

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED INCOME STATEMENTS
Financial Period Ended 30 June 2007

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		Increase / (Decrease)	
	CURRENT YEAR QUARTER 30-06-07 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-06-06 RM'000	CURRENT YEAR TO DATE 30-06-07 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-06-06 RM'000		
			A	B	A - B	%
1. Revenue	37,809	47,656	37,809	47,656	(9,847)	-21%
2. Cost of sales	(30,060)	(35,471)	(30,060)	(35,471)	(5,411)	-15%
3. Gross Profit	7,749	12,185	7,749	12,185	(4,436)	-36%
4. Other Income	919	354	919	354	565	160%
5. Distribution Costs	(581)	(704)	(581)	(704)	(123)	-17%
6. Administration Expenses	(2,682)	(2,771)	(2,682)	(2,771)	(89)	-3%
7. Profit from Operations	5,405	9,064	5,405	9,064	(3,659)	-40%
8. Finance Costs	(332)	(391)	(332)	(391)	(59)	-15%
9. Profit / (Loss) from Associate	-	(2)	-	(2)	2	na
10. Profit before Taxation	5,073	8,671	5,073	8,671	(3,598)	-41%
11. Taxation	(1,582)	(2,517)	(1,582)	(2,517)	(935)	-37%
12. Profit for the Period	3,491	6,154	3,491	6,154	(2,663)	-43%
Attributable to:						
13. Equity holders of the parent	3,539	6,062	3,539	6,062	(2,523)	-42%
14. Minority Interests	(48)	92	(48)	92	(140)	-152%
	3,491	6,154	3,491	6,154	(2,663)	-43%
Earnings per share attributable to equity holders of the parent:						
15. Basic (Sen), for profit for the period	1.46	2.50	1.46	2.50	(1.04)	-42%
16. Fully Diluted (Sen), for profit for the period	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 2007)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2007

	As At 30-06-2007 RM'000	As At 31-3-2007 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	226,028	226,106
2. Investment in associate	1,282	1,282
3. Investment properties	47,171	47,171
4. Land held for property development	44,477	44,266
5. Intangible assets	19,912	20,139
6. Investments	125	128
7. Trust account	1,335	1,312
8. Deferred tax assets	2,873	3,135
9. Prepaid lease payments	1,149	1,154
	344,352	344,693
10. Current assets		
10.1 Property development costs	205,122	204,873
10.2 Inventories	81,109	83,648
10.3 Trade and other receivables	87,087	81,967
10.4 Current Tax Assets	3,571	4,695
10.5 Cash and deposits	28,660	22,871
	405,549	398,054
11. TOTAL ASSETS	749,901	742,747
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
12. Share capital	242,124	242,124
13. Reserves	217,541	214,002
	459,665	456,126
14. Minority interests	87,259	87,307
Total equity	546,924	543,433
15. Non-current liabilities		
15.1 Borrowings	36,693	29,059
15.2 Deferred tax liabilities	16,785	16,783
15.3 Club establishment fund	18,033	18,033
	71,511	63,875
16. Current liabilities		
16.1 Trade and other payables	55,115	57,992
16.2 Borrowings	76,509	76,946
16.3 Taxation	(158)	501
	131,466	135,439
17. TOTAL LIABILITIES	202,977	199,314
18. TOTAL EQUITY AND LIABILITIES	749,901	742,747
19. Net assets per share (RM)	1.90	1.88

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 March 2007)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 June 2007

	← Attributable to Equity Holders of the Parent →					Distributable Retained Profits	Total	Minority Interest	Total Equity
	← Non-distributable →								
	Share Capital	Share Premium	Revaluation Surplus	Merger Deficit	Capital Reserve				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
1. 3 months ended 30 June 2007									
1.1 At 1 April 2007	242,124	1,225	49,762	(130,464)	11,040	282,439	456,126	87,307	543,433
1.2 Prior Year Adjustment(s)	-	-	-	-	-	-	-	-	-
As restated	242,124	1,225	49,762	(130,464)	11,040	282,439	456,126	87,307	543,433
1.3 Net profit for the period	-	-	-	-	-	3,539	3,539	(48)	3,491
1.4 Revaluation surplus/(deficits)	-	-	-	-	-	-	-	-	-
1.5 Dividends	-	-	-	-	-	-	-	-	-
At 30 June 2007	242,124	1,225	49,762	(130,464)	11,040	285,978	459,665	87,259	546,924
2. 3 months ended 30 June 2006									
2.1 At 1 April 2006	242,124	1,225	41,550	(130,464)	11,040	279,583	445,058	86,114	531,172
2.2 Prior Year Adjustment(s)	-	-	-	-	-	-	-	-	-
As restated	242,124	1,225	41,550	(130,464)	11,040	279,583	445,058	86,114	531,172
2.3 Transfer within reserves on realisation upon disposal of assets	-	-	-	-	-	-	-	-	-
2.4 Net profit for the period	-	-	-	-	-	6,062	6,062	92	6,154
2.5 Revaluation surplus/(deficits)	-	-	-	-	-	-	-	-	-
2.6 Dividends	-	-	-	-	-	-	-	-	-
At 30 June 2006	242,124	1,225	41,550	(130,464)	11,040	285,645	451,120	86,206	537,326

