



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2011**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---|--|--|---|
| | Current Year Quarter 30.09.2011 RM'000 (UNAUDITED) | Preceding Year Corresponding Quarter 30.09.2010 RM'000 (RESTATED) | Current Year-to-Date 30.09.2011 RM'000 (UNAUDITED) | Preceding Year-to-Date 30.09.2010 RM'000 (RESTATED) |
| Revenue | 125,167 | 71,767 | 342,349 | 289,217 |
| Cost of sales | (86,207) | (53,355) | (237,413) | (206,108) |
| Gross profit | 38,960 | 18,412 | 104,936 | 83,109 |
| Other income | 7,703 | 14,520 | 11,284 | 17,004 |
| Distribution expenses | (9,924) | (2,768) | (18,445) | (8,254) |
| Administrative expenses | (11,932) | (7,232) | (42,973) | (38,390) |
| Other expenses | (6,547) | (2,501) | (10,458) | (5,693) |
| Profit from operations | 18,260 | 20,431 | 44,344 | 47,776 |
| Share of profit of an associate | 5,143 | 8 | 15,420 | 3,425 |
| Interest income | 1,653 | 329 | 2,771 | 718 |
| Interest expenses | (4,909) | (3,107) | (14,790) | (10,036) |
| Profit before tax | 20,147 | 17,661 | 47,745 | 41,883 |
| Tax expense | (2,910) | (5,236) | (9,360) | (10,948) |
| Profit for the year | 17,237 | 12,425 | 38,385 | 30,935 |
| Other comprehensive income, net of tax | | | | |
| Foreign exchange translation differences | 5,778 | (7,203) | 10,606 | (8,936) |
| Revaluation surplus on land & buildings | 13,873 | 8,277 | 13,873 | 8,277 |
| Other comprehensive income for the year | 19,651 | 1,074 | 24,479 | (659) |
| Total comprehensive income for the year | 36,888 | 13,499 | 62,864 | 30,276 |
| Profit attributable to: | | | | |
| Owners of the parent | 17,334 | 12,696 | 38,360 | 30,578 |
| Non-controlling interest | (97) | (271) | 25 | 357 |
| | 17,237 | 12,425 | 38,385 | 30,935 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 36,972 | 13,789 | 62,813 | 29,937 |
| Non-controlling interest | (84) | (290) | 51 | 339 |
| | 36,888 | 13,499 | 62,864 | 30,276 |
| Earnings per share | | | | |
| Basic Earnings per ordinary share (sen) | 6.55 | 4.80 | 14.50 | 11.56 |
| Diluted Earnings per ordinary share (sen) | - | - | - | - |
| Proposed/Declared Dividend per share (sen) | - | 5.00 | - | 5.00 |

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 30 SEPTEMBER 2011**

| | (Unaudited) 30.09.2011 RM'000 | (Restated) 30.09.2010 RM'000 |
|--|-------------------------------------|------------------------------------|
| Assets | | |
| Property, plant and equipment | 194,477 | 118,538 |
| Intangible assets | 7,378 | 7,378 |
| Biological assets | 176,497 | 106,896 |
| Prepaid lease payments | 30,470 | 30,775 |
| Investment properties | 216,081 | 206,933 |
| Investment in associate | 38,277 | 25,121 |
| Other investment | - | 88 |
| Land held for property development | 263,564 | 249,301 |
| Deferred tax assets | 14,010 | 9,589 |
| Receivables, deposits and prepayments | 564 | 7,197 |
| Total Non-Current Assets | 941,318 | 761,816 |
| Property development costs | 124,519 | 79,258 |
| Inventories | 18,837 | 16,393 |
| Amount due from customers on contracts | 1,467 | 1,576 |
| Accrued billings | 23,965 | 17,926 |
| Receivables, deposits and prepayments | 105,933 | 73,347 |
| Current tax assets | 1,392 | 2,204 |
| Non-current assets classified as held for sale | - | 251 |
| Cash and cash equivalents | 65,797 | 89,801 |
| Total Current Assets | 341,910 | 280,756 |
| TOTAL ASSETS | 1,283,228 | 1,042,572 |
| Equity | | |
| Share capital | 264,585 | 240,532 |
| Translation reserve | 6,984 | (3,596) |
| Revaluation reserve | 30,672 | 16,799 |
| Retained earnings | 431,966 | 417,422 |
| Equity attributable to Equity holders of the Company | 734,207 | 671,157 |
| Non-Controlling Interest | 506 | 455 |
| Total Equity | 734,713 | 671,612 |
| Liabilities | | |
| Deferred tax liabilities | 48,943 | 46,111 |
| Deferred income | 4,750 | 3,009 |
| Provisions | 1,153 | 391 |
| Loans and borrowings - long-term | 243,990 | 167,384 |
| Total Non-Current Liabilities | 298,836 | 216,895 |
| Provisions | 8,755 | 7,868 |
| Amount due to customers on contracts | 1,355 | 1,212 |
| Dividend payable | - | 9,020 |
| Progress billings | 10,581 | 2,474 |
| Payables, deposits received and accruals | 88,748 | 64,302 |
| Amount owing to landowner | - | 1,763 |
| Loans and borrowings - short-term | 136,836 | 66,124 |
| Current tax liabilities | 3,404 | 1,302 |
| Total Current Liabilities | 249,679 | 154,065 |
| Total Liabilities | 548,515 | 370,960 |
| TOTAL EQUITY AND LIABILITIES | 1,283,228 | 1,042,572 |
| Net Assets per share attributable to shareholders of the Company (RM) | 2.77 | 2.54* |

