



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2014**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 31.12.2014 RM'000	(Unaudited) Preceding Year Corresponding Quarter 31.12.2013 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 31.12.2014 RM'000	(Unaudited) Preceding Year-to-Date 31.12.2013 RM'000
Revenue	207,634	182,495	207,634	182,495
Cost of sales	(134,402)	(118,164)	(134,402)	(118,164)
Gross profit	73,232	64,331	73,232	64,331
Other income	2,867	2,049	2,867	2,049
Sales and marketing expenses	(6,105)	(4,557)	(6,105)	(4,557)
Administrative expenses	(15,197)	(12,387)	(15,197)	(12,387)
Other expenses	(801)	(20,711)	(801)	(20,711)
Profit from operations	53,996	28,725	53,996	28,725
Share of profit of an associate	347	1,009	347	1,009
Interest expenses	(7,709)	(4,734)	(7,709)	(4,734)
Profit before tax	46,634	25,000	46,634	25,000
Tax expense	(11,291)	(6,489)	(11,291)	(6,489)
Profit for the period	35,343	18,511	35,343	18,511
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	862	1,195	862	1,195
Income tax relating to components of other comprehensive income	-	-	-	-
Other comprehensive income for the period	862	1,195	862	1,195
Total comprehensive income for the period	36,205	19,706	36,205	19,706
Profit attributable to:				
Owners of the parent	30,129	16,783	30,129	16,783
Non-controlling interest	5,214	1,728	5,214	1,728
	35,343	18,511	35,343	18,511
Total comprehensive income attributable to:				
Owners of the parent	30,975	17,924	30,975	17,924
Non-controlling interest	5,230	1,782	5,230	1,782
	36,205	19,706	36,205	19,706
Earnings per share				
Basic Earnings per ordinary share (sen)	7.18	4.00	7.18	4.00
Diluted Earnings per ordinary share (sen)	7.13	3.99	6.97	3.96
Proposed/Declared Dividend per share (sen)	8.00*	10.00	8.00*	10.00

* Single tier dividend

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 2014 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 2014**

	(Unaudited) 31.12.2014	(Audited) 30.09.2014
<i>Assets</i>	RM'000	RM'000
Property, plant and equipment	178,800	173,841
Intangible assets	4,964	4,758
Biological assets	234,017	223,923
Prepaid lease payments	27,466	27,342
Investment properties	299,443	299,443
Investment in associated companies	12,783	12,436
Land held for property development	524,837	510,794
Deferred tax assets	21,861	20,552
Receivables, deposits and prepayments	2,696	2,524
Total Non-Current Assets	1,306,867	1,275,613
Property development costs	378,238	346,013
Inventories	31,251	38,129
Accrued billings	79,784	126,353
Receivables, deposits and prepayments	139,071	156,889
Current tax assets	5,647	3,969
Cash, bank balances, term deposits and fixed income funds	269,755	196,091
Total Current Assets	903,746	867,444
TOTAL ASSETS	2,210,613	2,143,057
<i>Equity</i>		
Share capital	419,407	419,394
Share premium	15	1
Warrant reserve	8,009	8,012
Translation reserve	(300)	(1,146)
Revaluation reserve	12,100	12,100
Retained earnings	592,721	596,144
Equity attributable to Equity holders of the Company	1,031,952	1,034,505
Non-Controlling Interest	28,430	23,162
Total Equity	1,060,382	1,057,667
<i>Liabilities</i>		
Deferred tax liabilities	54,494	49,829
Provisions	5,809	4,713
Loans and borrowings - long-term	473,015	415,742
Payables, deposits received and accruals	104,392	122,069
Total Non-Current Liabilities	637,710	592,353
Provisions	19,596	19,596
Progress billings	29,001	31,235
Payables, deposits received and accruals	255,527	244,644
Loans and borrowings - short-term	204,012	192,068
Current tax liabilities	4,385	5,494
Total Current Liabilities	512,521	493,037
Total Liabilities	1,150,231	1,085,390
TOTAL EQUITY AND LIABILITIES	2,210,613	2,143,057
Net Assets per share attributable to shareholders of the Company (RM)	2.46	2.47

