



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2013**

	(Unaudited) INDIVIDUAL QUARTER		(Unaudited) CUMULATIVE QUARTER	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Corresponding Quarter 31.12.2012 RM'000	Current Year-to-Date 31.12.2013 RM'000	Preceding Year-to-Date 31.12.2012 RM'000
Revenue	182,495	147,836	182,495	147,836
Cost of sales	(118,164)	(91,547)	(118,164)	(91,547)
Gross profit	64,331	56,289	64,331	56,289
Other income	2,049	1,065	2,049	1,065
Sales and marketing expenses	(4,557)	(5,772)	(4,557)	(5,772)
Administrative expenses	(12,387)	(10,633)	(12,387)	(10,633)
Other expenses	(20,711)	(2,135)	(20,711)	(2,135)
Profit from operations	28,725	38,814	28,725	38,814
Share of profit of an associate	1,009	10,459	1,009	10,459
Interest expenses	(4,734)	(4,017)	(4,734)	(4,017)
Profit before tax	25,000	45,256	25,000	45,256
Tax expense	(6,489)	(9,288)	(6,489)	(9,288)
Profit for the period	18,511	35,968	18,511	35,968
Other comprehensive income				
Foreign exchange translation differences	1,195	(1,480)	1,195	(1,480)
Income tax relating to components of other comprehensive income	-	395	-	395
Other comprehensive income for the period	1,195	(1,085)	1,195	(1,085)
Total comprehensive income for the period	19,706	34,883	19,706	34,883
Profit attributable to:				
Owners of the parent	16,783	34,208	16,783	34,208
Non-controlling interest	1,728	1,760	1,728	1,760
	18,511	35,968	18,511	35,968
Total comprehensive income attributable to:				
Owners of the parent	17,924	33,120	17,924	33,120
Non-controlling interest	1,782	1,763	1,782	1,763
	19,706	34,883	19,706	34,883
Earnings per share				
Basic Earnings per ordinary share (sen) *	4.81	10.00	4.81	10.00
Diluted Earnings per ordinary share (sen)	4.79	10.00	4.75	10.00
Proposed/Declared Dividend per share (sen)	10.00	-	10.00	-

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 31 DECEMBER 2013**

	(Unaudited) 31.12.2013	(Audited) 30.09.2013
<i>Assets</i>	RM'000	RM'000
Property, plant and equipment	166,067	163,292
Intangible assets	4,757	4,931
Biological assets	215,348	217,596
Prepaid lease payments	27,908	28,226
Investment properties	265,272	263,605
Investment in associated companies	28,062	26,652
Land held for property development	496,249	434,758
Deferred tax assets	28,800	29,948
Receivables, deposits and prepayments	4,408	4,483
Total Non-Current Assets	1,236,871	1,173,491
Property development costs	286,201	277,745
Inventories	38,993	42,231
Accrued billings	100,656	125,039
Receivables, deposits and prepayments	130,985	117,799
Current tax assets	2,327	834
Cash and cash equivalents	141,967	122,138
Non-current assets classified as held for sale	1,249	1,249
Total Current Assets	702,378	687,035
TOTAL ASSETS	1,939,249	1,860,526
<i>Equity</i>		
Share capital	349,253	349,253
Share premium	13,915	13,915
Warrant reserve	8,080	8,080
Translation reserve	(1,959)	(3,100)
Revaluation reserve	9,030	9,030
Retained earnings	566,743	576,154
Equity attributable to Equity holders of the Company	945,062	953,332
Non-Controlling Interest	4,376	2,594
Total Equity	949,438	955,926
<i>Liabilities</i>		
Deferred tax liabilities	48,835	49,699
Provisions	2,975	3,102
Loans and borrowings - long-term	480,104	414,772
Payables, deposits received and accruals	102,156	92,806
Total Non-Current Liabilities	634,070	560,379
Provisions	17,151	17,918
Progress billings	20,908	8,067
Payables, deposits received and accruals	179,272	201,804
Loans and borrowings - short-term	131,824	107,165
Current tax liabilities	6,586	9,267
Total Current Liabilities	355,741	344,221
Total Liabilities	989,811	904,600
TOTAL EQUITY AND LIABILITIES	1,939,249	1,860,526
Net Assets per share attributable to shareholders of the Company (RM)	2.71	2.73