* 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.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2011**

| Group | < ----- Attributable to owners of the parent ----- > | | | | | | Non-Controlling Interests RM'000 | Total Equity RM'000 |
|---|--|-------------------------|-------------------------------|-------------------------------|---|-----------------|-------------------------------------|------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Translation Reserve RM'000 | Revaluation Reserve RM'000 | Distributable Retained Earnings RM'000 | Total RM'000 | | |
| Financial year ended 30 September 2011 | | | | | | | | |
| At 1.10.2010 | | | | | | | | |
| As previously stated | 240,532 | - | (3,596) | 17,317 | 417,422 | 671,675 | 455 | 672,130 |
| Effect of adopting the amendments to FRS117 | - | - | - | (518) | - | (518) | - | (518) |
| As restated | 240,532 | - | (3,596) | 16,799 | 417,422 | 671,157 | 455 | 671,612 |
| Effect of adopting FRS139 | - | - | - | - | 237 | 237 | - | 237 |
| | 240,532 | - | (3,596) | 16,799 | 417,659 | 671,394 | 455 | 671,849 |
| Total comprehensive income | - | - | 10,580 | 13,873 | 38,360 | 62,813 | 51 | 62,864 |
| Transactions with owners | | | | | | | | |
| Issuance of shares pursuant to Bonus Issue | 24,053 | - | - | - | (24,053) | - | - | - |
| At 30.09.2011 (unaudited) | 264,585 | - | 6,984 | 30,672 | 431,966 | 734,207 | 506 | 734,713 |
| Financial year ended 30 September 2010 | | | | | | | | |
| At 1.10.2009 (audited) | 229,078 | 3,572 | 5,322 | 8,522 | 404,323 | 650,817 | 1,539 | 652,356 |
| Total comprehensive income | - | - | (8,918) | 8,277 | 30,578 | 29,937 | 339 | 30,276 |
| Transactions with owners | | | | | | | | |
| Dilution arising from changes in composition of the Group | - | - | - | - | (577) | (577) | (1,423) | (2,000) |
| Issuance of shares pursuant to Bonus Issue | 11,454 | (3,572) | - | - | (7,882) | - | - | - |
| Dividends | - | - | - | - | (9,020) | (9,020) | - | (9,020) |
| Total transactions with owners | 11,454 | (3,572) | - | - | (17,479) | (9,597) | (1,423) | (11,020) |
| At 30.09.2010 (audited) | 240,532 | - | (3,596) | 16,799 | 417,422 | 671,157 | 455 | 671,612 |

