

**SHL CONSOLIDATED BHD**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**Financial Period Ended 31 March 2006**

|                                   | INDIVIDUAL QUARTER                         |  | CUMULATIVE QUARTER                         |   |
|-----------------------------------|--|--|--|---|
|                                   | CURRENT YEAR QUARTER<br>31-03-06<br>RM'000 | PRECEDING YEAR CORRESPONDING QUARTER<br>31-03-05<br>RM'000 | CURRENT YEAR TO DATE<br>31-03-06<br>RM'000 | PRECEDING YEAR CORRESPONDING PERIOD<br>31-03-05<br>RM'000 |
| 1. Revenue                        | 33,097                                     | 33,317   | 181,731                                    | 245,461   |
| 2. Profit from Operations         | 11,071                                     | 15,672   | 37,260                                     | 66,644  |
| 3. Finance Costs                  | (379)                                      | (1,321)  | (1,394)                                    | (1,837)   |
| 4. Profit / (Loss) from Associate | (2)  | (1)  | 0  | (4)   |
| 5. Profit before Taxation         | 10,690                                     | 14,350   | 35,866                                     | 64,803  |
| 6. Taxation                       | (2,305)                                    | (3,458)  | (10,130)                                   | (18,126)  |
| 7. Profit after Taxation          | 8,385                                      | 10,892   | 25,736                                     | 46,677  |
| 8. Minority Interests             | (277)                                      | 71   | 350  | (527)   |
| 9. Pre-acquisition profit         | -  | -  | -  | -   |
| 10 Net Profit for the Period      | 8,108                                      | 10,963   | 26,086                                     | 46,150  |
| 11 Earnings per share             |  |  |  |   |
| - Basic (Sen)                     | 3.35                                       | 4.53   | 10.77                                      | 19.06   |
| - 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 March 2006**

|  | <b>As At<br/>31-03-2006<br/>RM'000</b> | <b>As At<br/>31-03-2005<br/>RM'000</b> |
|--|--|--|
| <b>1. Property, plant and equipment</b>      | 238,082                                | 242,003                                |
| <b>2. Investment in associate</b>            | 1,290                                  | 1,289                                  |
| <b>3. Investment properties</b>              | 47,164                                 | 68,735                                 |
| <b>4. Land held for property development</b> | 43,798                                 | 81,226                                 |
| <b>5. Intangible assets</b>                  | 22,478                                 | 22,220                                 |
| <b>6. Investments</b>                        | 129                                    | 152                                    |
| <b>7. Trust account</b>                      | 1,483                                  | 1,269                                  |
| <b>8. Deferred tax assets</b>                | 1,977                                  | 4,693                                  |
| <b>9. Current assets</b>                     |  |  |
| 9.1 Property development costs               | 218,711                                | 151,972                                |
| 9.2 Inventories                              | 32,555                                 | 26,794                                 |
| 9.3 Trade and other receivables              | 81,831                                 | 67,820                                 |
| 9.4 Current Tax Assets                       | 3,740                                  | 2,856                                  |
| 9.5 Cash and deposits                        | 27,103                                 | 48,627                                 |
|  | <b>363,940</b>                         | <b>298,069</b>                         |
| <b>10. Current liabilities</b>               |  |  |
| 10.1 Trade and other payables                | 62,412                                 | 60,994                                 |
| 10.2 Borrowings                              | 42,269                                 | 48,992                                 |
| 10.3 Taxation                                | 89                                     | 2,595                                  |
|  | <b>104,770</b>                         | <b>112,581</b>                         |
| <b>11. Net current assets</b>                | <b>259,170</b>                         | <b>185,488</b>                         |
|  | <b>615,571</b>                         | <b>607,075</b>                         |
| <i>Represented by :</i>                      |  |  |
| <b>12. Share capital</b>                     | 242,124                                | 242,124                                |
| <b>13. Reserves</b>                          | 204,197                                | 192,845                                |
| <b>14. Shareholders' equity</b>              | 446,321                                | 434,969                                |
| <b>15. Minority interests</b>                | 85,171                                 | 92,472                                 |
| <b>16. Long term liabilities</b>             |  |  |
| 16.1 Borrowings                              | 38,513                                 | 33,173                                 |
| 16.2 Deferred tax liabilities                | 27,668                                 | 28,652                                 |
| 16.3 Club establishment fund                 | 17,898                                 | 17,809                                 |
|  | <b>615,571</b>                         | <b>607,075</b>                         |
| <b>17. Net assets per share (RM)</b>         | <b>1.84</b>                            | <b>1.80</b>                            |