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



MKH BERHAD (Company No. 50948-T)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2013**

Group	< ----- Attributable to owners of the parent ----- >							Non-Controlling Interests	Total Equity
	< ----- Non-distributable ----- >			Distributable					
	Share Capital	Share Premium	Warrant Reserve	Translation Reserve	Revaluation Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial period ended 31 December 2013									
At 1.10.2013 (audited)	349,253	13,915	8,080	(3,100)	9,030	576,154	953,332	2,594	955,926
Total comprehensive income for the period	-	-	-	1,141	-	16,783	17,924	1,782	19,706
Transactions with owners									
Dividends	-	-	-	-	-	(26,194)	(26,194)	-	(26,194)
At 31.12.2013 (unaudited)	349,253	13,915	8,080	(1,959)	9,030	566,743	945,062	4,376	949,438
Financial period ended 31 December 2012									
At 1.10.2012 (audited)	291,044	-	-	(16,453)	9,030	513,961	797,582	(1,772)	795,810
Total comprehensive income for the period	-	-	-	(1,088)	-	34,208	33,120	1,763	34,883
Transactions with owners									
Dividends	-	-	-	-	-	-	-	-	-
At 31.12.2012 (unaudited)	291,044	-	-	(17,541)	9,030	548,169	830,702	(9)	830,693

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2013**

	(Unaudited) 31.12.2013 RM'000	(Unaudited) 31.12.2012 RM'000
Cash Flows From Operating Activities		
Profit before taxation	25,000	45,256
Adjustments for non-cash items	27,975	(3,453)
Operating profit before changes in working capital	<u>52,975</u>	<u>41,803</u>
Change in property development costs	(2,445)	8,593
Change in inventories	3,238	(218)
Change in receivables, deposits and prepayments	11,306	17,545
Change in payables and accruals	(5,772)	2,075
Cash generated from operations	<u>59,302</u>	<u>69,798</u>
Interest paid	(7,744)	(4,910)
Interest received	585	515
Tax paid	(10,870)	(9,068)
Tax refund	33	-
Net cash from operating activities	<u>41,306</u>	<u>56,335</u>
Cash Flows From Investing Activities		
Acquisition of a subsidiary company, net of cash acquired	13	-
Additions to investment property	(1,668)	(2,279)
Additions to land held for property development	(66,802)	(3,273)
Acquisition of property, plant and equipment	(8,362)	(4,958)
Additions to biological assets	(4,503)	(8,015)
Subscription of shares in an associate	(400)	-
Proceeds from disposal of property, plant and equipment	-	133
Proceeds from redemption of non-cumulative redeemable preference shares	-	4,797
Net cash used in investing activities	<u>(81,722)</u>	<u>(13,595)</u>
Cash Flows From Financing Activities		
Dividend paid	(26,194)	-
Net drawdown of bank borrowings	84,896	(19,431)
Payments of finance lease liabilities	(773)	(460)
Net cash from/(used in) financing activities	<u>57,929</u>	<u>(19,891)</u>
Net increase/(decrease) in cash and cash equivalents	<u>17,513</u>	<u>22,849</u>
Effect of exchange rate fluctuations	5,823	678
Cash and cash equivalents at beginning of the period	<u>118,631</u>	<u>77,528</u>
Cash and cash equivalents at end of the period	<u>141,967</u>	<u>101,055</u>

The notes on cash and cash equivalents can be referred to paragraph B5 (ii).

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



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 MKH Berhad’s audited financial statements for the financial year ended 30 September 2013.