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 FINANCIAL YEAR ENDED 30 SEPTEMBER 2011**

| | (UNAUDITED) 30.09.2011 RM'000 | (AUDITED) 30.09.2010 RM'000 |
|--|-------------------------------------|-----------------------------------|
| Cash Flows From Operating Activities | | |
| Profit before taxation | 47,745 | 41,883 |
| Adjustments for non-cash items | (2,174) | (3,893) |
| Operating profit before changes in working capital | <u>45,571</u> | <u>37,990</u> |
| Net changes in working capital | (21,746) | 36,213 |
| Cash generated from operations | <u>23,825</u> | <u>74,203</u> |
| Interest paid | (15,774) | (10,996) |
| Interest received | 906 | 718 |
| Tax paid | (13,554) | (13,258) |
| Tax refund | 1,131 | 585 |
| Net cash (used in)/from operating activities | <u>(3,466)</u> | <u>51,252</u> |
| Cash Flows From Investing Activities | | |
| Acquisition of additional investment in subsidiaries | - | (2,000) |
| Additions to land held for property development | (40,320) | (70,241) |
| Acquisition of property, plant and equipment | (63,425) | (17,364) |
| Additions to biological assets | (57,835) | (50,771) |
| Acquisition of investment properties | - | (8,261) |
| Dividends received | 2,265 | 31,631 |
| Proceeds from disposal of property, plant and equipment | 531 | 85 |
| Proceeds from disposal of investment properties | 12 | 4,500 |
| Proceeds from disposal of land held for property development | 1,400 | - |
| Proceeds from disposal of non-current assets classified as held for sale | 250 | 18,296 |
| Proceeds from disposal of other investment | 88 | 76 |
| Net cash used in investing activities | <u>(157,034)</u> | <u>(94,049)</u> |
| Cash Flows From Financing Activities | | |
| Dividend paid | (9,020) | (8,590) |
| Payments of finance lease liabilities | 1,230 | (830) |
| Proceeds from Government grant | 1,741 | 1,009 |
| Net drawdown of bank borrowings | 128,053 | 70,255 |
| Net cash from financing activities | <u>122,004</u> | <u>61,844</u> |
| Net (decrease)/increase in cash and cash equivalents | <u>(38,496)</u> | <u>19,047</u> |
| Effect of exchange rate fluctuations | (1,879) | 894 |
| Cash and cash equivalents at beginning of the period | <u>85,635</u> | <u>65,695</u> |
| Cash and cash equivalents at end of the period | <u><u>45,260</u></u> | <u><u>85,636</u></u> |
| Cash and cash equivalents comprises of the following: - | | |
| Cash and bank balances | 28,874 | 44,114 |
| Cash held under housing development accounts | 27,420 | 25,311 |
| Cash held under sinking fund accounts | - | 3 |
| Deposits with licensed banks | 7,775 | 18,442 |
| Short term funds | 1,728 | 1,931 |
| Bank overdrafts | (20,537) | (4,165) |
| | <u>45,260</u> | <u>85,636</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 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
Amendments to FRSs contained in the document entitled “*Improvements to FRSs (2009)*”
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
TR 3 Guidance on Disclosures of Transition to IFRSs
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. In addition, the revised standard introduces the statement of comprehensive income: It presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two link statements. The Company has elected to present this statement as one single statement. New terminologies will replace ‘balance sheet’ with ‘statement of financial position’ and ‘cash flow statement’ with ‘statement of cash flows’.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Company’s objectives, policies and processes for managing capital.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 was adopted retrospectively by the Group.

(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 has applied the amendment prospectively. There is no financial impact on the financial statements of the Group for the current financial year other than changes in accounting policies.

(c) Amendments to FRS 117 Leases

Prior to 1 October 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classified by the Group as operating lease. The amendments to FRS 117 require an entity with existing leases of land and buildings to reassess the classification of land as finance or operating lease based on the general principle of FRS 117.

The Group has reassessed and determined that the long term leasehold land of the Group is in substance a finance lease and has reclassified the leasehold land to property, plant and equipment. The Group has adopted the amendments to FRS 117 retrospectively. The effects on the comparative figures arising from the above change in accounting policy are as follows:

| | RM |
|---|------------|
| At 30 September 2010 | |
| Statement of Financial Position | |
| 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 | 172,540 |
| | 172,540 |

(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 non-controlling interests to be absorbed by minority shareholders instead of by the parent even if the losses exceed the non-controlling interests in the subsidiary's equity. The Group has applied the changes of revised FRS 3 and FRS 127 prospectively. There is no financial impact on the financial statements of the Group for the current financial year other than changes in accounting policies.

