



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
INTERIM REPORT FOR THE SECOND QUARTER  
AND FINANCIAL PERIOD ENDED 31 MARCH 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2011 RM'000 (UNAUDITED)	Preceding Year Corresponding Quarter 31.03.2010 RM'000 (UNAUDITED)	Current Year-to-Date 31.03.2011 RM'000 (UNAUDITED)	Preceding Year-to-Date 31.03.2010 RM'000 (UNAUDITED)
<b>Revenue</b>	<b>74,414</b>	62,985	<b>126,151</b>	157,940
Cost of sales	(51,846)	(45,470)	(87,102)	(114,081)
<b>Gross profit</b>	<b>22,568</b>	17,515	<b>39,049</b>	43,859
Other income	1,902	713	2,483	1,462
Distribution expenses	(1,817)	(1,555)	(2,937)	(2,883)
Administrative expenses	(11,560)	(12,284)	(19,542)	(20,196)
Other expenses	(892)	(1,810)	(1,959)	(2,289)
<b>Profit from operations</b>	<b>10,201</b>	2,579	<b>17,094</b>	19,953
Share of profit of an associate	2,772	396	6,839	3,628
Interest income	513	119	697	209
Interest expenses	(3,436)	(2,142)	(6,104)	(4,251)
<b>Profit before tax</b>	<b>10,050</b>	952	<b>18,526</b>	19,539
Tax expense	(2,252)	37	(3,961)	(4,920)
<b>Profit for the period</b>	<b>7,798</b>	989	<b>14,565</b>	14,619
<b>Other comprehensive income, net of tax</b>				
Foreign exchange translation differences	(215)	(1,836)	2,543	(943)
<b>Total comprehensive income for the period</b>	<b>7,583</b>	(847)	<b>17,108</b>	13,676
<b>Profit attributable to:</b>				
Owners of the parent	7,652	682	14,507	13,983
Non-controlling interest	146	307	58	636
<b>Profit for the period</b>	<b>7,798</b>	989	<b>14,565</b>	14,619
	-	-	-	-
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	7,434	(1,155)	17,042	13,039
Non-controlling interest	149	308	66	637
<b>Total comprehensive income for the period</b>	<b>7,583</b>	(847)	<b>17,108</b>	13,676
	-	-	-	-
<b>Earnings per share</b>				
Basic Earnings per ordinary share (sen)	2.89	0.26	5.48	5.28
Diluted Earnings per ordinary share (sen)	-	-	-	-
Proposed/Declared Dividend per share (sen)	-	-	-	-

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
INTERIM REPORT AS AT 31 MARCH 2011**

	(Unaudited) 31.03.2011 RM'000	(Restated) 30.09.2010 RM'000
<i>Assets</i>		
Property, plant and equipment	142,404	118,538
Intangible assets	7,378	7,378
Biological assets	128,926	106,896
Prepaid lease payments	30,454	30,775
Investment properties	206,933	206,933
Investment in associate	31,961	25,121
Other investment	88	88
Land held for property development	248,457	249,301
Deferred tax assets	10,693	9,589
Receivables, deposits and prepayments	9,078	7,197
<b>Total Non-Current Assets</b>	<b>816,372</b>	<b>761,816</b>
Property development costs	113,853	79,258
Inventories	17,129	16,393
Amount due from customers on contracts	1,467	1,576
Accrued billings	1,235	17,926
Receivables, deposits and prepayments	101,904	73,347
Current tax assets	2,794	2,204
Non-current assets classified as held for sale	251	251
Cash and cash equivalents	69,643	89,801
<b>Total Current Assets</b>	<b>308,276</b>	<b>280,756</b>
<b>TOTAL ASSETS</b>	<b>1,124,648</b>	<b>1,042,572</b>
<i>Equity</i>		
Share capital	264,585	240,532
Translation reserve	(1,061)	(3,596)
Revaluation reserve	16,799	16,799
Retained earnings	407,876	417,422
<b>Equity attributable to Equity holders of the Company</b>	<b>688,199</b>	<b>671,157</b>
<b>Non-Controlling Interest</b>	<b>521</b>	<b>455</b>
<b>Total Equity</b>	<b>688,720</b>	<b>671,612</b>
<i>Liabilities</i>		
Deferred tax liabilities	45,764	46,111
Deferred income	3,009	3,009
Provisions	399	391
Loans and borrowings - long-term	212,614	167,384
<b>Total Non-Current Liabilities</b>	<b>261,786</b>	<b>216,895</b>
Provisions	7,661	7,868
Amount due to customers on contracts	1,355	1,212
Dividend payable	-	9,020
Progress billings	14,231	2,474
Payables, deposits received and accruals	73,180	64,302
Amount owing to landowner	1,720	1,763
Loans and borrowings - short-term	71,710	66,124
Current tax liabilities	4,226	1,302
<b>Total Current Liabilities</b>	<b>174,142</b>	<b>154,065</b>
<b>Total Liabilities</b>	<b>435,928</b>	<b>370,960</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,124,648</b>	<b>1,042,572</b>
<b>Net Assets per share attributable to shareholders of the Company (RM)</b>	<b>2.60</b>	<b>2.54*</b>