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 2013 (“Annual Report 2013”) except for the adoption of the following Revised Financial Reporting Standards (“FRSs”) and Amendments/Improvements to FRSs:

New FRSs

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement

Revised FRSs

FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investments in Associates and Joint Ventures

Amendments/Improvements to FRSs

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 7	Financial Instruments: Disclosures
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interest in Other Entities
FRS 101	Presentation of Financial Statements
FRS 116	Property, plant and equipment
FRS 132	Financial Instruments: Presentation
FRS 134	Interim Financial Reporting

New IC Int

IC Int 20	Stripping Costs in the Production Phase of a Surface Mine
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Amendments to IC Int

IC Int 2	Members’ Shares in Co-operative Entities & Similar Instruments
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The adoption of the above new FRSs, revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int did not have any significant effect on the financial statements of the Group.

New FRSs, Amendments/Improvements to FRSs and New IC Int that are issued, but not yet effective and have not been early adopted

The Group have not adopted the following new FRSs, amendments/improvements to FRSs and new IC Int that have been issued as at the date of authorisation of this interim financial statements but are not yet effective for the Group:

		Effective for financial periods beginning on or after
<u>New FRSs</u>		
FRS 9	Financial Instruments	1 January 2015
<u>Amendments/Improvements to FRSs</u>		
FRS 10	Consolidated Financial Statements	1 January 2014
FRS 12	Disclosure of Interests in Other Entities	1 January 2014
FRS 127	Separate Financial Statements	1 January 2014
FRS 132	Financial Instruments: Presentation	1 January 2014
FRS 136	Impairment of Assets	1 January 2014
FRS 139	Financial Instruments: Recognition and measurement	1 January 2014
<u>New IC Int</u>		
IC Int 21	Levies	1 January 2014

The brief discussion on the above significant new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that are applicable to the Group can be referred to the Annual Report 2013. The financial effects of their adoption are currently still being assessed by the Group.

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 2013 in their report dated 6 January 2014

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 in the current quarter and the financial year-to-date.

A7. DIVIDEND PAID

A first interim dividend of 10.0 sen less 25% tax per ordinary share in respect of financial year ended 30 September 2013 amounting to RM26,194,005 was declared on 10 December 2013 and paid on 31 December 2013.

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A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 31 December 2013

	Property development & construction RM'000	Hotel & property investment 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	125,014	7,915	12,401	2,757	34,148	-	260	-	182,495
Inter-segment revenue	10,100	-	1,963	-	-	5,319	-	(17,382)	-
Total segment revenue	135,114	7,915	14,364	2,757	34,148	5,319	260	(17,382)	182,495
Results									
Operating result [#]	26,619	4,224	888	227	(3,701)	1,929	(42)	-2,004	28,140
Interest expense*	(1,887)	(565)	-	-	(3,035)	(1,251)	-	2,004	(4,734)
Interest income**	448	10	-	44	44	38	1	-	585
Share of profits of associates	1,128	(119)	-	-	-	-	-	-	1,009
Segment result	26,308	3,550	888	271	(6,692)	716	(41)	-	25,000
Tax expense									(6,489)
Profit for the period									18,511
Assets									
Segment assets	1,117,887	307,002	18,552	22,713	391,967	7,096	14,843	-	1,880,060
Investment in an associate	27,143	919	-	-	-	-	-	-	28,062
Deferred tax assets									28,800
Current tax assets									2,327
Total assets									1,939,249
Liabilities									
Segment liabilities	475,121	81,310	7,371	2,363	287,589	80,618	18	-	934,390
Deferred tax liabilities									48,835
Current tax liabilities									6,586
Total liabilities									989,811
Other segment information									
Depreciation and amortisation	258	379	3	181	3,319	5	32	-	4,177
Additions to non-current assets other than financial instruments and deferred tax assets	66,848	2,356	28	35	13,123	-	3	-	82,393
* Included inter-company interest expense	-	-	-	-	1,194	-	-	(1,194)	-
** Included inter-company interest income	-	-	-	-	-	-	-	-	-
# Included unrealised foreign exchange loss	-	-	-	-	19,916	-	-	-	19,916
# Included realised foreign exchange loss/(gain)	-	-	-	32	(132)	7	-	-	(93)

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 – Business Segments (continued)

