

# SHL CONSOLIDATED BHD

## CONDENSED CONSOLIDATED INCOME STATEMENTS

Financial Period Ended 31 December 2004

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-12-04 RM'000	31-12-03 RM'000	31-12-04 RM'000	31-12-03 RM'000
1. Revenue	71,339	48,158	212,144	108,828
2. Profit from Operations	18,170	4,962	50,972	8,398
3. Finance Costs	(127)	(443)	(516)	(1,369)
4. Profit / (Loss) from Associate	(2)	(1)	(3)	(3)
5. Profit before Taxation	18,041	4,518	50,453	7,026
6. Taxation	(5,334)	(688)	(14,668)	(2,049)
7. Profit after Taxation	12,707	3,830	35,785	4,977
8. Minority Interests	(339)	(64)	(598)	(762)
9. Pre-acquisition profit	-	-	-	-
10. Net Profit for the Period	12,368	3,766	35,187	4,215
11. Earnings per share				
- Basic (Sen)	5.11	1.56	14.53	1.74
- Fully Diluted (Sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement 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 31 December 2004**

	<b>As At 31-12-2004</b>	<b>As At 31/03/2004</b>
	<b>RM'000</b>	<b>RM'000</b>
1. Property, plant and equipment	272,442	273,930
2. Investment in associate	1,290	1,292
3. Investment properties	69,911	69,845
4. Land held for property development	38,550	4,466
5. Intangible assets	23,037	23,403
6. Investments	153	152
7. Trust account	1,253	1,101
8. Deferred tax assets	5,013	4,435
9. Current assets		
9.1 Property development costs	137,198	121,333
9.2 Inventories	29,112	41,706
9.3 Trade and other receivables	74,383	65,584
9.4 Current Tax Assets	1,330	2,943
9.5 Cash and deposits	63,994	54,563
	<b>306,017</b>	<b>286,129</b>
10. Current liabilities		
10.1 Trade and other payables	67,160	53,772
10.2 Borrowings	51,387	52,549
10.3 Taxation	7,943	20
	<b>126,490</b>	<b>106,341</b>
11. Net current assets	179,527	179,788
	<b>591,176</b>	<b>558,412</b>
<i>Represented by :</i>		
12. Share capital	242,124	242,124
13. Reserves	183,451	157,215
14. Shareholders' equity	425,575	399,339
15. Minority interests	93,041	92,313
16. Long term liabilities		
16.1 Borrowings	31,238	25,349
16.2 Deferred tax liabilities	23,559	23,651
16.3 Club establishment fund	17,763	17,760
	<b>591,176</b>	<b>558,412</b>
17. Net tangible assets per share (RM)	1.66	1.55

*(The Condensed Consolidated Balance Sheet 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 nine months ended 31 December 2004

	<u>Non- Distributable</u> RM'000	<u>Distributable Retained Profits</u> RM'000	<u>Total</u> RM'000
<b>1. 9 months ended 31/12/2004</b>			
1.1 At 1 April 2004	195,730	203,609	399,339
1.2 Consolidation Adjustment(s)	(560)	325	(235)
1.3 Net profit for the period	-	35,187	35,187
1.4 Dividends	-	(8,716)	(8,716)
<b>At 31 December 2004</b>	<b><u>195,170</u></b>	<b><u>230,405</u></b>	<b><u>425,575</u></b>
<b>2. 9 months ended 31/12/2003</b>			
2.1 At 1 April 2003	206,929	196,040	402,969
2.2 Net profit for the period	-	4,215	4,215
2.3 Prior Year Adjustment	-	(1,207)	(1,207)
2.4 Dividends	-	(12,993)	(12,993)
<b>At 30 December 2003</b>	<b><u>206,929</u></b>	<b><u>186,055</u></b>	<b><u>392,984</u></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

For the nine months ended 31 December 2004

	<b>9 months ended 31-12-2004</b>	<b>9 months ended 31-12-2003</b>
	<b>RM'000</b>	<b>RM'000</b>
1. Net cash inflow / (outflow) from operating activities	31,671	(14,411)
2. Net cash inflow / (outflow) from investing activities	(17,155)	(1,144)
3. Net cash inflow / (outflow) from financing activities	(4,194)	17,596
4. Net increase / (decrease) in cash and cash equivalents	10,322	2,041
5. Cash and cash equivalents at 1 April 2004 / 2003	53,256	53,778
6. Cash and cash equivalents at 31 December 2004 / 2003	<b>63,578</b>	<b>55,819</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**

Dividend paid during the financial period ended [31 December 2004](#) amounted to RM8,716,454.

### **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 [17 February 2005](#), the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

## 10. Segment information

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

	9 months ended 31 December			
	Revenue		Profit/(Loss) before Tax	
	2004	2003	2004	2003
	RM'000	RM'000	RM'000	RM'000
Investment & Corporate Services	8,023	8,795	(1,393)	(968)
Property Development	147,292	48,988	45,587	13,542
Construction	87,099	43,596	5,898	26
Trading	27,156	17,267	309	416
Manufacturing	11,328	6,869	1,166	1,014
Quarrying	38,003	34,221	995	1,029
	<u>318,901</u>	<u>159,736</u>	<u>52,562</u>	<u>15,059</u>
Inter-company transactions	(106,757)	(50,908)	(2,109)	(8,033)
	<u>212,144</u>	<u>108,828</u>	<u>50,453</u>	<u>7,026</u>

## 11. Changes in the composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 December 2004 save for the acquisition of an additional 50,000 ordinary shares in SHL Corporate Services Sdn Bhd (SHLCS) (formerly known as AEC Education Services Sdn Bhd), resulting in SHLCS becoming a wholly-owned subsidiary of SHL Consolidated Bhd. SHLCS 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 31 December 2004.

## 13. Capital commitments

Capital expenditure contracted but not provided for as at 31 December 2004 was RM17.0 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 RM14.93 million.
- Procurement of engineering services for approximately RM2.14 million.
- Procurement of building materials for approximately RM3.99 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 **RM18.0 million** for the current quarter under review and **RM50.5 million** for the financial year to date. In comparison to the preceding year's corresponding period, this represents **an increase of 299% and 618%** respectively. The better performance in the current quarter under review and financial year to date is mainly attributable to the strong demand for our double storey houses and semi-detached houses at Bandar Sungai Long.

### 2. Variation of results against preceding quarter

The Group's profit before taxation for the current quarter increased **by 4.0%** compared to **RM17.3 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

Given the favourable outlook for Malaysia's economy, the Board of Directors is confident 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		Year-to-date ended	
	31 December		31 December	
	2004	2003	2004	2003
	RM'000	RM'000	RM'000	RM'000
Current	5,529	770	15,229	1,561
Under / (Over) provision in prior period	79	5	79	93
Deferred	(274)	(87)	(640)	395
	<u>5,334</u>	<u>688</u>	<u>14,668</u>	<u>2,049</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 **31 December 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 [17 February 2005](#).

**9. Borrowings**

The borrowings as at [31 December 2004](#) are as follows: -

	<b>Secured</b> RM'000	<b>Unsecured</b> RM'000	<b>Total</b> RM'000
Short Term	272	51,115	51,387
Long Term	26,026	5,212	31,238
	<u>26,298</u>	<u>56,327</u>	<u>82,625</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 [17 February 2005](#), the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

**11. Material litigation**

The Group is not engaged in any material litigation as at [17 February 2005](#), the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

**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 Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the Rules of 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**

24 February 2005