\* The preceding year's net assets per share has been adjusted to effect the Bonus Issue of 24,053,204 new ordinary shares in order to be comparable to current year's net assets per share.

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



**MKH BERHAD** (formerly known as Metro Kajang Holdings Berhad) (Company No. 50948-T)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
INTERIM REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2011**

Group	< ----- Attributable to owners of the parent ----- >						Non-Controlling Interests	Total Equity
	Share Capital	< ----- Non-distributable ----- >		Distributable		Total		
	RM'000	Share Premium	Translation Reserve	Revaluation Reserve	Retained Earnings	RM'000	RM'000	RM'000
<b>Financial Period ended 31 March 2011</b>								
At 1.10.2010 (restated)	240,532	-	(3,596)	16,799	417,422	671,157	455	671,612
Issuance of shares pursuant to Bonus Issue	24,053	-	-	-	(24,053)	-	-	-
<b>Total comprehensive income</b>	-	-	2,535	-	14,507	17,042	66	17,108
<b>At 31.03.2011 (unaudited)</b>	<b>264,585</b>	-	<b>(1,061)</b>	<b>16,799</b>	<b>407,876</b>	<b>688,199</b>	<b>521</b>	<b>688,720</b>
<b>Financial Period ended 31 March 2010</b>								
At 1.10.2009 (audited)	229,078	3,572	5,322	8,522	404,323	650,817	1,539	652,356
Issuance of shares pursuant to Bonus Issue	11,454	(3,572)	-	-	(7,882)	-	-	-
<b>Total comprehensive income</b>	-	-	(944)	-	13,983	13,039	637	13,676
<b>At 31.03.2010 (unaudited)</b>	<b>240,532</b>	-	<b>4,378</b>	<b>8,522</b>	<b>410,424</b>	<b>663,856</b>	<b>2,176</b>	<b>666,032</b>

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
INTERIM REPORT FOR THE SECOND QUARTER  
AND FINANCIAL PERIOD ENDED 31 MARCH 2011**

	(UNAUDITED) 31.03.2011 RM'000	(UNAUDITED) 31.03.2010 RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	18,526	19,539
Adjustments for non-cash items	(844)	4,065
Operating profit before changes in working capital	<u>17,682</u>	<u>23,604</u>
Net changes in working capital	(4,007)	14,620
Cash generated from operations	<u>13,675</u>	<u>38,224</u>
Interest paid	(6,496)	(4,565)
Interest received	412	209
Tax paid	(4,092)	(4,530)
Tax refund	973	224
<b>Net cash from operating activities</b>	<u>4,472</u>	<u>29,562</u>
<b>Cash Flows From Investing Activities</b>		
Additions to land held for property development	(20,716)	(44,335)
Acquisition of property, plant and equipment	(26,765)	(10,129)
Additions to biological assets	(18,148)	(26,236)
Dividends received	-	13,706
Proceeds from disposal of property, plant and equipment	263	4
Proceeds from disposal of non-current assets classified as held for sale	-	5,550
Proceeds from disposal of other investment	-	76
<b>Net cash used in investing activities</b>	<u>(65,366)</u>	<u>(61,364)</u>
<b>Cash Flows From Financing Activities</b>		
Dividend paid	(9,020)	(8,590)
Payments of finance lease liabilities	(368)	(320)
Net drawdown of bank borrowings	41,961	51,412
<b>Net cash from financing activities</b>	<u>32,573</u>	<u>42,502</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(28,321)</u>	<u>10,700</u>
Effect of exchange rate fluctuations	(393)	237
<b>Cash and cash equivalents at beginning of the period</b>	<u>85,635</u>	<u>65,695</u>
<b>Cash and cash equivalents at end of the period</b>	<u><u>56,921</u></u>	<u><u>76,632</u></u>
Cash and cash equivalents comprises of the following: -		
Cash and bank balances	27,960	43,120
Cash held under housing development accounts	25,447	13,746
Cash held under sinking fund accounts	9	28
Deposits with licensed banks	15,076	22,093
Short term funds	1,151	2,950
Bank overdrafts	(12,722)	(5,305)
	<u>56,921</u>	<u>76,632</u>

