

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		Increase / (Decrease)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD		
	30-09-07	30-09-06	30-09-07	30-09-06		
	RM'000	RM'000	RM'000	RM'000		
		A	B	A - B		
1. Revenue	72,167	39,935	109,976	87,591	22,385	26%
2. Cost of sales	(58,240)	(33,711)	(88,300)	(69,182)	19,118	28%
3. Gross Profit	13,927	6,224	21,676	18,409	3,267	18%
4. Other Income	1,004	1,017	1,923	1,371	552	40%
5. Distribution Costs	(866)	(412)	(1,447)	(1,116)	331	30%
6. Administration Expenses	(4,281)	(3,497)	(6,963)	(6,268)	695	11%
7. Profit from Operations	9,784	3,332	15,189	12,396	2,793	23%
8. Finance Costs	(300)	(582)	(632)	(973)	(341)	-35%
9. Profit / (Loss) from Associate	(4)	(3)	(4)	(5)	(1)	-20%
10. Profit before Taxation	9,480	2,747	14,553	11,418	3,135	27%
11. Taxation	(2,759)	19	(4,341)	(2,498)	1,843	74%
12. Profit for the Period	6,721	2,766	10,212	8,920	1,292	14%
Attributable to:						
13. Equity holders of the parent	7,211	3,347	10,750	9,409	1,341	14%
14. Minority Interests	(490)	(581)	(538)	(489)	49	10%
	6,721	2,766	10,212	8,920	1,292	14%
Earnings per share attributable to equity holders of the parent:						
15. Basic & Fully Diluted (Sen)	2.98	1.38	4.44	3.89	0.55	14%

(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 September 2007

	As At 30-09-2007 RM'000	As At 31-3-2007 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	225,856	226,106
2. Investment in associate	1,278	1,282
3. Investment properties	47,171	47,171
4. Land held for property development	44,514	44,266
5. Intangible assets	19,686	20,139
6. Investments	125	128
7. Trust account	1,453	1,312
8. Deferred tax assets	2,965	3,135
9. Prepaid lease payments	1,149	1,154
	344,197	344,693
10. Current assets		
10.1 Property development costs	183,876	204,873
10.2 Inventories	79,631	83,648
10.3 Trade and other receivables	118,506	81,967
10.4 Current Tax Assets	4,515	4,695
10.5 Cash and deposits	22,868	22,871
	409,396	398,054
11. TOTAL ASSETS	753,593	742,747
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
12. Share capital	242,124	242,124
13. Reserves	224,752	214,002
	466,876	456,126
14. Minority interests	86,769	87,307
Total equity	553,645	543,433
15. Non-current liabilities		
15.1 Borrowings	33,660	29,059
15.2 Deferred tax liabilities	16,784	16,783
15.3 Club establishment fund	18,033	18,033
	68,477	63,875
16. Current liabilities		
16.1 Trade and other payables	54,872	57,992
16.2 Borrowings	74,476	76,946
16.3 Taxation	2,123	501
	131,471	135,439
17. TOTAL LIABILITIES	199,948	199,314
18. TOTAL EQUITY AND LIABILITIES	753,593	742,747
19. Net assets per share (RM)	1.93	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 September 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. 6 months ended 30 September 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	-	-	-	-	-	10,750	10,750	(538)	10,212
At 30 September 2007	242,124	1,225	49,762	(130,464)	11,040	293,189	466,876	86,769	553,645
2. 6 months ended 30 September 2006									
2.1 At 1 April 2006	242,124	1,225	41,550	(130,463)	11,041	279,583	445,060	86,114	531,174
2.2 Prior Year Adjustment(s)	-	-	-	-	-	-	-	-	-
As restated	242,124	1,225	41,550	(130,463)	11,041	279,583	445,060	86,114	531,174
2.3 Transfer within reserves on realisation upon disposal of assets	-	-	-	-	-	-	-	-	-
2.4 Net profit for the period	-	-	-	-	-	9,409	9,409	(489)	8,920
At 30 September 2006	242,124	1,225	41,550	(130,463)	11,041	288,992	454,469	85,625	540,094

(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 September 2007

	6 months ended 30-09-2007 RM'000	6 months ended 30-09-2006 RM'000
1. Net cash inflow / (outflow) from operating activities	(844)	(5,807)
2. Net cash inflow / (outflow) from investing activities	(965)	(671)
3. Net cash inflow / (outflow) from financing activities	1,804	9,255
4. Net increase / (decrease) in cash and cash equivalents	(5)	2,777
5. Cash and cash equivalents at 1 April 2007 / 2006	22,845	27,242
6. Cash and cash equivalents at 30 September 2007 / 2006	22,840	30,019

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

	RM'000	RM'000
Cash and deposits	22,868	30,471
Bank overdrafts	(28)	(452)
	22,840	30,019

(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 September 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 [21 November 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.

	6 months ended 30 September			
	Revenue		Profit/(Loss) before Tax	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Investment & Services	6,856	6,986	(149)	(229)
Property Development	80,209	47,691	14,506	8,773
Construction	38,850	50,849	(60)	2,697
Trading	16,553	17,062	275	273
Manufacturing	2,416	2,225	(885)	(309)
Quarrying	9,484	20,961	278	776
	<u>154,368</u>	<u>145,774</u>	<u>13,965</u>	<u>11,981</u>
Inter-company	<u>(44,392)</u>	<u>(58,183)</u>	<u>588</u>	<u>(563)</u>
	<u><u>109,976</u></u>	<u><u>87,591</u></u>	<u><u>14,553</u></u>	<u><u>11,418</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 quarter under review.

13. Changes in contingent liabilities or contingent assets

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

14. Capital commitments

No capital commitment was outstanding as at 30 September 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 RM0.45 million.
- (b) Procurement of building materials for approximately RM3.74 million.
- (c) Procurement of engineering consultancy services for approximately RM0.55 million.
- (d) Procurement of insurance approximately RM0.26 million.
- (e) Rental of premises for approximately RM0.41 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 **RM9.48 million** for the current quarter under review. In comparison to the preceding year's corresponding period, this represents **a increase of 245%**. The increase in the Group's profit is mainly due to launches of properties in Alam Budiman, Shah Alam 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 87%** compared to **RM5.07 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 September		30 September	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Current	<u>2,851</u>	<u>1,533</u>	<u>4,171</u>	<u>3,712</u>
Under / (Over) provision in prior period	-	-	-	-
Deferred	<u>(92)</u>	<u>(1,552)</u>	<u>170</u>	<u>(1,214)</u>
	<u><u>2,759</u></u>	<u><u>(19)</u></u>	<u><u>4,341</u></u>	<u><u>2,498</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 September 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 [21 November 2007](#).

9. Borrowings

The borrowings as at [30 September 2007](#) are as follows: -

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term	508	73,968	74,476
Long Term	488	33,172	33,660
	<u>996</u>	<u>107,140</u>	<u>108,136</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 [21 November 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 [21 November 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 second quarter ended [30 September 2007](#).

13. Earnings per share (Basic and fully diluted)

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.

For and on behalf of the Board
SHL CONSOLIDATED BHD.

Dato' Yap Teiong Choon
Executive Director
28 November 2007