

# SHL CONSOLIDATED BHD

## CONDENSED CONSOLIDATED INCOME STATEMENTS

Financial Period Ended 30 September 2004

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	<u>30-09-04</u>	<u>30-09-03</u>	<u>30-09-04</u>	<u>30-09-03</u>
	RM'000	RM'000	RM'000	RM'000
1. Revenue	<u>68,982</u>	<u>31,958</u>	<u>140,805</u>	<u>60,670</u>
2. Profit from Operations	17,545	1,313	32,802	3,436
3. Finance Costs	(166)	(468)	(389)	(926)
4. Profit / (Loss) from Associate	<u>-</u>	<u>(3)</u>	<u>(1)</u>	<u>(2)</u>
5. Profit before Taxation	<b>17,379</b>	<b>842</b>	<b>32,412</b>	<b>2,508</b>
6. Taxation	<u>(4,982)</u>	<u>(499)</u>	<u>(9,334)</u>	<u>(1,361)</u>
7. Profit after Taxation	<b>12,397</b>	<b>343</b>	<b>23,078</b>	<b>1,147</b>
8. Minority Interests	(124)	(278)	(259)	(698)
9. Pre-acquisition profit	-	-	-	-
10. Net Profit for the Period	<u><b>12,273</b></u>	<u><b>65</b></u>	<u><b>22,819</b></u>	<u><b>449</b></u>
11. Earnings per share				
- Basic (Sen)	<u>5.07</u>	<u>0.03</u>	<u>9.42</u>	<u>0.19</u>
- Fully Diluted (Sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

*(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 March 2004)*

**SHL CONSOLIDATED BHD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 30 September 2004**

	<b>As At</b> <b>30/09/2004</b>	<b>As At</b> <b>31/03/2004</b>
	<b>RM'000</b>	<b>RM'000</b>
1. Property, plant and equipment	272,785	273,930
2. Investment in associate	1,291	1,292
3. Investment properties	69,877	69,845
4. Land held for property development	38,409	4,466
5. Intangible assets	23,049	23,403
6. Investments	153	152
7. Trust account	1,235	1,101
8. Deferred tax assets	4,753	4,435
9. Current assets		
9.1 Property development costs	126,794	121,333
9.2 Inventories	37,348	41,706
9.3 Trade and other receivables	73,707	65,584
9.4 Current Tax Assets	2,244	2,943
9.5 Cash and deposits	69,441	54,563
	<b>309,534</b>	<b>286,129</b>
10. Current liabilities		
10.1 Trade and other payables	78,090	53,772
10.2 Borrowings	54,223	52,549
10.3 Taxation	6,910	20
	<b>139,223</b>	<b>106,341</b>
11. Net current assets	<b>170,311</b>	<b>179,788</b>
	<b>581,863</b>	<b>558,412</b>
<i>Represented by :</i>		
12. Share capital	242,124	242,124
13. Reserves	180,101	157,215
14. Shareholders' equity	422,225	399,339
15. Minority interests	92,532	92,313
16. Long term liabilities		
16.1 Borrowings	25,741	25,349
16.2 Deferred tax liabilities	23,603	23,651
16.3 Club establishment fund	17,762	17,760
	<b>581,863</b>	<b>558,412</b>
17. Net tangible assets per share (RM)	<b>1.65</b>	<b>1.55</b>

*(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 March 2004)*

# SHL CONSOLIDATED BHD

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the six months ended 30 September 2004

	<b>Non- Distributable</b>	<b>Distributable</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>1. 6 months ended 30/9/2004</b>			
1.1 At 1 April 2004	195,730	203,609	399,339
1.2 Consolidation Adjustment(s)	-	67	67
1.3 Net profit for the period	-	22,819	22,819
1.4 Dividends	-	-	-
<b>At 30 September 2004</b>	<b>195,730</b>	<b>226,495</b>	<b>422,225</b>
<b>2. 6 months ended 30/9/2003</b>			
2.1 At 1 April 2003	206,929	196,040	402,969
2.2 Net profit for the period	-	449	449
2.3 Dividends	-	(4,277)	(4,277)
<b>At 30 September 2003</b>	<b>206,929</b>	<b>192,212</b>	<b>399,141</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2004)*