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2010 and the accompanying explanatory notes attached to the interim financial statements.



## EXPLANATORY NOTES

### A1. BASIS OF PREPARATION

The quarterly financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 – Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with Metro Kajang Holdings Berhad’s audited financial statements for the financial year ended 30 September 2010.

### CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial statement are consistent with those adopted for the annual financial statements for the financial year ended 30 September 2010 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and IC Interpretations and Technical Releases (“TR”):

FRS 1 First-time Adoption of Financial Reporting Standards  
FRS 3 Business Combinations (Revised)  
FRS 4 Insurance Contracts  
FRS 7 Financial Instruments: Disclosures  
FRS 101 Presentation of Financial Statements (Revised)  
FRS 123 Borrowing Costs  
FRS 127 Consolidated and Separate Financial Statements (Revised)  
FRS 139 Financial Instruments: Recognition and Measurement  
Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate  
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations  
Amendments to FRS 2 Share-based Payment  
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations  
Amendments to FRS 7, FRS 139 and IC Interpretation 9  
Amendments to FRS 132 Financial Instruments: Presentation  
Amendments to FRS 138 Intangible Assets  
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives  
IC Interpretation 9 Reassessment of Embedded Derivatives  
IC Interpretation 10 Interim Financial Reporting and Impairment  
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions  
IC Interpretation 12: Service Concession Arrangements  
IC Interpretation 13 Customer Loyalty Programmes  
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction  
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation  
IC Interpretation 17: Distributions of Non-cash Assets to Owners  
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives  
Amendments to FRSs contained in the document entitled *“Improvements to FRSs (2009)”*  
TR i-3 Presentation of Financial Statements of Islamic Financial Institutions

The adoption of the above FRSs, Amendments to FRSs, IC Interpretations and TR did not have any significant impact on the interim financial statements of the Group other than as stated below:

**(a) FRS 101: Presentation of Financial Statements**

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes of equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item termed as total comprehensive income in the statement of changes in equity. In addition, the revised standard introduces the statement of comprehensive income: It presents all items of income and expense recognised in income statements, together with all other items of recognised income and expense, either in one single statement, or in two link statements. The Group has elected to present in one statement. Comparative information had been re-presented to conform with the revised Standard. New terminologies will replace ‘balance sheet’ with ‘statement of financial position’ and ‘cash flow statement’ with ‘statement of cash flows’.

**(b) Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate**

The amendment to FRS 127 removes the definition of cost method currently set out in FRS 127 and therefore, making the distinction between pre- and post-acquisition profit no longer required. Instead, an entity is required to recognise all dividends from subsidiaries, jointly-controlled entities or associates in its separate financial statements. The Group is applying the amendment prospectively.