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 2014 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 2014**

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	RM'000	RM'000
Financial period ended 31 December 2014									
At 1.10.2014 (audited)	419,394	1	8,012	(1,146)	12,100	596,144	1,034,505	23,162	1,057,667
Total comprehensive income for the period	-	-	-	846	-	30,129	30,975	5,230	36,205
Transactions with owners									
Issuance of shares pursuant to									
- Warrants	13	14	(3)	-	-	-	24	-	24
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	38	38
Dividends	-	-	-	-	-	(33,552)	(33,552)	-	(33,552)
At 31.12.2014 (unaudited)	419,407	15	8,009	(300)	12,100	592,721	1,031,952	28,430	1,060,382
Financial period ended 31 December 2013									
At 1.10.2013 (audited)	349,253	13,915	8,080	(3,100)	12,100	573,084	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)	12,100	563,673	945,062	4,376	949,438

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 2014 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 2014**

	(Unaudited) 31.12.2014 RM'000	(Unaudited) 31.12.2013 RM'000
Cash Flows From Operating Activities		
Profit before tax	46,634	25,000
Adjustments for non-cash items	12,744	27,975
Operating profit before changes in working capital	<u>59,378</u>	<u>52,975</u>
Change in property development costs	(28,501)	(2,445)
Change in inventories	6,878	3,238
Change in receivables, deposits and prepayments	64,218	11,306
Change in payables and accruals	(8,810)	(5,772)
Cash generated from operations	<u>93,163</u>	<u>59,302</u>
Interest paid	(8,415)	(7,744)
Interest received	1,175	585
Tax paid	(10,577)	(10,870)
Tax refund	-	33
Net cash from operating activities	<u>75,346</u>	<u>41,306</u>
Cash Flows From Investing Activities		
Acquisition of a subsidiary company, net of cash acquired	-	13
Additions to investment property	-	(1,668)
Additions to land held for property development	(17,562)	(66,802)
Acquisition of property, plant and equipment	(1,295)	(8,362)
Additions to biological assets	(1,942)	(4,503)
Subscription of shares in an associate	-	(400)
Placement of deposits with licensed banks	(2,503)	(669)
Net cash used in investing activities	<u>(23,302)</u>	<u>(82,391)</u>
Cash Flows From Financing Activities		
Dividend paid	(33,552)	(26,194)
Net drawdown of bank borrowings	41,666	84,896
Payments of finance lease liabilities	(1,322)	(773)
Proceeds from issuance of shares by a subsidiary to minority shareholder	38	-
Proceeds from issuance of shares	24	-
Net cash from financing activities	<u>6,854</u>	<u>57,929</u>
Net increase in cash and cash equivalents	<u>58,898</u>	<u>16,844</u>
Effect of exchange rate fluctuations	7,292	5,823
Cash and cash equivalents at beginning of the period	<u>184,758</u>	<u>113,280</u>
Cash and cash equivalents at end of the period	<u>250,948</u>	<u>135,947</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 2014 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 2014.

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 2014 (“Annual Report 2014”) except for the adoption of the following Revised Financial Reporting Standards (“FRSs”) and Amendments/Improvements to FRSs:

Amendments/Improvements to FRSs

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 8	Operating Segments
FRS 10	Consolidated Financial Statements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 116	Property, Plant and Equipment
FRS 119	Employee Benefits
FRS 124	Related Party Disclosures
FRS 127	Separate Financial Statements
FRS 132	Financial Instruments: Presentation
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 139	Financial Instruments: Recognition and Measurement
FRS 140	Investment Property

