



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE SECOND QUARTER
AND FINANCIAL PERIOD ENDED 31 MARCH 2015**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 31.03.2015 RM'000	(Unaudited) Preceding Year Corresponding Quarter 31.03.2014 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 31.03.2015 RM'000	(Unaudited) Preceding Year-to-Date 31.03.2014 RM'000
Revenue	229,720	188,147	437,354	370,642
Cost of sales	(158,416)	(112,566)	(292,818)	(230,730)
Gross profit	71,304	75,581	144,536	139,912
Other income	1,598	33,615	4,465	15,748
Sales and marketing expenses	(8,128)	(5,510)	(14,233)	(10,067)
Administrative expenses	(20,898)	(20,483)	(36,095)	(32,870)
Other expenses	(13,494)	(2,130)	(14,295)	(2,925)
Profit from operations	30,382	81,073	84,378	109,798
Share of results of associates	(65)	1,119	282	2,128
Interest expenses	(9,313)	(7,199)	(17,022)	(11,933)
Profit before tax	21,004	74,993	67,638	99,993
Tax expense	(5,532)	(18,903)	(16,823)	(25,392)
Profit for the period	15,472	56,090	50,815	74,601
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	1,256	(2,269)	2,118	(1,074)
Other comprehensive income for the period	1,256	(2,269)	2,118	(1,074)
Total comprehensive income for the period	16,728	53,821	52,933	73,527
Profit attributable to:				
Owners of the parent	10,904	50,700	41,033	67,483
Non-controlling interest	4,568	5,390	9,782	7,118
	15,472	56,090	50,815	74,601
Total comprehensive income attributable to:				
Owners of the parent	12,165	48,531	43,140	66,455
Non-controlling interest	4,563	5,290	9,793	7,072
	16,728	53,821	52,933	73,527
Earnings per share				
Basic Earnings per ordinary share (sen)	2.60	12.10	9.78	16.10
Diluted Earnings per ordinary share (sen)	2.58	12.01	9.50	15.76
Proposed/Declared Dividend per share (sen)	-	-	8.00*	10.00

* Single tier dividend

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 31 MARCH 2015**

	(Unaudited) 31.03.2015	(Audited) 30.09.2014
<i>Assets</i>	RM'000	RM'000
Property, plant and equipment	182,356	173,841
Intangible assets	5,017	4,758
Biological assets	234,856	223,923
Prepaid lease payments	27,517	27,342
Investment properties	299,443	299,443
Investment in associated companies	12,718	12,436
Land held for property developments	507,915	510,794
Deferred tax assets	24,237	20,552
Receivables, deposits and prepayments	2,698	2,524
Total Non-Current Assets	1,296,757	1,275,613
Property development costs	465,191	346,013
Inventories	46,901	38,129
Accrued billings	66,196	126,353
Receivables, deposits and prepayments	183,705	156,889
Current tax assets	3,875	3,969
Cash, bank balances, term deposits and fixed income funds	246,459	196,091
Total Current Assets	1,012,327	867,444
TOTAL ASSETS	2,309,084	2,143,057
<i>Equity</i>		
Share capital	419,408	419,394
Share premium	16	1
Warrant reserve	8,009	8,012
Translation reserve	961	(1,146)
Revaluation reserve	12,100	12,100
Retained earnings	603,625	596,144
Equity attributable to Equity holders of the Company	1,044,119	1,034,505
Non-Controlling Interest	32,993	23,162
Total Equity	1,077,112	1,057,667
<i>Liabilities</i>		
Deferred tax liabilities	50,382	49,829
Provisions	6,605	4,713
Loans and borrowings - long-term	514,640	415,742
Payables, deposits received and accruals	120,481	122,069
Total Non-Current Liabilities	692,108	592,353
Provisions	19,596	19,596
Progress billings	25,434	31,235
Payables, deposits received and accruals	266,446	244,644
Loans and borrowings - short-term	220,310	192,068
Current tax liabilities	8,078	5,494
Total Current Liabilities	539,864	493,037
Total Liabilities	1,231,972	1,085,390
TOTAL EQUITY AND LIABILITIES	2,309,084	2,143,057
Net Assets per share attributable to shareholders of the Company (RM)	2.49	2.47

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim Financial Statements.



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2015**

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 March 2015									
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	-	-	-	2,107	-	41,033	43,140	9,793	52,933
Transactions with owners									
Issuance of shares pursuant to warrants	14	15	(3)	-	-	-	26	-	26
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	38	38
Dividends	-	-	-	-	-	(33,552)	(33,552)	-	(33,552)
At 31.03.2015 (unaudited)	419,408	16	8,009	961	12,100	603,625	1,044,119	32,993	1,077,112
Financial period ended 31 March 2014									
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	-	-	-	(1,028)	-	67,483	66,455	7,072	73,527
Transactions with owners									
Issuance of shares pursuant to warrants	5	7	(2)	-	-	-	10	-	10
Dividends	-	-	-	-	-	(26,194)	(26,194)	-	(26,194)
At 31.03.2014 (unaudited)	349,258	13,922	8,078	(4,128)	12,100	614,373	993,603	9,666	1,003,269

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
INTERIM REPORT FOR THE SECOND QUARTER
AND FINANCIAL PERIOD ENDED 31 MARCH 2015**