**(c) Amendments to FRS 117 Leases**

The amendments remove the specific guidance on classifying leasehold land as operating lease. As such, leases of land will be classified as either finance or operating lease based on the general principle of FRS 117. Consequently, upon initial application, leasehold land where in substance a finance lease have been classified from “prepaid land lease payments” to “property, plant and equipment” and measured as such retrospectively. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment. The reclassification does not have any impact on the financial performance and earnings per share of the Group. The adoption of the Amendments has the following effects on the consolidated statement of financial position as at 30 September 2010 arising from the above change in accounting policy:

	RM
Decrease in prepaid lease payment	14,990,164
Increase in property, plant and equipment	14,300,000
Decrease in revaluation reserve	517,623
Decrease in deferred tax liabilities	172,541
	<u>172,541</u>

**(d) FRS 3: Business Combinations (Revised) and FRS 127: Consolidated and Separate Financial Statements (Revised)**

The revised FRS 3 introduces a number of significant changes to the accounting for business combinations with greater use of fair value. These changes include recognising all acquisition-related costs as expense, measuring any pre-existing interest at fair value and allowing measurement of non-controlling interest (previously known as minority interest) at either fair value or at its proportionate share of the acquiree’s net identifiable assets. The revised FRS 127 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority shareholders to be absorbed by minority shareholders instead of by the parent. The Group is applying the changes of revised FRS 3 and FRS 127 prospectively.

**(e) FRS 139: Financial Instrument: Recognition and Measurement**

FRS 139 establishes principles for recognition and measuring of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The adoption of this Standard does not have significant impact on the financial position and results of the Group. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are as follows:

**Financial assets**

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale (AFS) financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include loans and receivables and AFS financial assets.

***Loans and receivables***

Loans and receivables are measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

***Available-for-sale (AFS) financial assets***

Prior to 1 October 2010, AFS financial assets such as other investment were accounted for at cost less allowance for diminution in value. Under FRS 139, AFS financial asset is measured at fair value initially. Subsequent gains and losses arising from changes in fair value are recognised in other comprehensive income with the exception of impairment losses. When the investment is disposed off or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in the AFS reserve is reclassified to profit or loss.

**Financial liabilities**

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables and loans and borrowings.

The Group has not early adopted the following new and revised FRSs, Amendments to FRSs, IC Interpretations and Technical Releases (“TR”) that are not yet effective in preparing these interim financial statements:

	<b>For financial periods beginning on or after</b>
FRS 124 Related Party Disclosures (Revised)	1 January 2012
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendment to FRS 1)	1 January 2011
Improving Disclosures about Financial Instruments (Amendments to FRS 7)	1 January 2011
Additional Exemptions for First-time Adopters (Amendments to FRS 1)	1 January 2011
Group Cash-settled Share-based Payment Transactions (Amendments to FRS 2)	1 January 2011
Amendments to FRSs contained in the document entitled “ <i>Improvements to FRSs (2010)</i> ”	1 January 2011
IC Interpretation 4 Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 15 Arrangements for the Construction of Real Estate	1 January 2012
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Prepayments of Minimum Funding Requirement (Amendments to IC Interpretation 14)	1 July 2011
TR 3 Guidance on Disclosures of Transition to IFRSs	31 December 2010
TR i-4 Shariah Compliant Sale Contracts	1 January 2011

The adoption of the above FRSs, Amendments to FRSs, IC Interpretations and TR is not expected to have any significant impact on the interim financial statements of the Group except for the following:

***IC Interpretation 15, Agreements for the Construction of Real Estate***

IC Interpretation 15 replaces the existing FRS 2001<sub>2004</sub>, *Property Development Activities* and provides guidance on how to account for revenue and related expenses from sale of real estate before the construction of the real estate is completed. The adoption of IC Interpretation 15 will result in a change in accounting policy which will be applied retrospectively whereby the recognition of revenue from all property development activities of the Group will change from the percentage of completion method to the completed method or upon delivery. The MASB has published a notice of deferment of IC Interpretation 15 from 1 July 2010 to 1 January 2012. The deliberation on the implementation of this interpretation is currently ongoing. Pending the conclusion of the deliberation, the Group is not in a position to disclose the effect of the adoption of this interpretation.

**A2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors have expressed an unqualified opinion on the Company’s statutory financial statements for the financial year ended 30 September 2010 in their report dated 13 January 2011.



**A3. SEASONAL OR CYCLICAL FACTORS**

The Group's operations were not materially affected by seasonal or cyclical factors other than the general effects of the prevailing economic conditions.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and the financial year-to-date.

**A5. CHANGES IN ESTIMATES**

There were no material changes in estimates that have had material effect in the current quarter and the financial year-to-date.