New IC Int

IC Int 21	Levies
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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 2018
FRS 14	Regulatory Deferred Accounts	1 January 2016
<u>Amendments/Improvements to FRSs</u>		
FRS 5	Non-current Assets Held for Sale and Discontinued Operation	1 January 2016
FRS 7	Financial Instruments: Disclosures	1 January 2016
FRS 10	Consolidated Financial Statements	1 January 2016
FRS 11	Joint Arrangements	1 January 2016
FRS 12	Disclosure of Interests in Other Entities	1 January 2016
FRS 101	Investments in Associates and Joint Ventures	1 January 2016
FRS 116	Property, Plant and Equipment	1 January 2016
FRS 119	Employee Benefits	1 January 2016
FRS 127	Separate Financial Statements	1 January 2016
FRS 128	Investment in Associates and Joint Ventures	1 January 2016
FRS 134	Interim Financial Reporting	1 January 2016
FRS 138	Intangible Assets	1 January 2016

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 2014. 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 2014 in their report dated 30 December 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 single tier dividend of 8.0 sen per ordinary share in respect of financial year ended 30 September 2014 amounting to RM33,551,728 was declared on 10 October 2014 and paid on 11 November 2014.

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A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 31 December 2014

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	118,922	62,416	8,721	14,805	2,483	-	287	-	207,634
Inter-segment revenue	-	-	-	16	-	3,504	-	(3,520)	-
Total segment revenue	118,922	62,416	8,721	14,821	2,483	3,504	287	(3,520)	207,634
Results									
Operating result [#]	27,007	19,322	4,502	1,488	250	3,240	(127)	(2,861)	52,821
Interest expense*	(1,542)	(6,458)	(515)	-	-	(2,055)	-	2,861	(7,709)
Interest income**	584	548	17	-	11	14	1	-	1,175
Share of profits of associates	589	-	(242)	-	-	-	-	-	347
Segment result	26,638	13,412	3,762	1,488	261	1,199	(126)	-	46,634
Tax expense									(11,291)
Profit for the period									35,343
Assets									
Segment assets	1,268,802	472,203	342,776	23,082	24,879	21,698	16,882	-	2,170,322
Investment in an associate	12,135	-	648	-	-	-	-	-	12,783
Deferred tax assets									21,861
Current tax assets									5,647
Total assets									2,210,613
Liabilities									
Segment liabilities	557,549	327,071	69,134	7,969	2,204	126,248	1,177	-	1,091,352
Deferred tax liabilities									54,494
Current tax liabilities									4,385
Total liabilities									1,150,231
Other segment information									
Depreciation and amortisation	(42)	5,405	433	5	110	4	32	-	5,947
Additions to non-current assets other than financial instruments and deferred tax assets	17,714	4,197	417	4	20	-	5	-	22,357
* Included inter-company interest expense	-	2,832	-	-	-	-	-	(2,832)	-
** Included inter-company interest income	-	-	-	-	-	-	-	-	-
# Included unrealised foreign exchange gains	-	(302)	-	-	-	-	-	-	(302)
# Included realised foreign exchange losses/(gains)	-	(184)	-	1	(1)	(673)	-	-	(857)

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 2013

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
Revenue									
Total external revenue	125,014	34,148	7,915	12,401	2,757	-	260	-	182,495
Inter-segment revenue	10,100	-	-	1,963	-	5,319	-	(17,382)	-
Total segment revenue	135,114	34,148	7,915	14,364	2,757	5,319	260	(17,382)	182,495
Results									
Operating result	26,619	(3,701)	4,224	888	227	1,929	(42)	(2,004)	28,140
Interest expense	(1,887)	(3,035)	(565)	-	-	(1,251)	-	2,004	(4,734)
Interest income	448	44	10	-	44	38	1	-	585
Share of profits of associates	1,128	-	(119)	-	-	-	-	-	1,009
Segment result	26,308	(6,692)	3,550	888	271	716	(41)	-	25,000
Tax expense									(6,489)
Profit for the period									18,511
Assets									
Segment assets	1,117,887	391,967	307,002	18,552	22,713	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	473,988	287,589	68,584	7,371	2,363	93,344	1,151	-	934,390
Deferred tax liabilities									48,835
Current tax liabilities									6,586
Total liabilities									989,811
Other segment information									
Depreciation and amortisation	258	3,319	379	3	181	5	32	-	4,177
Additions to non-current assets other than financial instruments and deferred tax assets	66,848	13,123	2,356	28	35	-	3	-	82,393
* Included inter-company interest expense	-	1,194	-	-	-	-	-	(1,194)	-
** Included inter-company interest income	-	-	-	-	-	-	-	-	-
# Included unrealised foreign exchange losses	-	19,916	-	-	-	-	-	-	19,916
# Included realised foreign exchange losses/(gains)	-	(132)	-	-	32	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)
 (b) Segment Analysis – Geographical Segments