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

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 October 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 October 2010. Comparatives are not restated.

On 19 November 2011, MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards) "MFRS Framework" in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework comprises Standards as issued by the International Accounting Standards Board ("IASB") that are effective on 1 January 2012 and new/revised Standards that will be effective after 1 January 2012.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein referred as "Transitioning Entities"). The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual financial period beginning on or after 1 January 2013.

The Group, which is a transitioning entity, elected to continue preparing its financial statements in accordance with the FRS framework for annual financial periods before 1 January 2013. As such, the Group will present its first financial statements in accordance with the MFRS framework for the financial year beginning on 1 January 2013.

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:

| | | For financial periods beginning on or after |
|----------------------|---|--|
| FRS 124 | Related Party Disclosures (Revised) | 1 January 2012 |
| FRS 9 | Financial Instruments | 1 January 2013 |
| FRS 10 | Consolidated Financial Statements | 1 January 2013 |
| FRS 11 | Joint Arrangements | 1 January 2013 |
| FRS 12 | Disclosure of Interests in Other Entities | 1 January 2013 |
| FRS 13 | Fair Value Measurement | 1 January 2013 |
| FRS 119 | Employee Benefits (as amended in November 2011) | 1 January 2013 |
| FRS 127 | Separate Financial Statements (as amended in November 2011) | 1 January 2013 |
| FRS 128 | Investments in Associates and Joint Ventures (as amended in November 2011) | 1 January 2013 |
| | 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 |
| | Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to FRS 1) | 1 January 2013 |
| | Disclosures—Transfers of Financial Assets (Amendments to FRS 7) | 1 January 2013 |
| | Presentation of Items of Other Comprehensive Income (Amendments to FRS 101) | 1 January 2013 |
| | Deferred tax: Recovery of Underlying Assets (Amendments to FRS 112) | 1 January 2013 |
| IC Interpretation 4 | Determining whether an Arrangement contains a Lease | 1 January 2011 |
| IC Interpretation 18 | Transfers of Assets from Customers | 1 January 2011 |
| IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments | 1 July 2011 |
| IC Interpretation 20 | Stripping Costs in the Production Phase of a Surface Mine | 1 January 2013 |
| | Prepayments of Minimum Funding Requirement (Amendments to IC Interpretation 14) | 1 July 2011 |
| TR i-4 | Shariah Compliant Sale Contracts | 1 January 2011 |

The Group is in the midst of assessing the impact arising from the initial adoption of the above FRSs, Amendments to FRSs, IC Interpretations and TR.

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 year ended 30 September 2011 (Unaudited)

| | 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 |
|---|---|---|---|-------------------|------------------------------|----------------------|------------------------------|-------------------------------------|-------------------------------------|------------------------|
| Revenue | | | | | | | | | | |
| Total external revenue | 203,513 | 31,809 | 35,994 | 58,821 | 10,883 | - | 132 | 1,197 | | 342,349 |
| Inter-segment revenue | - | - | - | 159 | - | - | 11,228 | - | (11,387) | - |
| Total segment revenue | 203,513 | 31,809 | 35,994 | 58,980 | 10,883 | - | 11,360 | 1,197 | (11,387) | 342,349 |
| Results | | | | | | | | | | |
| Operating result | 23,505 | 22,367 | 4,399 | 3,500 | 445 | (8,702) | (401) | 348 | (1,117) | 44,344 |
| Interest expense | (11,469) | (2,224) | (105) | (26) | - | (40) | (4,815) | (93) | 3,982 | (14,790) |
| Interest income | 4,111 | 202 | 1 | - | 91 | 44 | 1,185 | 2 | (2,865) | 2,771 |
| Share of profits of an associate | 15,420 | - | - | - | - | - | - | - | - | 15,420 |
| Segment result | 31,567 | 20,345 | 4,295 | 3,474 | 536 | (8,698) | (4,031) | 257 | - | 47,745 |
| Tax expense | | | | | | | | | | (9,360) |
| Profit for the period | | | | | | | | | | 38,385 |
| | | | | | | | | | Non-current assets held for sale | |
| Assets | | | | | | | | | | |
| Segment assets | 530,119 | 253,485 | 82,875 | 20,342 | 23,463 | 296,630 | 4,231 | 18,404 | - | 1,229,549 |
| Investment in an associate | 38,277 | | | | | | | | | 38,277 |
| Deferred tax assets | | | | | | | | | | 14,010 |
| Current tax assets | | | | | | | | | | 1,392 |
| Total assets | | | | | | | | | | 1,283,228 |
| Liabilities | | | | | | | | | | |
| Segment liabilities | 293,142 | 60,352 | 13,215 | 9,686 | 2,126 | 56,039 | 60,254 | 1,354 | - | 496,168 |
| Deferred tax liabilities | | | | | | | | | | 48,943 |
| Current tax liabilities | | | | | | | | | | 3,404 |
| Total liabilities | | | | | | | | | | 548,515 |
| Other segment information | | | | | | | | | | |
| Depreciation and amortisation | 1,332 | 957 | 2,792 | 23 | 563 | 770 | 21 | 6 | - | 6,464 |
| Additions to non-current assets other than financial instruments and deferred tax assets | 42,453 | 1,878 | 12,033 | 19 | 47 | 107,382 | 3 | 3 | - | 163,818 |