**A6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities except the Bonus Issue of 24,053,204 new Ordinary Shares on the basis of one (1) Bonus Share for every ten (10) existing Shares held as at 5pm on 14 March 2011. The Bonus Issue was completed on 15 March 2011.

**A7. DIVIDEND PAID**

On 28 October 2010, the Company paid the first interim dividend of 5.0 sen less 25% Malaysia income tax per ordinary share of RM1.00 each amounting to RM9,019,962 for the financial year ended 30 September 2010.

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## A8. OPERATING SEGMENTS

### (a) Segment Analysis – Business Segments

Financial period ended 31 March 2011

	Property development & construction RM'000	Hotel & property investment RM'000	Farming, food processing & retail RM'000	Trading RM'000	Manu- facturing RM'000	Plantation RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>										
Total external revenue	62,658	14,398	17,368	25,110	5,750	-	73	794	-	126,151
Inter-segment revenue	-	-	-	136	-	-	4,366	-	(4,502)	-
Total segment revenue	62,658	14,398	17,368	25,246	5,750	-	4,439	794	(4,502)	126,151
<b>Results</b>										
Segment result	6,891	6,119	2,260	1,069	384	(837)	664	544	-	17,094
Interest expense	(4,524)	(901)	(63)	-	-	-	(616)	-	-	(6,104)
Interest income	572	64	-	-	20	16	25	-	-	697
Share of profits of an associate	6,839	-	-	-	-	-	-	-	-	6,839
Segment result	9,778	5,282	2,197	1,069	404	(821)	73	544	-	18,526
Tax expense	-	-	-	-	-	-	-	-	-	(3,961)
Profit for the period										14,565
<b>Assets</b>									Non-current assets held for sale	
Segment assets	484,264	251,348	64,381	17,265	21,273	217,998	4,383	18,037	251	1,079,200
Investment in an associate	31,961	-	-	-	-	-	-	-	-	31,961
Deferred tax assets	-	-	-	-	-	-	-	-	-	10,693
Current tax assets	-	-	-	-	-	-	-	-	-	2,794
Total assets										1,124,648
<b>Liabilities</b>										
Segment liabilities	232,102	38,701	9,709	6,907	1,583	40,135	55,508	1,293	-	385,938
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	45,764
Current tax liabilities	-	-	-	-	-	-	-	-	-	4,226
Total liabilities										435,928
<b>Other segment information</b>										
Depreciation and amortisation	684	460	1,392	12	288	382	10	2	-	3,230
Additions to non-current assets other than financial instruments and deferred tax assets	22,502	308	8,658	16	29	35,814	2	3	-	67,332

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

**A8. OPERATING SEGMENTS (continued)**  
(b) Segment Analysis – Business Segments (continued)

Financial period ended 31 March 2010

	Property development & construction RM'000	Hotel & property investment RM'000	Farming, food processing & retail RM'000	Trading RM'000	Manu- facturing RM'000	Plantation RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eli- minations RM'000	Consolidated RM'000
<b>Revenue</b>										
Total external revenue	105,123	19,056	16,444	10,718	6,377	-	73	149	-	157,940
Inter-segment revenue	994	625	-	29	-	-	4,368	-	(6,016)	-
Total segment revenue	<u>106,117</u>	<u>19,681</u>	<u>16,444</u>	<u>10,747</u>	<u>6,377</u>	<u>-</u>	<u>4,441</u>	<u>149</u>	<u>(6,016)</u>	<u>157,940</u>
<b>Results</b>										
Segment result	11,686	6,376	2,733	701	1,225	(2,379)	(575)	186	-	19,953
Interest expense	(3,287)	(746)	(44)	-	-	-	(174)	-	-	(4,251)
Interest income	101	82	-	-	22	-	4	-	-	209
Share of profits of an associate	3,628	-	-	-	-	-	-	-	-	3,628
Segment result	<u>12,128</u>	<u>5,712</u>	<u>2,689</u>	<u>701</u>	<u>1,247</u>	<u>(2,379)</u>	<u>(745)</u>	<u>186</u>	<u>-</u>	<u>19,539</u>
Tax expense										(4,920)
Profit for the period										<u>14,619</u>
									Non-current assets held for sale	
<b>Assets</b>										
Segment assets	445,271	242,744	50,946	9,303	20,216	150,127	14,769	1,052	8,753	943,181
Investment in an associate	43,250									43,250
Deferred tax assets										9,215
Current tax assets										<u>2,362</u>
Total assets										<u>998,008</u>
<b>Liabilities</b>										
Segment liabilities	199,087	32,552	5,525	1,762	1,672	16,677	28,648	29	-	285,952
Deferred tax liabilities										41,477
Current tax liabilities										<u>4,547</u>
Total liabilities										<u>331,976</u>
<b>Other segment information</b>										
Depreciation and amortisation	686	409	1,041	11	292	902	8	3	-	3,352
Additions to non-current assets other than financial instruments and deferred tax assets	45,627	166	2,252	3	27	32,708	7	-	-	<u>80,790</u>

