

Interim Financial Report for the three months ended 30 June 2019

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Note:

A1 to A11 are explanatory notes in accordance with MFRS134.

B1 to B13 are explanatory notes in accordance with paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

Condensed Consolidated Income Statements

(The figures have not been audited)

	Current Year Quarter 30.6.2019 RM' 000	Preceding Year Quarter 30.6.2018 RM' 000	Current Year- To-Date 30.6.2019 RM' 000	Preceding Year- To-Date 30.6.2018 RM' 000
Revenue	317,061	293,498	650,824	587,693
Cost of sales	(149,313)	(132,646)	(306,417)	(258,008)
Gross profit	167,748	160,852	344,407	329,685
Other operating income	9,922	9,425	18,156	18,421
Administrative expenses	(51,461)	(47,940)	(96,391)	(98,583)
Other operating expenses	(1,562)	(11,234)	(2,776)	(18,004)
Profit from operations	124,647	111,103	263,396	231,519
Finance income	2,345	10,956	10,726	23,060
Finance costs	(45,279)	(35,671)	(81,094)	(61,530)
Share of after-tax results of associates and joint venture	6,932	13,104	5,431	6,718
Profit before tax	88,645	99,492	198,459	199,767
Less tax:				
Company and subsidiaries	(23,062)	(25,362)	(53,529)	(55,425)
Profit for the period	65,583	74,130	144,930	144,342
Attributable to:				
Equity holders of the Company	32,862	41,270	82,309	75,348
Non-controlling interests	32,721	32,860	62,621	68,994
	65,583	74,130	144,930	144,342
Earnings per share (sen)				
- basic	4.82	6.32	12.08	11.55
- diluted	3.58	4.67	8.93	8.49

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statements of Comprehensive Income

(The figures have not been audited)

	Current Year Quarter 30.6.2019 RM' 000	Preceding Year Quarter 30.6.2018 RM' 000	Current Year- To-Date 30.6.2019 RM' 000	Preceding Year- To-Date 30.6.2018 RM' 000
Profit for the financial period	65,583	74,130	144,930	144,342
Other comprehensive income/(loss):				
Currency translation differences				
- equity holders	(6,738)	(4,201)	(492)	(18,773)
- non-controlling interests	-	2,259	-	(126)
Items that may subsequently be reclassified to profit or loss	(6,738)	(1,942)	(492)	(18,899)
Net change in financial assets at fair value through other comprehensive income	1,236	(781)	465	7,113
Total comprehensive income for the financial period	60,081	71,407	144,903	132,556
Total comprehensive income for the financial period attributable to:				
Equity holders of the Company	27,360	36,288	82,282	63,688
Non-controlling interests	32,721	35,119	62,621	68,868
Total comprehensive income for the financial period	60,081	71,407	144,903	132,556

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statements of Financial Position
(The figures have not been audited)

	30.6.2019 RM '000	<i>Audited</i> 31.12.2018 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,618,367	1,633,907
Inventories	433,670	435,542
Investment properties	3,717,929	3,522,105
Long term prepaid lease	356	369
Intangible assets	17,661	17,590
Associates and joint ventures	839,768	833,559
Financial assets at fair value through other comprehensive income	94,193	93,761
Concession receivables	119,446	114,936
Deferred tax assets	25,173	22,060
Prepayment	953	1,141
	6,867,516	6,674,970
CURRENT ASSETS		
Inventories	486,400	462,258
Concession receivables	3,999	3,925
Amounts owing by associates and joint ventures	90,913	90,752
Receivables and contract assets	282,471	246,365
Tax recoverable	23,308	23,163
Cash held under Housing Development Accounts	13,717	32,309
Deposits, cash and bank balances	841,916	1,030,955
Assets classified as held-for-sale	800	800
	1,743,524	1,890,527
TOTAL ASSETS	8,611,040	8,565,497
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	884,446	884,327
Treasury shares	(24,394)	(11,925)
Redeemable Convertible Cumulative Preference Shares	503,942	504,038
Other reserves	10,078	10,105
Retained earnings	2,123,161	2,048,461
	3,497,233	3,435,006
Non-controlling interests	99,349	107,271
TOTAL EQUITY	3,596,582	3,542,277
LIABILITIES		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	155,739	142,597
Redeemable Convertible Cumulative Preference Shares	35,146	49,256
Interest bearing bank borrowings	3,374,986	3,419,856
	3,565,871	3,611,709
CURRENT LIABILITIES		
Payables and contract liabilities	804,627	709,371
Amounts owing to associates	4	4
Current tax liabilities	53,246	49,258
Redeemable Convertible Cumulative Preference Shares	27,716	26,096
Interest bearing bank borrowings	562,994	626,782
	1,448,587	1,411,511
TOTAL LIABILITIES	5,014,458	5,023,220
TOTAL EQUITY AND LIABILITIES	8,611,040	8,565,497

