The auditors' report of the Groupôs preceding year's financial statements was not qualified.

B13. Items included in the Statements of Profit or Loss and Statements of Other Comprehensive Income

Profit before taxation is arrived at after (charging)/crediting:	**Current quarter ended 31.12.2015 RM'000**	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
(i) Revenue				
- Interest income	9,054	9,688	33,898	34,281
- Rental income	17,400	4,331	30,152	17,217
(ii) Cost of sales				
- Funding costs	(3,486)	(3,455)	(12,105)	(11,150)
(iii) Other income				
- Bad debts recovered	507	-	508	2
- Fund distribution income from Cash Management Fund	271	-	1,052	-
- Gain arising from sales of securities	774	-	11,266	780
- Interest income on deposits and placements with financial institutions	3,277	2	4,467	2
- Realised gain on foreign exchange translations	-	-	-	186
- Gain on disposals of plant and equipment	181	-	181	-
- Gain on fair value of investment properties	3,000	12,000	3,000	12,000
- Gain on fair value of biological assets	425	-	425	-
- Unrealised gain on foreign exchange translations	61	-	162	-
- Unrealised gain on revaluation of securities at fair value through profit or loss	-	894	-	1,173
- Unwinding of discount	2,898	-	2,898	-
- Write back of allowance for impairment losses on capital financing:				
- Collective assessment	-	-	40	836
- Individual assessment	474	86	-	838
- Write back of allowance for impairment losses on trade receivables:				
- Individual assessment	4,489	-	4,489	-
- Negative goodwill arising from acquisitions of:				
- subsidiary companies	-	-	363,163	-
- additional interest in an associated company	12,089	-	12,089	-
(iv) Administrative expenses				
- Depreciation and amortisation	(3,292)	(213)	(10,062)	(848)

B13. Items included in the Statements of Profit or Loss and Statements of Other Comprehensive Income (Cont'd)

Profit before taxation is arrived at after (charging)/crediting:	**Current quarter ended 31.12.2015 RM'000**	Comparative quarter ended 31.12.2014 RM'000	**Current year to date ended 31.12.2015 RM'000**	Preceding year to date ended 31.12.2014 RM'000
(v) Other items of expense				
- Allowance for impairment losses on capital financing:				
- Collective assessment	-	(6)	-	-
- Individual assessment	-	-	(2,785)	-
- Allowance for impairment losses on trade receivables	(4,680)	-	(4,680)	-
- Bad debts written off	(122)	-	(122)	(1)
- Loss on disposal of quoted securities	(695)	-	(695)	-
- Realised loss on foreign exchange	(1,847)	(12)	(1,860)	-
- Reversal of gain on revaluation of securities	9,817	-	-	-
- Unrealised loss on foreign exchange translations	-	(5)	-	(1,304)
- Unrealised loss on revaluation of securities at fair value through profit or loss	(9,929)	-	(9,893)	-
(vi) Finance costs				
- Interest expense	(18,484)	(846)	(26,865)	(2,498)

Allowance for and write off of inventories and exceptional items are not applicable to the Group. Items for other comprehensive income are disclosed in the Statement of Profit or Loss and Other Comprehensive Income. There were no gain or loss on disposal of unquoted investments or properties and gain or loss on derivatives for the current year to date. There were no impairment of assets other than disclosed above.

B14. Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the reporting date, into realised and unrealised profits or losses. On 20 December 2010, Bursa Securities further issued a guidance on the disclosure and the format required.

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirement, issued by the Malaysian Institute of Accountants on 20 December 2010.

B14. Realised and Unrealised Profits (Contd.)

The disclosure of realised and unrealised profits below is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and not to be applied for any other purpose.

Based on the above criteria, the breakdown of retained profits of the Group as at the reporting date is as follows:

	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits of the Company and its subsidiary companies		
- Realised	**2,190,786**	1,422,554
- Unrealised	**410,641**	110,454
	2,601,427	1,533,008
Total share of retained profits from associated companies		
- Realised	**501,336**	351,525
- Unrealised	**1,104**	-
	502,440	351,525
Total share of accumulated losses from a joint venture		
- Realised	**(1,902)**	-
Less : Consolidation adjustments	**(879,894)**	(213,885)
	2,222,071	1,670,648

By Order of the Board

Tan Sri Ong Leong Huat
Chief Executive Officer / Group Managing Director
Kuala Lumpur
29 February 2016