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

**A8. OPERATING SEGMENTS (continued)**  
 (a) Segment Analysis – Geographical Segments

	Revenue		Non-current assets	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM'000	RM'000	RM'000	RM'000
Malaysia	120,401	151,563	557,495	521,937
The Peoples' Republic of China	5,750	6,377	11,756	11,324
Republic of Indonesia	-	-	195,302	134,928
	<u>126,151</u>	<u>157,940</u>	<u>764,553</u>	<u>668,189</u>

*The non-current assets do not include financial instruments and deferred tax assets.*

**A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of property, plant and equipment have been brought forward without any amendments from the previous audited financial statements.

**A10. MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

The change in the composition of the Group in the current quarter and the financial year-to-date is as follow:-

- (i) On 17 December 2010, the subsidiaries, Detik Merdu Sdn. Bhd. (“DMSB”) and Metro Kajang (Oversea) Sdn. Bhd. (“MKOSB”) incorporated a new subsidiary, PT Nusantara Makmur Jaya (“PTNMJ”) under the Laws of the Republic of Indonesia. PTNMJ will have an issued and paid-up share capital of IDR3,576 million (equivalent to USD400,000) divided into 400,000 shares of IDR8,940 (equivalent to USD1.00) each. DMSB and MKOSB will be holding 99.75% and 0.25% of the paid-up share capital of PTNMJ respectively. As a result, PTNMJ became a wholly-owned subsidiary of the Company.

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## **A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

As at 23 May 2011, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements, the net changes in the contingent liabilities of the Company to financial institutions and suppliers for banking and trade credit facilities granted to subsidiary companies since the preceding financial year ended 30 September 2010 recorded an increase of approximately RM91.2 million. Total credit facilities with corporate guarantees granted to subsidiaries and utilised by subsidiaries as at 23 May 2011 was approximately RM425.8 million and RM290.4 million respectively.

### **OTHER CONTINGENT LIABILITIES**

The Company's subsidiary in Indonesia has on 2 September 2010 received tax assessment letters for value added tax (VAT) amounting to Rp6,388.5 million plus a surcharge penalty of Rp6,388.5 million, totaling Rp12,777 million (equivalent to RM4.3 million) for the period from January to December 2008 from the local tax office arising from the tax audit which denied the subsidiary's input VAT credit. The denial is on the ground that the input VAT incurred for planting activities which produces/sells Fresh Fruit Bunch (FFB) is not creditable. The subsidiary does not agree with the assessment and has filed an objection in view that there was no sale of FFB occurs yet. In addition, the intended principal activity of the subsidiary is to produce and sell crude palm oil. Therefore, no provision was made in the financial statements. As of to-date, the subsidiary is still waiting for the decision from the tax office.

## **A13. CAPITAL COMMITMENTS**

The capital commitment of the Group as at 31 March 2011 is as follows:

	RM'000
Approved, contracted but not provided for:	
- Property, plant and equipment for Livestock farming and Food Processing divisions	3,200
- Property, plant and equipment for Plantation division	25,800
Approved but not contracted for:	
- Biological assets and property, plant and equipment for Plantation division	49,300
	<u>78,300</u>

## **A14. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the current quarter and the financial year-to-date.

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## **ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

### **B1. REVIEW OF PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES FOR:**

#### **(i) Second quarter ended 31 March 2011**

##### **Group**

The Group recorded lower revenue and profit before tax of RM126.2 million and RM18.5 million as compared to the preceding year-to-date of RM157.9 million and RM19.5 million respectively. The decrease in revenue by 20% and profit before tax by 5% was mainly due to lower revenue and profit contribution from the property and construction divisions as a result of lower percentage of recognition on newly launched projects following the completion of certain ongoing projects.