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 year ended 30 September 2010 (Restated)

| | 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 |
|---|---|---|---|-------------------|------------------------------|----------------------|------------------------------|-------------------------------------|-------------------------------------|-------------------------|
| Revenue | | | | | | | | | | |
| Total external revenue | 179,664 | 37,048 | 33,356 | 26,184 | 12,012 | - | 146 | 807 | - | 289,217 |
| Inter-segment revenue | 8,175 | - | - | 83 | - | - | 9,686 | - | (17,944) | - |
| Total segment revenue | <u>187,839</u> | <u>37,048</u> | <u>33,356</u> | <u>26,267</u> | <u>12,012</u> | <u>-</u> | <u>9,832</u> | <u>807</u> | <u>(17,944)</u> | <u>289,217</u> |
| Results | | | | | | | | | | |
| Operating result | 23,166 | 20,646 | 5,174 | 1,016 | 1,592 | (4,507) | 404 | 285 | - | 47,776 |
| Interest expense | (7,512) | (1,523) | (87) | 0 | - | (1) | (913) | - | - | (10,036) |
| Interest income | 419 | 112 | 10 | - | 52 | 28 | 20 | 77 | - | 718 |
| Share of profits of an associate | 3,425 | - | - | - | - | - | - | - | - | 3,425 |
| Segment result | <u>19,498</u> | <u>19,235</u> | <u>5,097</u> | <u>1,016</u> | <u>1,644</u> | <u>(4,480)</u> | <u>(489)</u> | <u>362</u> | <u>-</u> | <u>41,883</u> |
| Tax expense | | | | | | | | | | <u>(10,948)</u> |
| Profit for the period | | | | | | | | | | <u><u>30,935</u></u> |
| | | | | | | | | | Non-current assets held for sale | |
| Assets | | | | | | | | | | |
| Segment assets | 455,104 | 252,032 | 58,255 | 11,610 | 21,833 | 175,161 | 16,464 | 14,948 | 251 | 1,005,658 |
| Investment in an associate | 25,121 | | | | | | | | | 25,121 |
| Deferred tax assets | | | | | | | | | | 9,589 |
| Current tax assets | | | | | | | | | | 2,204 |
| Total assets | | | | | | | | | | <u><u>1,042,572</u></u> |
| Liabilities | | | | | | | | | | |
| Segment liabilities | 197,549 | 34,392 | 6,541 | 4,305 | 2,334 | 26,909 | 50,292 | 1,225 | - | 323,547 |
| Deferred tax liabilities | | | | | | | | | | 46,111 |
| Current tax liabilities | | | | | | | | | | 1,302 |
| Total liabilities | | | | | | | | | | <u><u>370,960</u></u> |
| Other segment information | | | | | | | | | | |
| Depreciation and amortisation | 1,382 | 834 | 2,079 | 21 | 574 | 762 | 17 | 6 | - | 5,675 |
| Additions to non-current assets other than financial instruments and deferred tax assets | 72,281 | 8,252 | 4,264 | 5 | 63 | 61,114 | 45 | 3 | - | 146,027 |

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 | |
|--------------------------------|----------------|----------------|--------------------|----------------|
| | 30.09.2011 | 30.09.2010 | 30.09.2011 | 30.09.2010 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | | (Restated) |
| Malaysia | 331,466 | 277,205 | 601,376 | 551,311 |
| The Peoples' Republic of China | 10,883 | 12,012 | 12,440 | 12,033 |
| Republic of Indonesia | - | - | 274,651 | 156,477 |
| | <u>342,349</u> | <u>289,217</u> | <u>888,467</u> | <u>719,821</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 except as disclosed in the consolidated statement of comprehensive income.