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2019

(The figures have not been audited)

	Attributable to equity holders					Total RM '000	Non-controlling Interests	Total Equity RM '000
	Share Capital RM '000	Treasury Shares RM '000	Redeemable Convertible Cumulative Preference Shares RM '000	Other reserves RM '000	Retained earnings RM '000		RM '000	
At 1 January 2019	884,327	(11,925)	504,038	10,105	2,048,461	3,435,006	107,271	3,542,277
Total comprehensive income for the period	-	-	-	(27)	82,309	82,282	62,621	144,903
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	119	-	(96)	-	(166)	(143)	-	(143)
Share buy back	-	(12,469)	-	-	-	(12,469)	-	(12,469)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(77,986)	(77,986)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(7,443)	(7,443)	7,443	-
Total transactions with equity holders	119	(12,469)	(96)	-	(7,609)	(20,055)	(70,543)	(90,598)
At 30 June 2019	884,446	(24,394)	503,942	10,078	2,123,161	3,497,233	99,349	3,596,582

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2018

	Attributable to equity holders					Non-controlling Interests		Total Equity RM '000
	Share Capital RM '000	Treasury Shares RM '000	Redeemable Convertible Cumulative Preference Shares RM '000	Other reserves RM '000	Retained earnings RM '000	Total RM '000	RM '000	
At 1 January 2018	645,030	(5,722)	365,847	27,273	1,678,340	2,710,768	1,322,847	4,033,615
Total comprehensive income for the period	-	-	-	(11,660)	75,348	63,688	68,868	132,556
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	65,829	-	(48,983)	-	13	16,859	-	16,859
Dividend paid to non-controlling interests	-	-	-	-	-	-	(41,426)	(41,426)
Changes in ownership interests in subsidiaries that do not result in a loss of control								
- acquisition of IGB Corporation Berhad	173,426	-	187,206	(7,830)	168,824	521,626	(1,253,136)	(731,510)
- other subsidiaries	-	-	-	-	(11,940)	(11,940)	30,511	18,571
Total transactions with equity holders	239,255	-	138,223	(7,830)	156,897	526,545	(1,264,051)	(737,506)
At 30 June 2018	884,285	(5,722)	504,070	7,783	1,910,585	3,301,001	127,664	3,428,665

Condensed Consolidated Cash Flow Statements
(The figures have not been audited)

	30.6.2019 RM '000	30.6.2018 RM '000
Operating activities		
Receipts from customers	700,248	596,529
Payments to contractors, suppliers and employees	(340,761)	(332,524)
Cash flow generated from/(used in) operations	359,487	264,005
Interests paid	(78,468)	(55,919)
Income taxes paid	(39,658)	(45,640)
Net cash generated from operating activities	241,361	162,446
Investing activities		
Additional investments in financial assets at fair value through other comprehensive income	(55)	(9,436)
Additions to property, plant and equipment, investment properties and land held for property development	(243,350)	(237,661)
Additions to intangible assets	(221)	-
Movements in Fixed Deposits with maturity more than 3 months	1,310	186,039
Net repayments/(advance) from associates and joint ventures	(1,620)	3,169
Interest received	10,726	20,678
Net cash used in from investing activities	(233,210)	(37,211)
Financing activities		
Dividend paid to holders of RCPS	(14,203)	(9,070)
Dividend paid to non-controlling interests	(77,986)	(123,041)
Proceeds from issuance of new ordinary shares	-	17,418
Purchase of treasury shares	(12,469)	-
Acquisition of additional interests in a subsidiary from non-controlling interests	-	(658,371)
Receipt of bank borrowings net of repayments	(109,563)	450,897
Additional deposit held with trustee	(4,527)	(5,043)
Net cash used in financing activities	(218,748)	(327,210)
Currency translation differences	(251)	(1,404)
Net decrease in cash and cash equivalents	(210,597)	(201,975)
Cash and cash equivalents at 1 January	1,001,634	1,293,635
Cash and cash equivalents at 30 June	790,786	1,090,256
Add: Restricted cash and deposits pledged with licensed bank	64,847	113,261
As per statement of financial position	855,633	1,203,517

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

PART A - Explanatory notes pursuant to MFRS 134

A1 Accounting Policies and Methods of Computation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018.