#### **(ii) Financial period ended 31 March 2011 by Segments**

##### **Property and construction**

The property and construction division recorded a decrease in revenue of 40% to RM62.7 million compared to the preceding year-to-date of RM105.1 million. The profit before tax which included the share of after tax profit of an associated company decrease by 19% to RM9.8 million compared to the preceding year-to-date of RM12.1 million mainly due to lower percentage of profit recognition following the completion of certain ongoing projects and the newly launched projects are still at preliminary stage of development. These projects include the followings:

- Hill Park Home Phase 1 & 2 (residential development with an estimated gross development value of RM79.0 million for Phase 1 and RM59.0 million for Phase 2, respectively launched in January 2010/January 2011);
- Sentosa Heights (launched in July 2010, high-end residential development with an estimated gross development value of RM83.0 million);
- Pelangi Semenyih 2 (new township mixed development with an estimated gross development value of RM94.0 million for Phase 1A & 1B and RM40.0 million for Phase 1C, respectively launched in September 2010/December 2010);
- Saville @ Melawati (service apartment and shop-office with an estimated gross development value of RM103.0 million for Phase 1 and RM80.0 million for Phase 2, respectively launched in October 2010/January 2011);
- Areca Residence (launched by the associated company in November 2010, 102 units high-end semi-detached with an estimated gross development value of RM185.0 million); and
- Kajang 2 (launched in December 2010, new township mixed development project with an estimated gross development value of RM73.0 million for Phase 1.

As at 31.3.2011, the Group has locked-in unbilled sales value of RM279.7 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses.

As at 23.5.2011, Hill Park Home Phase 1, Hill Park Home Phase 2, Sentosa Heights, Pelangi Semenyih 2, Saville @ Melawati, Areca Residence and Kajang 2 has achieved 100%, 78%, 48%, 90%, 67%, 81% and 57% take up rate respectively.

##### **Hotel and property investment**

This division recorded lower revenue and profit before tax of RM14.4 million and RM5.3 million as compared to the preceding year-to-date of RM19.1 million and RM5.7 million respectively. The decrease in revenue by 25% was mainly due to the sale of investment properties in the preceding year-to-date of RM5.6 million. The decrease in profit before tax by 7% was mainly due to accrual of refurbishment expenses for the Group's hotel property.

**Livestock farming, food processing and retail**

Despite the higher revenue achieved by this division of RM17.4 million as compared to the preceding year-to-date of RM16.4 million, this division recorded lower profit before tax of RM2.2 million as compared to the preceding year-to-date of RM2.7 million mainly due to lower profit contribution from the retail division which has yet to achieve economies of scale in its overheads.

**Manufacturing**

This division recorded lower revenue and profit before tax of RM5.8 million and RM404,000 as compared to the preceding year-to-date of RM6.4 million and RM1.2 million respectively. The decrease in revenue by 9% and profit before tax by 66% was mainly due to increase in cost of production as a result of an increase in raw material prices and labour costs.

**Trading**

This division recorded higher revenue and profit before tax of RM25.1 million and RM1.1 million as compared to the preceding year-to-date of RM10.7 million and RM701,000 respectively. The increase in revenue by 135% and profit before tax by 57% was mainly due to higher product mixed of low profit margin building materials.

**Plantation**

As at to date, this division has planted approximately 14,600 hectares out of the plantable area of 15,200 hectares (total land area of 15,942.6 hectares) and the Group expects the planting of oil palm trees to be completed by this financial year ending 30 September 2011.

**B2. COMMENT ON MATERIAL CHANGES IN THE PROFIT BEFORE TAX OF THE CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

	<b>2<sup>nd</sup> quarter ended 31.03.2011 RM'000</b>	<b>1<sup>st</sup> quarter ended 31.12.2010 RM'000</b>
Profit Before Tax	10,050	8,476

The profit before tax for the current quarter was higher at RM10.1 million compared to RM8.5 million in the preceding quarter mainly attributable to higher profit contribution from the associated company and the property and construction divisions.