*(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 year ended 31 March 2006**

|   | Non-Distributable<br>RM'000 | Distributable Retained Profits<br>RM'000 | Total<br>RM'000 |
|---|-----------------------------|--|-----------------|
| <b>1. 12 months ended 31-03-2006</b>                                |                             |  |                 |
| 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                                       | -                           | 26,086                                   | 26,086          |
| 1.5 Revaluation surplus/(deficits)                                  | -                           | -  | -               |
| 1.6 Dividends   | -                           | (13,559)                                 | (13,559)        |
| <b>At 31 March 2006</b>   | <b>181,207</b>              | <b>265,114</b>                           | <b>446,321</b>  |
| <b>2. 12 months ended 31-03-2005</b>                                |                             |  |                 |
| 2.1 At 1 April 2004   | 195,730                     | 203,609                                  | 399,339         |
| 2.2 Prior Year Adjustment(s)  | -                           | (2,061)                                  | (2,061)         |
| As restated   | 195,730                     | 201,548                                  | 397,278         |
| 2.3 Transfer within reserves on realisation upon disposal of assets | (213)                       | 213                                      | -               |
| 2.4 Net profit for the period                                       | -                           | 46,150                                   | 46,150          |
| 2.5 Revaluation surplus/(deficits)                                  | 2,122                       | -  | 2,122           |
| 2.6 Dividends   | -                           | (8,716)                                  | (8,716)         |
| <b>At 31 March 2005</b>   | <b>197,639</b>              | <b>239,195</b>                           | <b>436,834</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 2005)*

**SHL CONSOLIDATED BHD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the year ended 31 March 2006**

|   | 12 months<br>ended<br>31-03-2006<br>RM'000 | 12 months<br>ended<br>31-03-2005<br>RM'000 |
|---|--|--|
| 1. Net cash inflow / (outflow) from operating activities    | (9,475)                                    | 33,677                                     |
| 2. Net cash inflow / (outflow) from investing activities    | 3,140                                      | (27,489)                                   |
| 3. Net cash inflow / (outflow) from financing activities    | (14,678)                                   | (5,136)                                    |
| 4. Net increase / (decrease) in cash and cash equivalents   | (21,013)                                   | 1,052                                      |
| 5. Cash and cash equivalents at 1 April 2005 / 2004         | 48,080                                     | 53,256                                     |
| 6. <b>Cash and cash equivalents at 31 March 2006 / 2005</b> | <b>27,067</b>                              | <b>54,308</b>                              |

*(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

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### 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 year ended 31 March 2006 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 [18 May 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.

|                       | <b>12 months ended 31 March</b> |                  |                                 |                 |
|-----------------------|---------------------------------|------------------|---------------------------------|-----------------|
|                       | <b>Revenue</b>                  |                  | <b>Profit/(Loss) before Tax</b> |                 |
|                       | <b>2006</b>                     | <b>2005</b>      | <b>2006</b>                     | <b>2005</b>     |
|                       | RM'000                          | RM'000           | RM'000                          | RM'000          |
| Investment & Services | 63,234                          | 35,992           | 27,011                          | 23,714          |
| Property Development  | 111,962                         | 174,597          | 40,342                          | 55,380          |
| Construction          | 71,394                          | 113,302          | 3,681                           | 8,013           |
| Trading               | 21,048                          | 32,599           | 395                             | 430             |
| Manufacturing         | 10,961                          | 19,819           | 530                             | 2,649           |
| Quarrying             | 36,782                          | 47,487           | 1,542                           | 1,243           |
|                       | <u>315,381</u>                  | <u>423,796</u>   | <u>73,501</u>                   | <u>91,429</u>   |
| Inter-company         | <u>(133,650)</u>                | <u>(178,335)</u> | <u>(37,635)</u>                 | <u>(26,626)</u> |
|                       | <u>181,731</u>                  | <u>245,461</u>   | <u>35,866</u>                   | <u>64,803</u>   |