# SHL CONSOLIDATED BHD

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<b>6 months ended 30/9/2004</b>	<b>6 months ended 30/9/2003</b>
	<b>RM'000</b>	<b>RM'000</b>
1. Net cash inflow / (outflow) from operating activities	<u>25,026</u>	<u>(1,821)</u>
2. Net cash inflow / (outflow) from investing activities	<u>(11,182)</u>	<u>(675)</u>
3. Net cash inflow / (outflow) from financing activities	<u>2,085</u>	<u>7,074</u>
4. Net increase / (decrease) in cash and cash equivalents	15,929	4,578
5. Cash and cash equivalents at 1 April 2004 / 2003	53,256	53,778
	<hr/>	<hr/>
6. Cash and cash equivalents at 30 September 2004 / 2003	<b><u>69,185</u></b>	<b><u>58,356</u></b>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 March 2004)*

# **SHL CONSOLIDATED BHD**

## **Notes to the interim financial report**

### **1. Basis of preparation**

The interim financial report is unaudited and has been prepared in compliance with MASB 26, Interim Financial Reporting.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2004.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 March 2004.

### **2. Audit report for the preceding annual financial statements**

The audit report for the financial statements for the year ended 31 March 2004 was not qualified.

### **3. Seasonal or cyclical factors**

The business operations of the Group are generally affected by the prevailing market condition of the Malaysian property development and construction sectors that have historically shown long term cyclical trend.

### **4. Exceptional items**

There were no exceptional item during the current periods under review.

### **5. Changes in estimates**

There were no changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in estimates reported in prior financial year that have a material effect in the current periods under review.

### **6. Debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial year-to-date.

### **7. Dividends paid**

There was no dividend paid during the financial period ended [30 September 2004](#).

### **8. Valuations of property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous annual financial statements.

### **9. Material events subsequent to the balance sheet date**

There were no material events subsequent to the end of current quarter to [16 November 2004](#), the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report except for the legal case mentioned under Note 11 of additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad.

## 10. Segment information

Segment information is presented in respect of the Group's business segments.

	6 months ended 30 September			
	Revenue		Profit/(Loss) before Tax	
	2004	2003	2004	2003
	RM'000	RM'000	RM'000	RM'000
Investment & Corporate Services	5,520	6,346	(722)	(216)
Property Development	90,901	21,397	29,534	10,878
Construction	56,759	17,841	4,017	(1,439)
Trading	20,595	10,149	210	275
Manufacturing	3,963	4,085	(11)	(130)
Quarrying	28,166	22,698	557	701
	205,904	82,516	33,585	10,069
Inter-company transactions	(65,099)	(21,846)	(1,173)	(7,561)
	<u>140,805</u>	<u>60,670</u>	<u>32,412</u>	<u>2,508</u>

## 11. Changes in the composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 September 2004 save for the acquisition of an additional 50,000 ordinary shares in AEC Education Services Sdn Bhd (AEC), resulting in AEC becoming a wholly-owned subsidiary of SHL Consolidated Bhd. AEC ceased its operation on 17 July 2004.

## 12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 30 September 2004.

## 13. Capital commitments

Capital expenditure contracted but not provided for as at 30 September 2004 was RM22.68 million.

## 14. Related party transactions

The significant related party transactions for the current financial year-to-date under review are as follows: -

- Income from construction works amounting to approximately RM9.78 million.
- Procurement of engineering services for approximately RM1.05 million.
- Procurement of building materials for approximately RM3.21 million.