**B3. CURRENT YEAR PROSPECTS**

The Board of Directors is confident that the Group will achieve satisfactory results for the financial year ending 30 September 2011.

**B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

This is not applicable to the Group.

**B5. TAXATION**

The taxation of the Group comprises of the following: -

	<b>Current Quarter 31.03.2011 RM'000</b>	<b>Financial year-to-date 31.03.2011 RM'000</b>
(i) Current taxation		
- Income taxation	3,102	5,452
(ii) Deferred taxation	(850)	(1,491)
	<u>2,252</u>	<u>3,961</u>
(iii) Under provision in prior year	-	-
	<u>2,252</u>	<u>3,961</u>

The effective tax rate applicable to the Group for the financial year-to-date is higher than the statutory rate of taxation as certain expenses were disallowed for tax purposes and non recognition of deferred tax benefits on tax losses suffered by certain subsidiaries.

**B6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no disposals of properties as at 31 March 2011.

**B7. QUOTED INVESTMENTS**

There were no quoted investments as at 31 March 2011.

**B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

There were no corporate proposals announced which is pending completion as at the date of issue of this announcement.

**B9. GROUP BORROWINGS AND DEBT SECURITIES**

The Group's loans and borrowings (including finance lease liabilities) as at 31 March 2011 are as follows: -

	<b>RM'000</b>
Short-term - unsecured	36,411
- secured	35,299
Long-term - secured	212,614
Total	<u>284,324</u>

The Group's borrowings include foreign currency bank borrowings as follows: -

	<b>Denominated in United States Dollar (‘000)</b>	<b>Denominated in Ringgit Malaysia (‘000)</b>
Short-term – secured	1,500	4,536
Long-term – secured	22,000	66,527
Total	<u>23,500</u>	<u>71,063</u>



**B10. DERIVATIVE FINANCIAL INSTRUMENTS**

The Group has no derivative financial instruments as at the date of this report.

**B11. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

The Group has no financial liabilities which are measured at fair value through profit or loss as at the date of this report.

**B12. REALISED AND UNREALISED PROFITS OR LOSSES**

The breakdown of realised and unrealised retained earnings of the Group as at the reporting date is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) dated 25 March 2010 and prepared in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of the retained earnings of the Group is as follows:

	<b>As at 31.03.2011 RM'000</b>	<b>As at 31.12.2010 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
- realised	455,654	472,793
- unrealised	62,011	61,319
	<u>517,665</u>	<u>534,112</u>
Total share of retained earnings from an associate:		
- realised	22,214	19,442
	<u>539,879</u>	<u>553,554</u>
Consolidation adjustments	(132,003)	(129,277)
Total Group retained earnings as per consolidated accounts	<u><u>407,876</u></u>	<u><u>424,277</u></u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

**B13. MATERIAL LITIGATION**

There was no material litigation involving the Group during the current quarter under review.

**B14. DIVIDEND**

The Board of Directors does not recommend any dividend payment for the current quarter ended 31 March 2011.

**B15. EARNINGS PER SHARE (“EPS”)**

	<b>Current year Quarter 31.03.2011 Unaudited</b>	<b>Preceding year Quarter 31.03.2010 Audited</b>	<b>Current year-to- date 31.03.2011 Unaudited</b>	<b>Preceding year-to- date 31.03.2010 Audited</b>
<b>BASIC EPS</b>				
Profit attributable to ordinary equity holders of the parent (RM'000)	<b>7,652</b>	682	<b>14,507</b>	13,983
Weighted average number of ordinary shares ('000)	<b>264,585</b>	240,532	<b>264,585</b>	240,532
<b>BASIC EPS (sen)</b>	<b>2.89</b>	0.26*	<b>5.48</b>	5.28*

\* The preceding year's EPS has been adjusted to effect the Bonus Issue of 24,053,204 new ordinary shares in order to be comparable to current year's EPS.

**DILUTED EPS (sen)**

Not applicable

**B16. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2011.