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.
- (ii) The wholly-owned subsidiary, SJL Utama Pte. Ltd. (“SJL”) has voluntarily ceased its business operation on 1 July 2009 and has earlier applied to Labuan Financial Services Authority (“LFSA”) for it to be struck off from the register. One 22 November 2011, SJL has received the notice from LFSA that SJL has been struck off from the register of LFSA with effective from 15 November 2011 pursuant to Section 151(4) of the Labuan Companies Act, 1990 and hence, SJL ceased to be the subsidiary of MKH Berhad.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 23 November 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 RM117.5 million. Total credit facilities with corporate guarantees granted to subsidiaries and utilised by subsidiaries as at 18 November 2011 was approximately RM537.1 million and RM316.8 million respectively.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group as at 30 September 2011 is as follows:

| | RM'000 |
|---|---------------|
| Approved, contracted but not provided for: | |
| - Property, plant and equipment for Livestock farming and Food Processing divisions | 600 |
| - Property, plant and equipment for Plantation division | 12,100 |
| Approved but not contracted for: | |
| - Biological assets and property, plant and equipment for Plantation division | 17,500 |
| | <u>30,200</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) Forth quarter ended 30 September 2011

Group

The Group's revenue for the current quarter increased by 74% to RM125.2 million compared to the preceding year corresponding quarter of RM71.8 million. The profit before tax increased by 14% to RM20.1 million compared to the preceding year corresponding quarter of RM17.7 million due principally to higher profit contribution from the associated company and higher percentage of profit recognition of on-going and new projects from the property and construction division. However, the higher profit contribution from the property and construction division was reduced by the higher administrative and other expenses incurred by the plantation division.

(ii) Financial year ended 30 September 2011 by Segments

Property and construction

This division recorded higher revenue and profit before tax of RM203.5 million and RM31.6 million as compared to the preceding year-to-date of RM179.7 million and RM19.5 million respectively. The increase in revenue by 13% and profit before tax by 62% was mainly due to higher profit contribution from the associated company of RM15.4 million compared to the preceding year-to-date of RM3.4 million.

The Group's property and construction division profit before tax excluding the share of after tax profit of associated company was similar to the preceding year-to-date of RM16.1 million due to the Group's newly launched projects during the financial year namely, Pelangi Semenyih 2, Hill Park Home Phase 2, Saville @ Melawati and Kajang 2 were still at the preliminary stage of development.

As at 30.9.2011, the Group has locked-in unbilled sales value of RM370.0 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses.

Hotel and property investment

This division recorded lower revenue of RM31.8 million as compared to the preceding year-to-date of RM37.0 million but higher profit before tax of RM20.3 million as compared to the preceding year-to-date of RM19.2 million respectively. The decrease in revenue by 14% was mainly due to sale of investment properties in the preceding year-to-date of RM5.6 million. The increase in profit before tax by 6% was mainly due to higher gain on changes in fair value of certain investment properties totaling RM9.2 million as compared to the preceding year of RM8.3 million.

Livestock farming, food processing and retail

Despite the higher revenue achieved by this division of RM36.0 million as compared to the preceding year-to-date of RM33.4 million, this division recorded lower profit before tax of RM4.3 million as compared to the preceding year-to-date of RM5.1 million mainly due to lower profit contribution from the farming division as a result of an increase in the cost of production of livestock.

Manufacturing

This division recorded lower revenue and profit before tax of RM10.9 million and RM536,000 as compared to the preceding year-to-date of RM12.0 million and RM1.6 million respectively. The decrease in revenue by 9% and profit before tax by 66% was mainly due to an increase in the cost of production arising from the increase in raw material prices and labour costs.