	Revenue		Non-current assets	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	142,735	145,590	873,434	813,120
The Peoples' Republic of China	2,483	2,757	12,973	12,470
Republic of Indonesia	62,416	34,148	383,120	352,387
	<u>207,634</u>	<u>182,495</u>	<u>1,269,527</u>	<u>1,177,977</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.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 4 February 2015, 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 2014 recorded an increase of approximately RM91.6 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 4 February 2015 was approximately RM1.0 billion and RM709.8 million respectively.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 31.12.2014 RM'000
Approved, contracted but not provided for:	
- Property, plant and equipment for plantation division	3,010
Approved but not contracted and not provided for:	
- Property, plant and equipment for plantation division	<u>6,800</u>
	<u><u>9,810</u></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 GROUP FOR:

(i) First quarter ended 31 December 2014

The Group recorded higher revenue and profit before tax for the current quarter of RM207.6 million and RM46.6 million as compared to the preceding year correspondence quarter of RM182.5 million and RM25.0 million respectively. The increase in the Group's revenue by 14% and profit before tax by 86% was mainly contributed by the property and construction division from its on-going development projects and the plantation division arising from its increase in sales of crude palm oil ("CPO") and palm kernel.

The significant increase in the Group's profit before tax was mainly due to the inclusion of unrealised foreign exchange gains of RM0.3 million in the current quarter as compared to unrealised foreign exchange losses of RM19.9 million in the preceding year corresponding quarter from the Plantation division.

The breakdown of the unrealised foreign exchange gains/losses by segments can be referred to paragraph A8.

The performance commentary by Segments as follows:

Property and construction

Despite the lower revenue of RM118.9 million for the current quarter as compared to the preceding year correspondence quarter of RM125.0 million, this division recorded an increase in profit before tax of RM26.6 million for the current quarter as compared to the preceding year correspondence quarter of RM26.3 million following the higher profit recognition from the ongoing projects, namely Hill Park Shah Alam, Pelangi Heights, Kajang East, MKH Avenue and MKH Boulevard.

As at 31.12.2014, the Group has locked-in unbilled sales value of RM801.3 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses.

Plantation

This division recorded higher revenue and profit before tax of RM62.4 million and RM13.4 million respectively for the current quarter as compared to the preceding year correspondence quarter of RM34.1 million and loss before tax of RM6.7 million.

The turnaround from loss before tax to profit before tax was mainly due to higher revenue and gross profit coupled with turnaround from unrealised foreign exchange losses of RM19.9 million in preceding year correspondence quarter to unrealised foreign exchange gains of RM0.3 million in the current quarter. The unrealised foreign exchange gains were mainly due to strengthening of Indonesia Rupiah against Ringgit Malaysia ("RM") from its RM borrowing versus the weakening of Indonesia Rupiah against United States Dollar ("USD") from its USD borrowing.

Hotel and property investment

This division recorded higher revenue and profit before tax of RM8.7 million and RM3.8 million as compared to the preceding year correspondence quarter of RM7.9 million and RM3.6 million respectively.

Trading

This division recorded higher revenue and profit before tax of RM14.8 million and RM1.5 million for the current quarter as compared to the preceding year correspondence quarter of RM12.4 million and RM0.9 million respectively.

Manufacturing

Despite the lower revenue of RM2.5 million for the current quarter as compared to the preceding year correspondence quarter of RM2.7 million, this division maintained the profit before tax of RM0.3 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 2014 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 31.12.2014 RM'000	4th Quarter ended 30.9.2014 RM'000
Profit before tax	<u>46,634</u>	<u>41,484</u>

The profit before tax for the current quarter of RM46.6 million was higher compared to preceding quarter of RM41.5 million. The increase was mainly due to inclusion of unrealised foreign exchange gains in the current quarter of RM0.3 million as compared to unrealised foreign exchange losses in the preceding quarter of RM5.7 million. In addition, the absent of gain on changes in fair value of investment properties of RM22.2 million in the current quarter as compared to the preceding quarter was partially contributed by the increase in profit from the property and construction divisions following the higher profit recognition from the ongoing projects.

