

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED INCOME STATEMENTS
Financial Year Ended 31 March 2008

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		Increase / (Decrease)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD		
	31-03-08	31-03-07	31-03-08	31-03-07		
	RM'000	RM'000	RM'000	RM'000		
		A	B	A - B		
1. Revenue	61,288	40,159	191,281	155,614	35,667	23%
2. Cost of sales	(47,169)	(31,214)	(150,458)	(122,687)	27,771	23%
3. Gross Profit	14,119	8,945	40,823	32,927	7,896	24%
4. Other Income	622	711	50,278	2,549	47,729	1872%
5. Distribution Costs	(614)	(1,541)	(2,755)	(3,889)	(1,134)	-29%
6. Administration Expenses	(5,227)	(3,352)	(15,554)	(11,456)	4,098	36%
7. Profit from Operations	8,900	4,763	72,792	20,131	52,661	262%
8. Finance Costs	675	190	(145)	(1,502)	(1,357)	-90%
9. Profit / (Loss) from Associate	(2)	(2)	(7)	(8)	(1)	-13%
10. Profit before Taxation	9,573	4,951	72,640	18,621	54,019	290%
11. Taxation	(2,373)	(257)	(7,742)	(3,209)	4,533	141%
12. Profit for the Period	7,200	4,694	64,898	15,412	49,486	321%
Attributable to:						
13. Equity holders of the parent	7,200	5,012	65,438	16,515	48,923	296%
14. Minority Interests	-	(318)	(540)	(1,103)	(563)	-51%
	7,200	4,694	64,898	15,412	49,486	321%
Earnings per share attributable to equity holders of the parent:						
15. Basic & Fully Diluted (Sen)	2.97	2.07	27.03	6.82	20.21	296%

(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 31 March 2008

	As At 31-03-2008 RM'000	As At 31-3-2007 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	223,304	226,106
2. Investment in associate	1,275	1,282
3. Investment properties	47,173	47,171
4. Land held for property development	44,623	44,266
5. Intangible assets	20,226	20,139
6. Investments	125	128
7. Trust account	1,535	1,312
8. Deferred tax assets	3,272	3,135
9. Prepaid lease payments	1,126	1,154
	342,659	344,693
10. Current assets		
10.1 Property development costs	191,559	204,873
10.2 Inventories	94,380	83,648
10.3 Trade and other receivables	103,516	81,967
10.4 Current Tax Assets	4,178	4,695
10.5 Cash and deposits	23,694	22,871
	417,327	398,054
11. TOTAL ASSETS	759,986	742,747
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
12. Share capital	242,124	242,124
13. Reserves	268,165	214,002
	510,289	456,126
14. Minority interests	-	87,307
Total equity	510,289	543,433
15. Non-current liabilities		
15.1 Borrowings	22,997	29,059
15.2 Deferred tax liabilities	16,718	16,783
15.3 Club establishment fund	18,082	18,033
	57,797	63,875
16. Current liabilities		
16.1 Trade and other payables	93,859	57,992
16.2 Borrowings	96,493	76,946
16.3 Taxation	1,548	501
	191,900	135,439
17. TOTAL LIABILITIES	249,697	199,314
18. TOTAL EQUITY AND LIABILITIES	759,986	742,747
19. Net assets per share (RM)	2.11	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 year ended 31 March 2008

	← Attributable to Equity Holders of the Parent →								
	← Non-distributable →					Distributable	Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Revaluation Surplus	Merger Deficit	Capital Reserve	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1. 12 months ended 31 March 2008									
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)	-	-	-	-	-	(670)	(670)	-	(670)
As restated	242,124	1,225	49,762	(130,464)	11,040	281,769	455,456	87,307	542,763
1.3 Net profit for the period	-	-	-	-	-	65,438	65,438	(540)	64,898
1.4 Acquisition of Minority Interest	-	-	-	-	-	-	-	(86,767)	(86,767)
1.5 Dividends	-	-	-	-	-	(10,605)	(10,605)	-	(10,605)
At 31 March 2008	242,124	1,225	49,762	(130,464)	11,040	336,602	510,289	-	510,289
2. 12 months ended 31 March 2007									
2.1 At 1 April 2006	242,124	1,225	57,669	(130,464)	11,040	263,464	445,058	86,114	531,172
2.2 Prior Year Adjustment(s)	-	-	(16,119)	-	-	16,119	-	-	-
As restated	242,124	1,225	41,550	(130,464)	11,040	279,583	445,058	86,114	531,172
2.3 Effect of change in tax rates on opening deferred tax	-	-	7,164	-	-	-	7,164	-	7,164
2.4 Net profit for the period	-	-	-	-	-	16,515	16,515	(1,103)	15,412
2.5 Dividends	-	-	-	-	-	(10,460)	(10,460)	-	(10,460)
At 31 March 2007	242,124	1,225	48,714	(130,464)	11,040	285,638	458,277	85,011	543,288