Trading

This division recorded higher revenue and profit before tax of RM58.8 million and RM3.5 million as compared to the preceding year-to-date of RM26.2 million and RM1.0 million respectively. The increase in revenue by 124% and profit before tax by 250% was mainly due to increase in sales of building materials to the Group's subcontractors.

Plantation

As at to date, this division has planted approximately 14,800 hectares out of the plantable area of 15,200 hectares (total land area of 15,942.6 hectares) representing 97% of the plantable area and the Group expects the commissioning of CPO mill by 4th quarter of 2011.

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

| | 4 th quarter ended 30.09.2011 RM'000 | 3 rd quarter ended 30.06.2011 RM'000 |
|-------------------|---|---|
| Profit Before Tax | 20,147 | 9,072 |

The profit before tax for the current quarter was higher at RM20.1 million compared to RM9.1 million in the preceding quarter mainly attributable to recognition of gain on changes in fair value of certain investment properties totaling RM9.2 million and higher profit contribution from the property and construction division totaling RM7.8 million. However, the total profit contribution from the property and construction division and investment property division was reduced by the plantation division's administrative and other expenses totaling RM6.5 million including the value-added tax penalty of RM2.6 million.

B3. CURRENT YEAR PROSPECTS

The Board of Directors is confident that the Group will achieve satisfactory results for the financial year ending 30 September 2012.

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: -

| | Current Quarter 30.9.2011 RM'000 | Financial year-to-date 30.9.2011 RM'000 |
|-------------------------------|---|--|
| Current taxation | | |
| - income taxation | 6,571 | 15,042 |
| Deferred taxation | (1,797) | (4,054) |
| | <u>4,774</u> | <u>10,988</u> |
| Under provision in prior year | (1,864) | (1,628) |
| | <u><u>2,910</u></u> | <u><u>9,360</u></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 material disposals of properties as at 30 September 2011.

B7. QUOTED INVESTMENTS

There were no quoted investments as at 30 September 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 30 September 2011 are as follows: -

| | | |
|------------|-------------|-----------------------|
| | | RM'000 |
| Short-term | - unsecured | 37,506 |
| | - secured | 99,330 |
| Long-term | - secured | <u>243,990</u> |
| Total | | <u><u>380,826</u></u> |

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

| | | |
|----------------------|---|---|
| | Denominated in United States Dollar (‘000) | Denominated in Ringgit Malaysia (‘000) |
| Short-term – secured | 1,500 | 4,789 |
| Long-term – secured | <u>24,500</u> | <u>78,222</u> |
| Total | <u><u>26,000</u></u> | <u><u>83,011</u></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:

| | As at 30.9.2011 RM'000 | As at 30.6.2011 RM'000 |
|--|---------------------------------------|---------------------------------------|
| Total retained earnings of its subsidiaries | | |
| - realised | 480,246 | 466,921 |
| - unrealised | 65,269 | 56,651 |
| | <u>545,515</u> | <u>523,572</u> |
| Total share of retained earnings from an associate | | |
| - realised | 28,529 | 25,651 |
| | <u>574,044</u> | <u>549,223</u> |
| Less: Consolidation adjustments | (142,078) | (134,828) |
| Total retained earnings of the Group | <u><u>431,966</u></u> | <u><u>414,395</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 is pleased to propose a Final Dividend of 5.0 sen per share less 25% tax per ordinary share of RM1.00 each for the financial year ended 30 September 2011, subject to shareholders’ approval at the forthcoming Annual General Meeting held at a date to be determined later.

B15. EARNINGS PER SHARE (“EPS”)

| | Current year Quarter 30.09.2011 Unaudited | Preceding year Quarter 30.09.2010 Audited | Current year-to- date 30.09.2011 Unaudited | Preceding year-to- date 30.09.2010 Audited |
|---|--|--|---|---|
| BASIC EPS | | | | |
| Profit attributable to ordinary equity holders of the parent (RM'000) | 17,334 | 12,696 | 38,360 | 30,578 |
| Weighted average number of ordinary shares ('000) | 264,585 | 240,532 | 264,585 | 240,532 |
| BASIC EPS (sen) | 6.55 | 4.80* | 14.50 | 11.56* |

* 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 29 November 2011.