## 11. Changes in the composition of the Group

Responding to the new challenges and opportunities within the Malaysian property development and construction sectors, the Group has implemented a scheme of reconstruction to realign the corporate infrastructure and rationalise the business activities of the Group for greater operational and financial efficiency. The scheme of reconstruction involves the acquisition of all the subsidiaries of Sin Heap Lee Construction Sdn Bhd and Sin Heap Lee Development Sdn Bhd (excluding Sin Heap Lee-Marubeni Sdn Bhd, Sungai Long Golf Resort Bhd and OPT Ventures Sdn Bhd) by SHL Consolidated Bhd.

The internal restructuring exercise will not have any material effect on the earnings and net tangible assets of the Group for the current financial year under review.

## 12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at [31 March 2006](#).

## 13. Capital commitments

No capital commitment was outstanding as at [31 March 2006](#).

## 14. Related party transactions

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

- a) Income from construction works amounting to approximately [RM9.06 million](#).
- b) Procurement of building materials for approximately [RM3.12 million](#).
- c) Procurement of engineering consultancy services for approximately [RM2.13 million](#).

# SHL CONSOLIDATED BHD

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

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### 1. Review of performance

The Group recorded a profit before taxation of **RM10.69 million** for the current quarter under review and **RM35.87 million** for the financial year to date. In comparison to the preceding year's corresponding period, this represents **a decrease of 26% and 45% respectively**. The decrease in Group's profit is mainly caused by fewer launches during the financial year under review.

### 2. Variation of results against preceding quarter

The Group's profit before taxation for the current quarter **increased by 84%** compared to **RM5.8 million** achieved in the immediate preceding quarter. This is mainly due to the increase in operating profit from the property development and construction sectors.

### 3. Next year prospects

Barring any unforeseen circumstances, the Board of Directors is positive that the Group's performance for the next 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<br>31 March |                | Year-to-date ended<br>31 March |                |
|---|-----------------------------------|----------------|--------------------------------|----------------|
|   | 2006<br>RM'000                    | 2005<br>RM'000 | 2006<br>RM'000                 | 2005<br>RM'000 |
| Current                                     | 2,284                             | 2,947          | 10,371                         | 18,176         |
| Under / (Over) provision<br>in prior period | (1)                               | 10             | 152                            | 89             |
| Deferred                                    | 22                                | 501            | (393)                          | (139)          |
|   | <u>2,305</u>                      | <u>3,458</u>   | <u>10,130</u>                  | <u>18,126</u>  |

The Group's effective tax rate for the current quarter is lower than the statutory tax rate due to utilisation of tax incentives.

**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 March 2006](#): -

|                       |        |
|-----------------------|--------|
|                       | 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 [18 May 2006](#).

**9. Borrowings**

The borrowings as at [31 March 2006](#) are as follows: -

|            | <b>Secured</b> | <b>Unsecured</b> | <b>Total</b>  |
|------------|----------------|------------------|---------------|
|            | RM'000         | RM'000           | RM'000        |
| Short Term | 210            | 42,059           | 42,269        |
| Long Term  | 212            | 38,301           | 38,513        |
|            | <u>422</u>     | <u>80,360</u>    | <u>80,782</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 [18 May 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 [18 May 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.

Subject to the approval by shareholders at the forthcoming Annual General Meeting, the Board of Directors recommend a First and Final Dividend of 6 sen per share less 28% tax in respect of the financial year ended 31 March 2006.

**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**  
25 May 2006