

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED INCOME STATEMENTS
Financial Period Ended 31 December 2005

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-12-05	31-12-04	31-12-05	31-12-04
	RM'000	RM'000	RM'000	RM'000
1. Revenue	35,960	71,339	148,634	212,144
2. Profit from Operations	6,182	18,170	26,189	50,972
3. Finance Costs	(379)	(127)	(1,015)	(516)
4. Profit / (Loss) from Associate	-	(2)	2	(3)
5. Profit before Taxation	5,803	18,041	25,176	50,453
6. Taxation	(2,184)	(5,334)	(7,825)	(14,668)
7. Profit after Taxation	3,619	12,707	17,351	35,785
8. Minority Interests	348	(339)	627	(598)
9. Pre-acquisition profit	-	-	-	-
10 Net Profit for the Period	3,967	12,368	17,978	35,187
11 Earnings per share				
- Basic (Sen)	1.64	5.11	7.43	14.53
- 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 2005)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED BALANCE SHEET
As at 31 December 2005

	As At 31-12-2005 RM'000	As At 31-03-2005 RM'000
1. Property, plant and equipment	239,795	242,003
2. Investment in associate	1,291	1,289
3. Investment properties	47,158	68,735
4. Land held for property development	85,606	81,226
5. Intangible assets	22,730	22,220
6. Investments	153	152
7. Trust account	1,445	1,269
8. Deferred tax assets	1,990	4,693
9. Current assets		
9.1 Property development costs	180,521	151,972
9.2 Inventories	26,593	26,794
9.3 Trade and other receivables	78,505	67,820
9.4 Current Tax Assets	5,674	2,856
9.5 Cash and deposits	26,076	48,627
	317,369	298,069
10. Current liabilities		
10.1 Trade and other payables	66,970	60,994
10.2 Borrowings	47,610	48,992
10.3 Taxation	-	2,595
	114,580	112,581
11. Net current assets	202,789	185,488
	602,957	607,075
<i>Represented by :</i>		
12. Share capital	242,124	242,124
13. Reserves	196,089	192,845
14. Shareholders' equity	438,213	434,969
15. Minority interests	84,894	92,472
16. Long term liabilities		
16.1 Borrowings	34,295	33,173
16.2 Deferred tax liabilities	27,659	28,652
16.3 Club establishment fund	17,896	17,809
	602,957	607,075
17. Net tangible assets per share (RM)	1.72	1.70

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 March 2005)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine months ended 31 December 2005

	Non-Distributable RM'000	Distributable Retained Profits RM'000	Total RM'000
1. 9 months ended 31-12-2005			
1.1 At 1 April 2005	196,573	238,396	434,969
1.2 Prior Year Adjustment(s) As restated	- 196,573	- 238,396	- 434,969
1.3 Transfer within reserves on realisation upon disposal of assets	(15,366)	14,191	(1,175)
1.4 Net profit for the period	-	17,978	17,978
1.5 Revaluation surplus/(deficits)	-	-	-
1.6 Dividends	-	(13,559)	(13,559)
At 31 December 2005	181,207	257,006	438,213
2. 9 months ended 31-12-2004			
2.1 At 1 April 2004	195,730	203,609	399,339
2.2 Prior Year Adjustment	(560)	325	(235)
2.3 Net profit for the period	-	35,187	35,187
2.4 Dividends	-	(8,716)	(8,716)
At 31 December 2004	195,170	230,405	425,575

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2005)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the nine months ended 31 December 2005

	9 months ended 31-12-2005 RM'000	9 months ended 31-12-2004 RM'000
1. Net cash inflow / (outflow) from operating activities	(6,346)	31,671
2. Net cash inflow / (outflow) from investing activities	(2,199)	(17,155)
3. Net cash inflow / (outflow) from financing activities	(14,021)	(4,194)
4. Net increase / (decrease) in cash and cash equivalents	(22,566)	10,322
5. Cash and cash equivalents at 1 April 2005 / 2004	48,080	53,256
6. Cash and cash equivalents at 31 December 2005 / 2004	25,514	63,578

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 March 2005)

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 FRS 134, 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 2005.

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 2005.

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

The audit report for the financial statements for the year ended 31 March 2005 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 2005 amounted to RM13,558,929.

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 February 2006](#), 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	
	2005	2004	2005	2004
	RM'000	RM'000	RM'000	RM'000
Investment & Services	33,728	8,023	1,424	(1,393)
Property Development	91,931	147,292	17,803	45,587
Construction	57,560	87,099	3,158	5,898
Trading	16,573	27,156	358	309
Manufacturing	7,512	11,328	163	1,166
Quarrying	29,013	38,003	1,166	995
	<u>236,317</u>	<u>318,901</u>	<u>24,072</u>	<u>52,562</u>
Inter-company	<u>(87,683)</u>	<u>(106,757)</u>	<u>1,104</u>	<u>(2,109)</u>
	<u>148,634</u>	<u>212,144</u>	<u>25,176</u>	<u>50,453</u>

11. Changes in the composition of the Group

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

12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at [31 December 2005](#).

13. Capital commitments

No capital commitment was outstanding as at [31 December 2005](#).

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 [RM8.50 million](#).
- Procurement of building materials for approximately [RM2.20 million](#).
- Procurement of engineering consultancy services for approximately [RM1.78 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 **RM5.8 million** for the current quarter under review and **RM25.2 million** for the nine months period ended 31 December 2005. In comparison to the preceding year's corresponding period, this represents **a decrease of 68% and 50% respectively**. This is mainly attributable to lower contribution from the construction and property development sector as there were no new launches in the current quarter under review.

2. Variation of results against preceding quarter

The Group's profit before taxation for the current quarter **decreased by 4%** compared to **RM6.0 million** achieved in the immediate preceding quarter. This is mainly due to the decrease 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		Year-to-date ended	
	31 December		31 December	
	2005	2004	2005	2004
	RM'000	RM'000	RM'000	RM'000
Current	2,290	5,529	8,087	15,229
Under / (Over) provision in prior period	27	79	153	79
Deferred	(133)	(274)	(415)	(640)
	<u>2,184</u>	<u>5,334</u>	<u>7,825</u>	<u>14,668</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

- a) There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.
b) Investments in quoted securities as at [31 December 2005](#): -

	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 February 2006](#).

9. Borrowings

The borrowings as at [31 December 2005](#) are as follows: -

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	RM'000	RM'000	RM'000
Short Term	226	47,384	47,610
Long Term	22,934	11,361	34,295
	<u>23,160</u>	<u>58,745</u>	<u>81,905</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 February 2006](#), 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 [16 February 2006](#), 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 11th Annual General Meeting held on 27 September 2005 the declaration of a First and Final Dividend of 7%, comprising 5% less 28% tax and 2% tax exempt, for the financial year ended 31 March 2005 (financial year ended 31 March 2004 : 5% less 28% tax). 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 18 October 2005 in respect of ordinary transfers; and shares bought on Bursa Malaysia Securities Berhad ("BMSB") on a cum entitlement basis according to the Rules of the BMSB. The aforesaid dividend amounting to RM13,558,929 was paid on 28 October 2005.

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.

Dato' Yap Teiong Choon
Executive Director
23 February 2006