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2007)

SHL CONSOLIDATED BHD

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the financial period ended 30 June 2007

	3 months ended 30-06-2007 RM000	3 months ended 30-06-2006 RM000
1. Net cash inflow / (outflow) from operating activities	(355)	(8,500)
2. Net cash inflow / (outflow) from investing activities	(737)	(381)
3. Net cash inflow / (outflow) from financing activities	6,880	4,280
4. Net increase / (decrease) in cash and cash equivalents	5,788	(4,601)
5. Cash and cash equivalents at 1 April 2007 / 2006	22,845	27,242
6. Cash and cash equivalents at 30 June 2007 / 2006	28,633	22,641

Cash and cash equivalents at the end of the financial period comprise the following:

	RM000	RM000
Cash and deposits	28,660	22,677
Bank overdrafts	(27)	(36)
	28,633	22,641

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 March 2007)

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 Financial Reporting Standard 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 2007.

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 2007.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2007:

FRS 117	Leases
FRS 124	Related Party Disclosures

The Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement as there is a deferral in its effective date.

The adoption of the above mentioned FRSs does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are stated below:

FRS 117: Leases

Prior to 1 January 2007, leasehold land was classified as property, plant and equipment at cost less amortisation and impairment loss. The adoption FRS 117 has resulted in the reclassification of leasehold land from property, plant and equipment to prepaid lease payments in the current financial period as well as the comparative figures.

FRS 124: Related Party Disclosures

The adoption of this revised FRS 124 has no significant financial impact on the Group as the standard affects the identification of related parties and requires additional disclosures on related party.

3. Audit report for the preceding annual financial statements

The audit report for the financial statements for the year ended 31 March 2007 was not qualified.

4. 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.

5. Exceptional items

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

6. 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.

7. 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.

8. Dividends paid

There was no dividend paid during the financial period ended 30 June 2007.

9. Valuations of property, plant and equipment

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

10. Material events subsequent to the balance sheet date

There were no material events subsequent to the end of current quarter to 20 August 2007, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

11. Segment information

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

	3 months ended 30 June			
	Revenue		Profit/(Loss) before Tax	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Investment & Services	3,439	3,498	175	(233)
Property Development	23,786	24,307	4,463	4,285
Construction	16,600	24,581	(324)	2,651
Trading	7,519	8,467	128	179
Manufacturing	1,261	1,022	(412)	(124)
Quarrying	4,705	10,813	73	382
	<u>57,310</u>	<u>72,688</u>	<u>4,103</u>	<u>7,140</u>
Inter-company	(19,501)	(25,032)	970	1,531
	<u><u>37,809</u></u>	<u><u>47,656</u></u>	<u><u>5,073</u></u>	<u><u>8,671</u></u>

12. 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 financial year under review.

13. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2007.

14. Capital commitments

No capital commitment was outstanding as at 30 June 2007.

15. Related party transactions

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

- (a) Income from provision of management services approximately RM0.23 million.
- (b) Procurement of building materials for approximately RM1.70 million.
- (c) Procurement of engineering consultancy services for approximately RM0.22 million.
- (d) Procurement of property management services approximately RM0.21 million.
- (e) Rental of premises for approximately RM0.21 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 RM5.07 million for the current quarter under review. In comparison to the preceding year's corresponding period, this represents a decrease of 41%. The decrease in the Group's profit is mainly due to fewer launches of properties during the current quarter under review.

2. Variation of results against preceding quarter

The Group's profit before taxation for the current quarter increased by 2% compared to RM4.95 million achieved in the immediate preceding quarter. This is mainly due to the increase in operating profit from the property development sector.

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	
	30 June		30 June	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Current	<u>1,320</u>	<u>2,179</u>	<u>1,320</u>	<u>2,179</u>
Under / (Over) provision in prior period	-	-	-	-
Deferred	<u>262</u>	<u>338</u>	<u>262</u>	<u>338</u>
	<u><u>1,582</u></u>	<u><u>2,517</u></u>	<u><u>1,582</u></u>	<u><u>2,517</u></u>

The Group's effective tax rate for the current quarter is higher than the statutory tax rate as losses of certain subsidiaries could not be set off against taxable profit made by other subsidiaries.

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 30 June 2007: -

	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 20 August 2007.

9. Borrowings

The borrowings as at 30 June 2007 are as follows: -

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term	500	76,009	76,509
Long Term	520	36,173	36,693
	<u>1,020</u>	<u>112,182</u>	<u>113,202</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 20 August 2007, 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 20 August 2007, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

12. Dividend

No dividend was declared for the first quarter ended 30 June 2007.

13. Earnings per share

(a) Basic earnings per share

Basic earnings per share of the Group is calculated by dividing profit for the period attributable to ordinary equity holders of the parent 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
27 August 2007