Financial period ended 31 December 2012

	Property development & construction RM'000	Hotel & property investment 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	102,008	7,891	15,249	2,782	19,280	-	626	-	147,836
Inter-segment revenue	-	-	-	-	-	2,192	-	(2,192)	-
Total segment revenue	102,008	7,891	15,249	2,782	19,280	2,192	626	(2,192)	147,836
Results									
Operating result	27,768	4,469	1,213	47	4,715	(303)	355	-	38,264
Interest expense	(2,438)	(632)	-	-	(62)	(885)	-	-	(4,017)
Interest income	416	8	-	103	23	-	-	-	550
Share of profits of associates	10,500	(41)	-	-	-	-	-	-	10,459
Segment result	36,246	3,804	1,213	150	4,676	(1,188)	355	-	45,256
Tax expense									(9,288)
Profit for the period									35,968
Assets									
Segment assets	696,701	279,977	18,884	21,539	380,636	2,796	25,936	-	1,426,469
Investment in an associate	55,921	92	-	-	-	-	-	-	56,013
Deferred tax assets									21,357
Current tax assets									1,865
Total assets									1,505,704
Liabilities									
Segment liabilities	312,825	67,918	6,729	2,058	113,097	150,298	34	-	652,959
Deferred tax liabilities									15,575
Current tax liabilities									6,477
Total liabilities									675,011
Other segment information									
Depreciation and amortisation	275	341	5	100	2,316	5	32	-	3,074
Additions to non-current assets other than financial instruments and deferred tax assets	3,688	2,529	-	27	12,590	-	1	-	18,835
* Included inter-company interest expense	-	-	-	-	-	-	-	-	-
** Included inter-company interest income	-	-	-	-	-	-	-	-	-
# Included unrealised foreign exchange loss	-	-	-	99	701	-	-	-	800
# Included realised foreign exchange loss/(gain)	-	-	-	-	557	(100)	-	-	457

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 – Geographical Segments

	Revenue		Non-current assets	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	145,590	125,774	813,120	556,284
The Peoples' Republic of China	2,757	2,782	12,470	12,330
Republic of Indonesia	34,148	19,280	352,387	354,984
	<u>182,495</u>	<u>147,836</u>	<u>1,177,977</u>	<u>923,598</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

There were no changes in the composition of the Group in the current quarter and the financial year-to-date except on 21 October 2013, the Company has acquired 2 ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Petik Mekar Sdn Bhd ("PMSB"), for a cash consideration of RM2. As a result, PMSB became a wholly-owned subsidiary of the Company.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 21 February 2014, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report, 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 2013 recorded an increase of approximately RM83.2 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 21 February 2014 was approximately RM862.4 million and RM620.2 million respectively.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 31.12.2013 RM'000
Approved, contracted but not provided for:	
- Investment property for hotel and property investment division	3,000
- Property, plant and equipment for plantation division	14,600
	<u>17,600</u>

A14. RELATED PARTY TRANSACTIONS

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

	Current Quarter 31.12.2013 RM'000	Financial Year-to-Date 31.12.2013 RM'000
Sales of development properties to:		
-Other key management personnel of the Group	<u>1,065</u>	<u>1,065</u>

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

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

(i) First quarter ended 31 December 2013

The Group recorded higher revenue for the current quarter of RM182.5 million as compared to the preceding year correspondence quarter of RM147.8 million. The increase in the Group's revenue by 23% was mainly contributed by the plantation division arising from its increase in sales of crude palm oil ("CPO") and palm kernel and the property and construction division from the on-going development projects.

The Group recorded lower profit before tax for the current quarter of RM25.0 million as compared to the preceding year correspondence quarter of RM45.3 million due to inclusion of unrealised foreign exchange losses totaling RM19.9 million in the current quarter as compared to the preceding year correspondence quarter of RM0.8 million. The unrealised foreign exchange losses was mainly resulted from the weakening of Indonesia Rupiah ("Rupiah") against the United State Dollar ("USD") and the Malaysian Ringgit ("RM") from Plantation division's USD and RM borrowings.