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 2015 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 31.12.2014 RM'000	Financial year-to-date 31.12.2014 RM'000
Amortization of prepaid lease payments	(196)	(196)
Amortization of biological assets	(2,672)	(2,672)
Depreciation of property, plant and equipment	(3,079)	(3,079)
Interest expense	(7,709)	(7,709)
Net gain/(loss) on foreign exchange:		
- realised	857	857
- unrealised	302	302
Interest income	<u>1,175</u>	<u>1,175</u>

(ii) CASH AND CASH EQUIVALENTS

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

	(Unaudited) 31.12.2014 RM'000	(Unaudited) 31.12.2013 RM'000
Cash and bank balances	95,165	61,609
Cash held under housing development accounts	112,477	72,346
Cash held under sinking fund accounts	7	-
Deposits with licensed banks	57,184	8,012
Short term funds	4,922	-
Bank overdrafts	<u>(5,701)</u>	<u>-</u>
	264,054	141,967
Less: Non short term and highly liquid fixed deposits	<u>(13,106)</u>	<u>(6,020)</u>
	<u>250,948</u>	<u>135,947</u>

B6. TAX EXPENSE

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

	Current Quarter 31.12.2014 RM'000	Financial Year-to-Date 31.12.2014 RM'000
Current taxation		
- income taxation	7,789	7,789
- deferred taxation	3,502	3,502
	<u>11,291</u>	<u>11,291</u>
Under provision in prior year	-	-
	<u>11,291</u>	<u>11,291</u>

The effective tax rate applicable to the Group for the financial year-to-date is lower than the statutory rate of taxation as the rate of deferred taxation is at 24% following the Budget Speech 2014 that domestic corporate tax rate would be reduced to 24% with effect from the year of assessment 2016.

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 31.12.2014 RM'000
Short-term - unsecured	67,442
Short-term - secured	136,570
Long-term - unsecured	2,250
Long-term - secured	470,765
	<u>677,027</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	85,000	295,692
	<u>85,000</u>	<u>295,692</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 2014 except a first interim single tier dividend of 8.0 sen per ordinary share in respect of financial year ended 30 September 2014 amounting to RM33,551,728 was declared on 10 October 2014 and paid on 11 November 2014.

B12. EARNINGS PER SHARE (“EPS”)

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	30,129	16,783	30,129	16,783
Weighted average number of ordinary shares ('000)				
At 1 October 2014/2013	419,405	349,253	419,405	349,253
Bonus issue *	-	69,899	-	69,899
At 31 December 2014/2013	419,405	419,152	419,405	419,152
BASIC EPS (sen)	7.18	4.00	7.18	4.00

* The bonus issue of 69,898,293 new ordinary shares was completed on 20 May 2014.

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
DILUTED EPS				
Profit attributable to Owners of the parent (RM'000)	30,129	16,783	30,129	16,783
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	419,405	419,152	419,405	419,152
Effect of dilution: warrants ('000)	3,289	1,192	13,049	4,729
At 31 December 2014/2013	422,694	420,344	432,454	423,881
DILUTED EPS (sen)	7.13	3.99	6.97	3.96

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 31.12.2014 RM'000	(Audited) As at 30.09.2014 RM'000
Total retained earnings of its subsidiaries		
- realised	570,564	611,838
- unrealised	125,652	110,301
	<u>696,216</u>	<u>722,139</u>
Total share of retained earnings from an associate		
- realised	8,533	8,186
	<u>704,749</u>	<u>730,325</u>
Less: Consolidation adjustments	(112,028)	(134,181)
Total retained earnings of the Group	<u><u>592,721</u></u>	<u><u>596,144</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 13 February 2015.