

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED INCOME STATEMENTS
Financial Period Ended 30 June 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR	YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	30-06-10	30-06-09	30-06-10	30-06-09
	RM'000	RM'000	RM'000	RM'000
1. Revenue	67,066	62,320	67,066	62,320
2. Cost of sales	(49,955)	(52,336)	(49,955)	(52,336)
3. Gross Profit	17,111	9,984	17,111	9,984
4. Other Income	1,194	3,280	1,194	3,280
5. Distribution Costs	(805)	(1,063)	(805)	(1,063)
6. Administration Expenses	(2,714)	(3,104)	(2,714)	(3,104)
7. Impairment Loss	(5,116)	-	(5,116)	-
8. Profit from Operations	9,670	9,097	9,670	9,097
9. Finance Costs	(68)	(239)	(68)	(239)
10. Profit / (Loss) from Associate	-	-	-	-
11. Profit before Taxation	9,602	8,858	9,602	8,858
12. Taxation	(2,383)	(1,857)	(2,383)	(1,857)
13. Profit for the Year	7,219	7,001	7,219	7,001
Attributable to:				
14. Equity holders of the parent	7,118	7,001	7,118	7,001
15. Minority Interest	101	-	101	-
	7,219	7,001	7,219	7,001

Earnings per share attributable to equity holders of the parent:

16. Basic & Fully Diluted (Sen)	2.94	2.89	2.94	2.89
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(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 March 2010)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2010

	As At 30-06-2010 RM'000	As At 31-03-2010 RM'000
ASSETS		
Non-current assets		
1. Property, plant and equipment	220,405	220,574
2. Investment in associate	1,257	1,257
3. Investment properties	68,459	16,147
4. Land held for property development	4,193	4,446
5. Intangible assets	-	5,115
6. Investments	125	124
7. Trust account	1,275	1,247
8. Deferred tax assets	2,615	2,784
9. Prepaid lease payments	1,051	1,042
	299,380	252,736
10. Current assets		
10.1 Property development costs	141,775	158,678
10.2 Inventories	18,425	36,860
10.3 Trade and other receivables	60,518	54,909
10.4 Current Tax Assets	3,499	2,938
10.5 Cash and deposits	128,788	116,733
	353,005	370,118
11. TOTAL ASSETS	652,385	622,854
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
12. Share capital	242,124	242,124
13. Reserves	298,408	291,290
	540,532	533,414
14. Minority Interest	17,288	-
15. Total equity	557,820	533,414
16. Non-current liabilities		
16.1 Borrowings	1,226	1,546
16.2 Deferred tax liabilities	13,259	12,300
16.3 Club establishment fund	16,316	17,109
	30,801	30,955
17. Current liabilities		
17.1 Trade and other payables	54,533	53,928
17.2 Borrowings	3,835	781
17.3 Taxation	5,396	3,776
	63,764	58,485
18. TOTAL LIABILITIES	94,565	89,440
19. TOTAL EQUITY AND LIABILITIES	652,385	622,854
20. Net assets per share (RM)	2.23	2.20

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 March 2010)

SHL CONSOLIDATED BHD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Financial Period Ended 30 June 2010

	Share Capital	Share Premium	Non-distributable Revaluation Surplus	Merger Deficit	Capital Reserve	Distributable Retained Profits	Total	Minority Interest	Total Equity
3 months ended 30 June 2010	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
1.1 At 1 April 2010	242,124	1,225	50,745	(130,464)	11,040	358,744	533,414	-	533,414
1.2 Impact of acquisition on Minority Interest	-	-	-	-	-	-	-	17,187	17,187
1.3 Net profit for the year	-	-	-	-	-	7,118	7,118	101	7,219
At 30 June 2010	242,124	1,225	50,745	(130,464)	11,040	365,862	540,532	17,288	557,820
3 months ended 30 June 2009									
2.1 At 1 April 2009	242,124	1,225	50,059	(130,464)	11,040	343,848	517,832	-	517,832
2.2 Net profit for the year	-	-	-	-	-	7,001	7,001	-	7,001
At 30 June 2009	242,124	1,225	50,059	(130,464)	11,040	350,849	524,833	-	524,833

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2010)

SHL CONSOLIDATED BHD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
Financial Period Ended 30 June 2010

	3 months ended 30-06-2010 RM'000	3 months ended 30-06-2009 RM'000
1. Net cash inflow / (outflow) from operating activities	<u>42,505</u>	<u>19,132</u>
2. Net cash inflow / (outflow) from investing activities	<u>(32,404)</u>	<u>5,474</u>
3. Net cash inflow / (outflow) from financing activities	<u>1,954</u>	<u>(15,247)</u>
4. Net increase / (decrease) in cash and cash equivalents	12,055	9,359
5. Cash and cash equivalents at 1 April 2010 / 2009	<u>116,733</u>	<u>27,854</u>
6. Cash and cash equivalents at 30 June 2010 / 2009	<u>128,788</u>	<u>37,213</u>

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

Cash and deposits	128,788	37,247
Bank overdrafts	-	(34)
	<u>128,788</u>	<u>37,213</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 March 2010)

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 2010.