These condensed consolidated interim financial statements have been prepared based on accounting policies and methods of computation which are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2018 except for the adoption of the following amendments to MFRSs that are applicable for the current financial year:

(Effective for annual periods beginning on or after 1 January 2019)

•	Annual Improvements to MFRSs 2015 – 2017 Cycle:-	
	• Amendments to MFRS 3	Business Combinations
	• Amendments to MFRS 11	Joint Arrangements
	• Amendments to MFRS 112	Income Taxes
•	Amendments to MFRS 9	Prepayment features with negative compensation
•	MFRS 16 and MFRS 117	Leases
•	Amendments to MFRS 123	Borrowing Costs
•	IC Interpretation 23	Uncertainty over Income Tax Treatments
•	Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
•	Amendments to MFRS 3	Definition of a Business

The adoption of the above amendments to MFRSs did not have any material impact on the financial statements of the Group.

A2 Seasonality or cyclicality

The Group's operations were not materially affected by seasonal or cyclical factors other than as disclosed elsewhere in this Report.

A3 Significant unusual items

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than as disclosed elsewhere in these Notes.

A4 Material changes in estimates

Not applicable.

A5 Capital Management, Issuances, Repurchases and Repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial year, except as follows:

Date	No. of Ordinary Shares	Remarks
As at 31 December 2018	689,519,720	Including 5,310,420 treasury shares
Issued in March 2019	52,500	Conversion of Redeemable Convertible Cumulative Preference Shares ("RCPS") into ordinary shares
As at 30 June 2019	689,572,220	

The number of ordinary shares as at the date of this report is 689,572,220.

Date	No. of RCPS	Remarks
As at 31 December 2018	452,337,850	
March 2019	(119,700)	Conversion of RCPS into ordinary shares
As at 30 June 2019	452,218,150	

The number of RCPS as at the date of this report is 452,218,150.

Date	No. of RCCPS	Remarks
As at 31 December 2018/ 30 June 2019	57,087,141	

The number of RCCPS as at the date of this report is 57,087,141.

Date	No. of treasury shares	Lowest Price RM	Highest Price RM	Cost RM
As at 31 December 2018	5,310,420			11,924,936
Purchased in January 2019	767,000	2.48	2.50	1,922,410
Purchased in February 2019	2,476,800	2.48	2.50	6,211,675
Purchased in March 2019	775,800	2.50	2.55	1,961,929
Purchased in April 2019	10,000	2.70	2.70	27,221
Purchased in June 2019	839,200	2.70	2.81	2,345,454
As at 30 June 2019	10,179,220			24,393,625
Purchased in July 2019	262,100	2.79	2.80	736,664
Purchased in August 2019	708,600	2.78	2.80	1,990,385
As at 26 August 2019	11,149,920			27,120,674

The number of treasury shares held as at the date of this report is 11,149,920 ordinary shares at an average cost of RM2.43 per ordinary share.

A6 Dividends paid

An Interim Single Tier Dividend of 4.5% per annum (based on the issue price of RM1.00 per RCPS) for the six months period from and including 16 August 2018 up to and including 15 February 2019 was paid on 29 March 2019.

An Interim Single Tier Dividend of 4.3% per annum (based on the issue price of RM3.28 per RCCPS) for the six months period from and including 2 September 2018 up to and including 1 March 2019 was paid on 29 March 2019.