The profit before tax excluding the unrealised foreign exchange losses amounted to RM44.9 million for the current quarter which was slightly lower than the preceding year corresponding quarter profit before tax of RM46.1 million. The lower share of profits from associates of RM1.0 million in the current quarter as compared to the preceding year correspondence quarter of RM10.5 million was mitigated by the increase in profit contribution from the plantation division.

The breakdown of foreign exchange losses by segments can be referred to paragraph A8.

The performance commentary by Segments as follows:

Property and construction

This division recorded higher revenue of RM125.0 million for the current quarter as compared to the preceding year correspondence quarter of RM102.0 million. The increase in revenue was mainly due to higher percentage of revenue recognition of on-going development projects namely, Pelangi Semenyih 2, Hill Park Home, Saville @ Melawati, Pelangi Seri Alam, Saville@the Park, Bangsar, Mewah 9 Residence, Kajang 2 and MKH Boulevard. The profit before tax for the current quarter of RM26.3 million was lower than the preceding year correspondence quarter of RM36.2 million mainly due to lower share of profit of associates of RM1.1 million in the current quarter as compared to the preceding year correspondence quarter of RM10.5 million following the completion of the final phase project known as Laman Rimbunan at Kepong. Nevertheless, we are expecting the profit contribution from this division remain encouraging in view of the strong unbilled sales and the newly lauched projects namely, Hill Park Shah Alam, Pelangi Heights and Kajang East still at preliminary stage of development.

As at 31.12.2013, the Group has locked-in unbilled sales value of RM513.9 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 revenue and profit before tax of RM7.9 million and RM3.6 million as compared to the preceding year correspondence quarter of RM7.9 million and RM3.8 million respectively.

Trading

This division recorded lower revenue and profit before tax of RM12.4 million and RM0.9 million for the current quarter as compared to the preceding year correspondence quarter of RM15.2 million and RM1.2 million respectively.

Manufacturing

This division recorded revenue and profit before tax of RM2.8 million and RM0.3 million for the current quarter which is similar to the preceding year correspondence quarter.

Plantation

Despite the higher revenue from the sale of CPO and palm kernel of RM34.1 million for the current quarter as compared to the preceding year correspondence quarter of RM19.3 million, this division recorded loss before tax of RM6.7 million for the current quarter as compared to the preceding year correspondence quarter profit before tax of RM4.7 million. The loss before tax of RM6.7 million for the current quarter was mainly derived after charging unrealised foreign exchange losses totaling RM19.9 million. The unrealised foreign exchange losses were mainly due to weakening of Rupiah against the USD and the RM from its USD and RM borrowings. The profit before tax excluding the unrealised foreign exchange losses for the current quarter amounted to RM13.2 million as compared to the preceding year correspondence quarter profit before tax after excluding unrealised foreign exchange losses of RM5.4 million.

Investment holding

This division revenue and profit before tax/(loss before tax) were mainly derived from the inter-group transactions on management fee and interest billings and charging which were eliminated at the Group level.

(ii) Financial year-to-date ended 31 December 2013 by Segments

The performance commentary for the financial year-to-date and the preceding year-to-date is same as paragraph B1 (i) above.

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

	1st Quarter ended 31.12.2013 RM'000	4th Quarter ended 30.9.2013 RM'000
Profit before tax	<u>25,000</u>	<u>26,580</u>

The profit before tax for the current quarter of RM25.0 million was lower compared to preceding quarter of RM26.6 million. The decrease in profit before tax was mainly due to lower profit contribution from the property and construction division arising from the timing of construction of the Group's ongoing projects, which determines the percentage recognition of revenue and profits.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

This is not applicable to the Group.

B4. CURRENT YEAR PROSPECTS

The Board of Directors expect the Group to achieve satisfactory results for the financial year ending 30 September 2014 arising from the profit recognition of the ongoing projects that have been launched and sales locked-in in the previous financial years by the property and construction division and the profit contribution from the plantation as more palms are entering into maturity stage in the current financial year.