# SHL CONSOLIDATED BHD

## Additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad (BMSB)

### 1. Review of performance

The Group recorded a profit before taxation of RM17.3 million for the current quarter under review and 32.4 million for the six months period ended 30 September 2004. In comparison to the preceding year's corresponding period, this represents an increase of 1,964% and 1,192% respectively. The better performance in the current quarter under review is mainly attributable to the good demand for our double storey houses (Windsor I & II) and semi detached houses (Ascara) at Bandar Sungai Long.

### 2. Variation of results against preceding quarter

The Group profit before taxation for the current quarter increased by 16.0% compared to RM15.0 million achieved in the immediate preceding quarter. This is due to the increase in operating profit from the property development and construction sectors.

### 3. Current year prospects

Barring any unforeseen circumstances, the Board of Directors is positive that the Group's performance for the current financial year will be satisfactory.

### 4. Profit forecast or profit guarantee

Not applicable as no profit forecast or profit guarantee was published.

### 5. Tax expense

	Current quarter ended 30 September		Year-to-date ended 30 September	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Current	5,188	356	9,700	791
Under / (Over) provision in prior period	-	88	-	88
Deferred	(206)	55	(366)	482
	<u>4,982</u>	<u>499</u>	<u>9,334</u>	<u>1,361</u>

The Group's effective tax rate for the current quarter approximates the statutory tax rate.

### 6. Unquoted investments and/or properties

There was no sale of unquoted investments and/or any other properties for the current quarter and financial year-to-date other than the normal sale of land and houses as housing developers.

### 7. Quoted investments

- There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.
- Investments in quoted securities as at 30 September 2004: -

	RM'000
(i) At cost	11
(ii) At book value	11
(iii) At market value	3

**8. Status of corporate proposals announced**

There were no corporate proposals announced but not completed as at [16 November 2004](#).

**9. Borrowings**

The borrowings as at [30 September 2004](#) are as follows: -

	<b>Secured</b> RM'000	<b>Unsecured</b> RM'000	<b>Total</b> RM'000
Short Term	268	53,955	54,223
Long Term	438	25,303	25,741
	<u>706</u>	<u>79,258</u>	<u>79,964</u>

The above borrowings are denominated in Ringgit Malaysia.

**10. Off balance sheet financial instruments**

The Group did not enter into any contracts involving off balance sheet financial instruments as at [16 November 2004](#), the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

**11. Changes in material litigation**

In 2001, the High Court of Malaya at Kuala Lumpur has vide suit number S1-22-761-93 ordered Sin Heap Lee-Marubeni Sdn Bhd (SHL-M), a subsidiary of SHL Consolidated Bhd, to pay RM4.5 million damages with interest to one Yip Shou Shan. The Federal Court has on 27 October 2004 dismissed SHL-M's application for leave against the Judgement and with the aforesaid dismissal, SHL-M's last avenue to appeal against the Judgement has been exhausted. The Board of SHL-M has decided not to pursue the legal case any further and as such, SHL-M will make adequate provision in the financial statements.

**12. Dividend**

The Company's shareholders had approved at its Tenth Annual General Meeting held on 22 September 2004 the declaration of a First and Final Dividend of 5 sen per share less 28% tax (financial year ended 31 March 2003 : 5 sen per share less 28% tax) for the financial year ended 31 March 2004. A depositor is qualified for entitlement to the said dividend only in respect of shares transferred into the Depositor's Securities Account before 4.00 p.m. on 15 October 2004 in respect of ordinary transfers; and shares bought on the Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the Rules of the BMSB. The aforesaid dividend amounting to RM8,716,454 was paid on 31 October 2004.



**13. Earnings per share**

**a) Basic earnings per share**

Basic earnings per share of the Group is calculated by dividing the net profit for the financial period by the number of ordinary shares in issue during the said financial period.

**b) Diluted earnings per share**

Not applicable.

For and on behalf of the Board  
**SHL Consolidated Bhd**

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**Dato' Yap Teiong Choon**  
**Executive Director**

23 November 2004