IGB Berhad (515802-U)
(Incorporated in Malaysia)

A7 Segment Reporting

Business segments	Property investment - retail	Property investment -commercial	Hotel	Property development	Construction	Others	Group
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
6 months to 30 June 2019							
Revenue							
Total revenue	331,714	98,869	131,521	69,847	137,627	188,017	957,595
Intersegment revenue	(35,858)	(13,978)	(1,954)	-	(137,627)	(117,354)	(306,771)
External revenue	<u>295,856</u>	<u>84,891</u>	<u>129,567</u>	<u>69,847</u>	<u>-</u>	<u>70,663</u>	<u>650,824</u>
Results							
Segment results (external)	189,435	36,990	17,528	58,914	1,758	(11,070)	293,555
Unallocated expense							(30,159)
Profit from operations							263,396
Finance income							10,726
Finance costs							(81,094)
Share of after-tax results of associates and joint ventures	-	360	(3,643)	1,451	-	331	5,431
Profit before tax							198,459
Tax expense							(53,529)
Profit for the period							<u>144,930</u>
Attributable to:							
Equity holders of the Company							82,309
Non-controlling interests							<u>62,621</u>
							<u>144,930</u>

Unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

IGB Berhad (515802-U)
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A7 Segment Reporting (continued)

Business segments	Property investment - retail RM '000	Property investment -commercial RM '000	Hotel RM '000	Property development RM '000	Construction RM '000	Others RM '000	Group RM '000
6 months to 30 June 2018							
Revenue							
Total revenue	288,930	95,474	147,646	37,305	188,791	88,738	846,884
Intersegment revenue	(27,752)	(12,019)	(2,929)	-	(188,791)	(27,700)	(259,191)
External revenue	<u>261,178</u>	<u>83,455</u>	<u>144,717</u>	<u>37,305</u>	<u>-</u>	<u>61,038</u>	<u>587,693</u>
Results							
Segment results (external)	179,220	43,125	26,897	22,167	(559)	(9,046)	261,804
Unallocated expense							(30,285)
Profit from operations							231,519
Finance income							23,060
Finance costs							(61,530)
Share of after-tax results of associates and joint ventures	-	882	3,032	981	-	1,823	6,718
Profit before tax							<u>199,767</u>
Tax expense							(55,425)
Profit for the period							<u><u>144,342</u></u>
Attributable to:							
Equity holders of the Company							75,348
Non-controlling interests							<u>68,994</u>
							<u><u>144,342</u></u>

Unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

A8 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period up to the date of this report.

A9 Changes in the composition of the Group

On 26 March 2019, an announcement was made to Bursa Securities that Tan & Tan Developments Berhad ("TTDB"), a wholly-owned subsidiary of IGB Corporation Berhad, which in turn is a wholly-owned subsidiary of the Company, had acquired 100% equity interest in Hyperleap Sdn Bhd ("HSB"), for a cash consideration of RM1.00, making it a wholly-owned subsidiary of TTDB. HSB's principle activity is property investment.

A10 Capital commitment

Capital expenditure not provided for in the financial statements were as follows:

	Group	
	30 June 2019 RM'000	31 December 2018 RM'000
Approved and contracted for:		
Property, plant and equipment	11,945	25,866
Investment properties	8,684	127,005
Others	15,585	20,531
	36,214	173,402

A11 Fair value of financial instruments

There were no contingent liabilities or contingent assets since 31 December 2018.

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the Group's financial assets that are measured at fair value:

	Level 1 RM '000	Level 2 RM '000	Level 3 RM '000	Total RM '000
Financial assets at fair value through other comprehensive income:				
- Trading securities	847	-	-	847
- Equity securities	-	-	93,346	93,346
	847	-	93,346	94,193

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the financial year ended 31 December 2018.

B1 Review of performance

	3 months to 30.6.2019 RM' 000	3 months to 30.06.2018 RM' 000	Variance %
Revenue	317,061	293,498	8%
Profit from operations	124,647	111,103	12%
Profit before interest and tax	133,924	135,163	-1%
Profit before tax	88,645	99,492	-11%
Profit after tax	65,583	74,130	-12%
Profit attributable to ordinary equity holders	32,862	41,270	-20%

When comparing three months ended 30 June 2019 with three months ended 30 June 2018:

- i) Group revenue increased by 8% mainly due to higher contribution from the Property Development and Property Investment-Retail divisions.
- ii) Group pre-tax profit decreased by 11% due to lower contribution from Hotel division.

Property Investment – Retail

The Group's retail division is mainly represented by IGB REIT, the owner of Mid Valley Megamall and The Gardens Mall. For the 3 months ended 30 June 2019, IGB REIT reported total gross revenue and net property income of RM135.0 million (2Q2018: RM128.0 million) and RM98.5 million (2Q2018: RM90.7 million) respectively, an increase of about 5% and 9% respectively.