(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 year ended 31 March 2008

	12 months ended 31-03-2008 RM000	12 months ended 31-03-2007 RM000
1. Net cash inflow / (outflow) from operating activities	8,558	(26,695)
2. Net cash inflow / (outflow) from investing activities	(10,106)	8,370
3. Net cash inflow / (outflow) from financing activities	2,221	13,929
4. Net increase / (decrease) in cash and cash equivalents	673	(4,396)
5. Cash and cash equivalents at 1 April 2007 / 2006	22,845	27,242
6. Cash and cash equivalents at 31 March 2008 / 2007	23,518	22,846

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

	RM000	RM000
Cash and deposits	23,694	22,872
Bank overdrafts	(176)	(26)
	23,518	22,846

(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 other exceptional items during the current periods under review except for the negative goodwill of RM46.76 million arising from the acquisition of 40% equity interest in SHL-M Sdn Bhd (formerly known as Sin Heap Lee Marubeni Sdn Bhd) from Marubeni Corporation of Japan by Sin Heap Lee Development Sdn Bhd, a wholly-owned subsidiary of SHL Consolidated Bhd.

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

Dividend paid during the financial period ended **31 March 2008** amounted to **RM10,605,019**.

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 May 2008**, 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.

	12 months ended 31 March			
	Revenue		Profit/(Loss) before Tax	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Investment & Services	108,960	40,443	94,802	26,276
Property Development	133,562	74,425	68,008	12,628
Construction	100,932	85,358	3,235	5,509
Trading	39,168	34,121	509	464
Manufacturing	18,815	8,946	1,209	(554)
Quarrying	16,997	42,074	665	1,428
	<u>418,434</u>	<u>285,367</u>	<u>168,428</u>	<u>45,751</u>
Inter-company	<u>(227,153)</u>	<u>(129,753)</u>	<u>(95,788)</u>	<u>(27,130)</u>
	<u><u>191,281</u></u>	<u><u>155,614</u></u>	<u><u>72,640</u></u>	<u><u>18,621</u></u>

12. Changes in the composition of the Group

There were no other 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 except for the acquisition of 40% equity interest in SHL-M Sdn Bhd (formerly known as Sin Heap Lee Marubeni Sdn Bhd) from Marubeni Corporation of Japan by Sin Heap Lee Development Sdn Bhd, a wholly-owned subsidiary of SHL Consolidated Bhd. Following from the acquisition, SHL-M Sdn Bhd is now a wholly-owned subsidiary of Sin Heap Lee Development Sdn Bhd.

13. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at [31 March 2008](#).

14. Capital commitments

No capital commitment was outstanding as at [31 March 2008](#).

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 [RM0.95](#) million.
- b) Progress claim on Taipan Star project approximately [RM0.74](#) million.
- c) Procurement of building materials for approximately [RM8.82](#) million.
- d) Procurement of engineering consultancy services for approximately [RM2.79](#) million.
- e) Procurement of property management services for approximately [RM0.30](#) million.
- f) Procurement of insurance for approximately [RM0.55](#) million.
- g) Rental of premises for approximately [RM0.83](#) 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 **RM9.57 million** for the current quarter under review. In comparison to the preceding year's corresponding period, this represents **an increase of 93%**. The increase in the Group's profit is mainly due to good take up rates in our Alam Budiman and Palm Walk projects during the current **quarter** under review.

2. Variation of results against preceding quarter

The Group's profit before taxation for the current quarter **decreased by 80%** compared to **RM48.51 million** achieved in the immediate preceding quarter. This is mainly due to the realisation of negative goodwill arising from the Group's acquisition of 40% stake in SHL-M Sdn Bhd in the preceding quarter.

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		Year-to-date ended	
	31 March		31 March	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current	2,536	1,035	7,744	7,295
Under / (Over) provision in prior period	(21)	(3)	(45)	(216)
Deferred	(142)	(775)	43	(3,870)
	<u>2,373</u>	<u>257</u>	<u>7,742</u>	<u>3,209</u>

The Group's effective tax rate for the current quarter is lower than the statutory tax rate as the gain arising from the negative goodwill on the acquisition of SHL-M Sdn Bhd is not taxable.

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 2008](#): -

	RM'000
(i) At cost	11
(ii) At book value	11
(iii) At market value	2

8. Status of corporate proposals announced

There were no corporate proposals announced but not completed as at [21 May 2008](#).

9. Borrowings

The borrowings as at [31 March 2008](#) are as follows: -

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term	497	95,996	96,493
Long Term	269	22,728	22,997
	<u>766</u>	<u>118,724</u>	<u>119,490</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 May 2008](#), 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 May 2008](#), 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 13th Annual General Meeting held on 3 September 2007 the declaration of a First and Final Dividend of 6% less 27% tax for the financial year ended 31 March 2007 (financial year ended 31 March 2006 : 6% comprising 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 12 September 2007 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 RM10,605,019 was paid on 10 October 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 SHL Consolidated Bhd 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 May 2008