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 2010.

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

The audit report for the financial statements for the year ended 31 March 2010 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 items 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**

There was no dividend paid during the financial period ended 30 June 2010.

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 17 August 2010, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

10. Segmental information

The segmental analysis for the period ended 30 June 2010 is tabulated below:

	Investment and services RM'000	Property development RM'000	Construction RM'000	Trading RM'000	Manufacturing RM'000	Quarrying RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE								
External sales	1,471	64,610	46	553	1	385	-	67,066
Inter-segment sales	17,885	318	17,502	4,680	953	-	(41,338)	-
Total revenue	19,356	64,928	17,548	5,233	954	385	(41,338)	67,066
RESULTS								
Segment results	13,624	11,810	(223)	(53)	(5,532)	337	(11,111)	8,852
Interest income								818
Finance costs								(68)
Share of result of associated company								-
Taxation								(2,383)
Profit for the year								7,219

Segmental reporting by geographical locations has not been presented as all the activities of the Group's operations are carried out in Malaysia only.

11. Changes in the composition of the Group

During the current period under review, SHL Consolidated Bhd has on 20 April 2010 announced that it has entered into a sale and purchase agreement with Dato' Yap Teiong Choon and Dato' Ir. Yap Chong Lee to purchase Nine Hundred Thousand (900,000) ordinary shares of RM1.00 each in the issued and paid-up capital of Goodstock Land Sdn Bhd ("GSL") representing 60% of the total share capital of GSL for a total cash consideration of RM25.56 million only. The aforesaid acquisition is completed on 11 May 2010 resulting in GSL becoming a subsidiary of SHL Consolidated Bhd.

Other than the above transaction, 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.

12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at 30 June 2010.

13. Capital commitments

No capital commitment was outstanding as at 30 June 2010.

14. Related party transactions

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

- a) Income from rental of premises for approximately RM0.03 million.
- b) Procurement of engineering consultancy services for approximately RM0.31 million.
- c) Rental of premises for approximately RM0.30 million.
- d) Procurement of building materials for approximately RM0.64 million.
- e) Procurement of insurance for approximately RM0.07 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 RM9.60 million for the current quarter under review. In comparison to the preceding year's corresponding period, this represents an increase of 8%. The increase in the Group's profit is mainly due to good take up rates in Alam Budiman, Shah Alam and Palm Walk, Bandar Sungai Long projects during the current quarter under review.

For the current financial year to date, the Group achieved a profit before taxation of RM9.60 million on the back of revenue totaling RM67.07 million.

2. Variation of results against preceding quarter

The Group's profit before taxation of RM9.60 million for the current quarter increased by 2% compared to RM9.43 million achieved in the immediate preceding quarter. This is mainly due to the increase in operating profit in 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	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Current	3,310	2,222	3,310	2,222
Under / (Over) provision in prior period	31	228	31	228
Deferred	(958)	(593)	(958)	(593)
	<u>2,383</u>	<u>1,857</u>	<u>2,383</u>	<u>1,857</u>

6. Unquoted investments and/or properties

There was no sale of unquoted investments and/or any other properties during the current quarter and financial year-to-date other than the normal sale of land and houses as housing developers.

7. Quoted investments

There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.

8. Status of corporate proposals announced

There were no corporate proposals announced but not completed as at 17 August 2010.

9. Borrowings

The borrowings as at 30 June 2010 are as follows: -

	Secured RM'000
Short Term	3,835
Long Term	1,226
	5,061

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 17 August 2010, the latest practicable date that is not earlier than 7 days from the date of issue of this quarterly report.

11. Material litigation

Apart from the following legal matter, the Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors are unaware of any proceedings, pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially or adversely affect the position or business of the Group.

An indirect subsidiary, SHL-M Sdn Bhd (“SHL-M”) has instituted legal proceedings against the Director of Lands and Mines Selangor (“State Authority”) relating to the revision of quit rent rate payable for the golf course land in Bandar Sungai Long. Both parties have different interpretations on the quit rent rate. SHL-M is seeking from the State Authority the following:

- declaring the invalidity of quit rent totalling RM0.58 million per year which the State Authority has imposed retrospectively to 1 January 1994; and
- recovering the sum of RM0.19 million per year from 1 January 1994 to 31 December 2007 on the grounds that the quit rent payable should be RM0.07 million per year only.

The High Court has adjourned the above case for hearing to 2nd and 3rd of September 2010.

The Directors are of the opinion that it is impossible to assess the possible financial outcome of the proceedings.

12. Dividend

No dividend was declared for the first quarter ended 30 June 2010.

13. Earnings per share (Basic and fully diluted)

Earnings per share of the Group is calculated by dividing profit for the year 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
24 August 2010