Property Investment – Commercial

In the Property Investment - Commercial division, average occupancy rates for 2Q2019 for the Group's commercial buildings was above 75% with average rental rates at RM6.00 psf which is comparable to the previous year.

Property Development

Revenue recognition from the Property Development division during the current quarter increased by 9% to RM22.1 million when compared to the same period last year of RM20.3 million mainly due to higher recognition of percentage of completion in respect of the Group's development project. The Group's development project currently under construction at about 88% completion is "Stonor 3", a 400-unit condominium located in the vicinity of KLCC.

Hotel

Revenue contributed by the Hotel division for the 3 months to 30 June 2019 decreased by 12% to RM62.7 million (2Q2018: RM71.0 million) mainly as a result of lower average occupancy rates and lower average room rates by a majority of the hotels in the Group.

B2 Comparison with immediate preceding quarter

	3 months to 30.6.2019 RM' 000	3 months to 31.3.2019 RM' 000	Variance %
Revenue	317,061	333,763	-5%
Profit from operations	124,647	138,749	-10%
Profit before interest and tax	133,924	145,629	-8%
Profit before tax	88,645	109,814	-19%
Profit after tax	65,583	79,347	-17%
Profit attributable to ordinary equity holders	32,862	49,447	-34%

When comparing three months ended 30 June 2019 with three months ended 31 March 2019:

- i) Group revenue decreased by 5% to RM317.1 million from RM333.8 million in the previous quarter mainly due to lower contributions from Property Development, Property Investment-Commercial and Hotel divisions.
- ii) Group pre-tax profit decreased by 19% to RM88.6 million from RM109.8 million in the previous quarter mainly due to lower contribution from Property Development division and higher finance cost and operating expenses upon commencement of business of The Mall, Mid Valley Southkey.

B3 Prospects for 2019

	Cumulative Period		
	6 months to 30.6.2019 RM' 000	6 months to 30.6.2018 RM' 000	Variance %
Revenue	650,824	587,693	11%
Profit from operations	263,396	231,519	14%
Profit before interest and tax	279,553	261,297	7%
Profit before tax	198,459	199,767	-1%
Profit after tax	144,930	144,342	0%
Profit attributable to ordinary equity holders	82,309	75,348	9%

Property Investment – Retail and Commercial

The property investment segment will be more challenging in the near term with the scheduled increase in supply of new retail space and slower demand for office space in Kuala Lumpur. However, with the prime location of the Group's retail malls and office buildings, the Board expects contribution from this segment to be satisfactory.

Mid Valley Southpoint offices with net lettable area of about 490,000 sq. ft. was completed and obtained its Certificate of Occupation on 6 July 2018 and is expected to contribute positively to the growth of this division.

The Mall, Mid Valley Southkey, located in Johor Bahru had its soft opening on 23 April 2019 and is expected to contribute to the growth of the Group's retail division.

B3 Prospects for 2019 (Continued)

Property Development

In view of the current weak sentiment in the property development market, 2019 will continue to be a difficult and challenging year for the property development segment.

Hotel

Revenue contributed by the Hotel division for the 6 months to 30 June 2019 decreased by 10% to RM129.6 million (1H2018: RM144.7 million) mainly as a result of lower average occupancy rates and lower average room rates achieved by a majority of the hotels in the Group. The hospitality sector is very competitive and hopefully the government's efforts to promote tourism will contribute positively to the sector.

B4 Profit forecast/profit guarantee

The Group did not issue any profit forecast or profit guarantee.

B5 Tax

	Current year quarter ended 30.6.2019 RM '000	Cumulative current Year-To-Date ended 30.6.2019 RM '000
Malaysian income tax		
- Company and subsidiaries	27,006	54,707
Overprovision in previous year	1,400	1,206
Transferred to deferred tax	(6,428)	(5,609)
	21,978	50,304
Overseas tax		
- Company and subsidiaries	1,084	3,225
	23,062	53,529

The effective tax rate of the Group for the current quarter was lower than the statutory tax rate as certain income were not subjected to income tax.

The effective tax rate of the Group for the current year-to-date was higher than the statutory tax rate as certain expenses were not allowable for tax purposes as well as there is no group relief for losses incurred by certain subsidiaries.

B6 Corporate proposals

No corporate proposals have been announced during the financial quarter under review up.