B5. (i) PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

The profit before tax of the Group from continuing operations is arrived at after (charging)/crediting:

	Current Quarter 31.12.2013 RM'000	Financial year-to-date 31.12.2013 RM'000
Amortization of prepaid lease payments	(194)	(194)
Amortization of biological assets	(1,768)	(1,768)
Depreciation of property, plant and equipment	(2,215)	(2,215)
Impairment loss on:		
- receivables	(33)	(33)
Interest expense	(4,734)	(4,734)
Net gain/(loss) on foreign exchange:		
- realised	93	93
- unrealised	(19,916)	(19,916)
Interest income	585	585
Bad debts recovered	41	41
	<u>41</u>	<u>41</u>

(ii) CASH AND CASH EQUIVALENTS

The cash and cash equivalents at end of the period comprise of the following:

	(Unaudited) 31.12.2013 RM'000	(Unaudited) 31.12.2012 RM'000
Cash and bank balances	61,609	32,191
Cash held under housing development accounts	72,346	87,821
Deposits with licensed banks	8,012	5,554
Short term funds	-	1,111
Bank overdrafts	-	(25,622)
	<u>141,967</u>	<u>101,055</u>

B6. TAX EXPENSE

The taxation of the Group from continuing operations comprises of the following: -

	Current Quarter 31.12.2013 RM'000	Financial Year-to-Date 31.12.2013 RM'000
Current taxation		
- income taxation	6,662	6,662
- deferred taxation	(173)	(173)
	<u>6,489</u>	<u>6,489</u>
Under provision in prior year	-	-
	<u><u>6,489</u></u>	<u><u>6,489</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.

B7. 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 loans and borrowings (including finance lease liabilities) of the Group from continuing operations are as follows: -

	As at 31.12.2013 RM'000
Short-term - unsecured	12,250
Short-term - secured	119,574
Long-term - unsecured	5,511
Long-term - secured	474,593
	<u>611,928</u>

The Group's loans and borrowings from continuing operations include foreign currency bank borrowings as follows:

	Denominated in United States Dollar USD'000	Denominated in Ringgit Malaysia RM'000
Long-term - secured	80,500	265,105
	<u>80,500</u>	<u>265,105</u>

B10. MATERIAL LITIGATION

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

B11. DIVIDEND

The Board of Directors does not recommend any dividend payment for the current quarter ended 31 December 2013 except a first interim dividend of 10.0 sen less 25% tax per ordinary share in respect of financial year ended 30 September 2013 amounting to RM26,194,005 was declared on 10 December 2013 and paid on 31 December 2013.

B12. EARNINGS PER SHARE (“EPS”)

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	16,783	34,208	16,783	34,208
Weighted average number of ordinary shares ('000)				
At 1 October 2013/2012	349,253	291,044	349,253	291,044
Bonus issue and Right issue	-	51,019	-	51,019
At 31 December 2013/2012	349,253	342,063	349,253	342,063
BASIC EPS (sen)	4.81	10.00	4.81	10.00

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	(unaudited)	(audited)	(unaudited)	(audited)
DILUTED EPS				
Profit attributable to Owners of the parent (RM'000)	16,783	34,208	16,783	34,208
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	349,253	342,063	349,253	342,063
Effect of dilution: warrants ('000)	1,024	-	4,063	-
At 31 December 2013/2012	350,277	342,063	353,316	342,063
DILUTED EPS (sen)	4.79	10.00	4.75	10.00

B13. REALISED AND UNREALISED PROFITS OR LOSSES

The following analysis 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.

The retained earnings of the Group is analysed as follows:

	As at 31.12.2013 RM'000	(Audited) As at 30.09.2013 RM'000
Total retained earnings of its subsidiaries		
- realised	597,924	598,600
- unrealised	91,610	73,372
	<u>689,534</u>	<u>671,972</u>
Total share of retained earnings from an associate		
- realised	24,412	23,402
	<u>713,946</u>	<u>695,374</u>
Less: Consolidation adjustments	(147,203)	(119,220)
Total retained earnings of the Group	<u><u>566,743</u></u>	<u><u>576,154</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.

B14. AUTHORISATION FOR ISSUE

The interim Financial Report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 February 2014.