B7 Group borrowings and debt securities

Group borrowings as at 30 June 2019 were as follows:

	30 June 2019					
	Long term		Short term		TOTAL	
	Foreign	RM	Foreign	RM	Foreign	RM
	denomination	denomination	denomination	denomination	denomination	denomination
	'000	RM '000	'000	RM '000	'000	RM '000
Secured						
Term Loan - RM	-	90,000	-	-	-	90,000
Term Loan - RMB	15,716	9,461	-	-	15,716	9,461
Revolving credit - RM	-	1,078,600	-	61,270	-	1,139,870
Revolving credit - USD			10,000	41,335	10,000	41,335
Medium Term Notes - RM	-	2,196,925	-	14,900	-	2,211,825
Unsecured						
Revolving credit - RM	-	-	-	445,489	-	445,489
		3,374,986		562,994		3,937,980

B8 Material litigation

As at the date of this report, there are no pending material litigation which exceeds 5% of the net assets of the Group.

B9 Proposed dividend

An Interim Dividend of 3.0 sen per ordinary share is declared for the financial year ending 31 December 2019, comprising of 1.0 sen per ordinary share paid by way of cash and 2.0 sen per ordinary share paid by way of dividend-in-specie by distributing treasury shares. The cash dividend shall be paid on 4 October 2019 and the treasury shares shall be credited to the entitled members' account on 4 October 2019 to every member who is entitled to receive the dividend at 4.00 p.m. on 13 September 2019.

	Interim 2019	Interim 2018
Per ordinary share (sen)	3.0	2.0
Net dividend (RM'000)	20,353	13,790
Date payable/paid	4 October 2019	28 September 2018

An Interim Dividend of 5.0% per annum (based on the issue price of RM1.00 per RCPS) is declared for the six months period from and including 16 February 2019 up to and including 15 August 2019 and will be paid on 27 September 2019 to every member who is entitled to receive the dividend at 4.00 p.m. on 12 September 2019.

An Interim Dividend of 4.3% per annum (based on the issue price of RM3.28 per RCCPS) is declared for the six months period from and including 2 March 2019 up to and including 1 September 2019 and will be paid on 27 September 2019 to every member who is entitled to receive the dividend at 4.00 p.m. on 12 September 2019.

B10 Earnings per share

(a) Basic earnings per share

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

		Current Year	Preceding	Current	Preceding
		Quarter	Year Quarter	Year-To-Date	Year-To-Date
		ended	ended	ended	ended
		30.6.2019	30.6.2018	30.6.2019	30.6.2018
Net Profit for the period	RM '000	32,862	41,270	82,309	75,348
Weighted average number of ordinary shares in issue	'000	681,324	652,536	681,324	652,536
Basic earnings per share	sen	4.82	6.32	12.08	11.55

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares from maximum conversion of RCPS and RCCPS.

		Current Year	Preceding	Current	Preceding
		Quarter	Year Quarter	Year-To-Date	Year-To-Date
		ended	ended	ended	ended
		30.6.2019	30.6.2018	30.6.2019	30.6.2018
Net Profit for the period	RM '000	32,862	41,270	82,309	75,348
Add: Interest on RCPS and RCCPS saved as a result of conversion	RM '000	861	1,330	1,722	2,251
Less: Tax relief thereon	RM '000	(194)	(210)	(389)	(541)
Adjusted Net Profit	RM '000	33,529	42,390	83,642	77,058
Weighted average number of ordinary shares in issue	'000	681,324	652,536	681,324	652,536
Adjustment for potential dilution on maximum conversion of RCPS and RCCPS	'000	255,428	255,495	255,428	255,495
	'000	936,752	908,031	936,752	908,031
Diluted earnings per share	sen	3.58	4.67	8.93	8.49

B11 Notes to Statements of Comprehensive Income

	Current Year Quarter ended 30.6.2019 RM '000	Cumulative Current Year-To-Date ended 30.6.2019 RM '000
(a) Interest income	2,345	10,726
(b) Other income including investment income	9,922	18,156
(c) Interest expense	(45,279)	(81,094)
(d) Depreciation and amortisation	(33,410)	(60,786)
(e) Foreign exchange gain/(loss)	825	(501)

B12 Audit Report Qualification

The audit report of the Group's annual financial statements for the year ended 31 December 2018 did not contain any qualification.

B13 Authorisation for issue

This Interim Financial Report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2019.