	(Unaudited) 31.03.2015 RM'000	(Unaudited) 31.03.2014 RM'000
Cash Flows From/(Used In) Operating Activities		
Profit before tax	67,638	99,993
Adjustments for non-cash items	42,500	6,025
Operating profit before changes in working capital	<u>110,138</u>	<u>106,018</u>
Change in property development costs	(44,335)	(6,545)
Change in inventories	(8,072)	12,000
Change in receivables, deposits and prepayments	33,165	21,174
Change in payables and accruals	14,124	(10,724)
Cash generated from operations	<u>105,020</u>	<u>121,923</u>
Interest paid	(17,901)	(21,999)
Interest received	2,666	1,177
Tax paid	(17,691)	(15,848)
Tax refunded	-	33
Net cash from operating activities	<u>72,094</u>	<u>85,286</u>
Cash Flows From/(Used In) Investing Activities		
Acquisition of a subsidiary company, net of cash acquired	-	13
Additions to investment properties	-	(1,636)
Additions to land held for property developments	(72,291)	(80,163)
Acquisition of property, plant and equipment	(6,535)	(17,876)
Additions to biological assets	(1,940)	(5,486)
Subscription of shares in an associate	-	(600)
Dividend received	-	9,000
Placement/(Withdrawal) of deposits with licensed banks	(3,974)	51
Proceeds from disposal of property, plant and equipment	255	-
Proceeds from disposal of land held for property development	4	5
Proceeds from disposal of non-current assets classified as held for sale	-	1,249
Net cash used in investing activities	<u>(84,481)</u>	<u>(95,443)</u>
Cash Flows From/(Used In) Financing Activities		
Dividend paid	(33,552)	(26,194)
Net drawdown of bank borrowings	72,562	106,374
Payments of finance lease liabilities	(1,022)	(693)
Proceeds from issuance of shares by a subsidiary to minority shareholder	38	-
Proceeds from issuance of shares	26	10
Net cash from financing activities	<u>38,052</u>	<u>79,497</u>
Net increase in cash and cash equivalents	<u>25,665</u>	<u>69,340</u>
Effect of exchange rate fluctuations	1,952	1,428
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>212,375</u>	<u>184,048</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 Statements for the financial year ended 30 September 2014 and the accompanying explanatory notes attached to the interim Financial Statements.



EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The interim 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 these interim financial statements 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 and IC Interpretation:

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 Interpretation

IC Int 21	Levies
-----------	--------

The adoption of the above new FRSs, revised FRSs, amendments/improvements to FRSs, new IC Interpretation and amendments to IC Interpretation did not have any significant effect on these interim financial statements of the Group.

A1. BASIS OF PREPARATION (Continued)

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

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

		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	Presentation of Financial Statements	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, 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.

Malaysian Financial Reporting Standards

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework (“MFRS Framework”), a fully-IFRS compliant framework. Entities other than private entities should apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities.

Transitioning Entities, being entities within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15: *Agreements for the Construction of Real Estate*, including its parents, significant investors and venturers were allowed to defer the adoption of the MFRS Framework until such time as mandated by the MASB. On 2 September 2014, with the issuance of MFRS 15 *Revenue from Contracts with Customers* and Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*, the MASB announced that Transitioning Entities which have chosen to continue with the FRS Framework is now required to adopt the MFRS Framework latest by 1 January 2017.

A1. BASIS OF PREPARATION (Continued)
Malaysian Financial Reporting Standards (Continued)

The Group falls within the scope definition of Transitioning Entities and has availed itself of this transitional arrangement and will continue to apply FRSs in the preparation of its financial statements. Accordingly, the Group will be required to apply MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* in its financial statements for the financial year ending 30 September 2018, being the first set of financial statements prepared in accordance with the new MFRS Framework.

The Group is currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. At the date of authorisation for issue of these financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adopting the new MFRS Framework on the Group's first set of financial statements prepared in accordance with the MFRS Framework cannot be determined and estimated reliably until the process is complete.

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 except issuance of 13,677 ordinary shares of RM1/- each pursuant to the exercised of 13,677 warrants at an exercise price of RM1.89 per ordinary share.

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.

A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 31 March 2015

	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	287,596	97,205	17,285	29,655	5,010	-	603	-	437,354
Inter-segment revenue	-	-	-	64	-	20,065	-	(20,129)	-
Total segment revenue	<u>287,596</u>	<u>97,205</u>	<u>17,285</u>	<u>29,719</u>	<u>5,010</u>	<u>20,065</u>	<u>603</u>	<u>(20,129)</u>	<u>437,354</u>
Results									
Operating result [#]	62,260	9,267	7,764	2,579	293	9,295	(287)	(9,455)	81,716
Interest expense*	(9,567)	(12,496)	(1,586)	-	-	(5,732)	(32)	12,391	(17,022)
Interest income**	2,304	1,160	27	-	13	2,093	1	(2,936)	2,662
Share of profits of associates	493	-	(211)	-	-	-	-	-	282
Segment result	<u>55,490</u>	<u>(2,069)</u>	<u>5,994</u>	<u>2,579</u>	<u>306</u>	<u>5,656</u>	<u>(318)</u>	<u>-</u>	<u>67,638</u>
Tax expense									(16,823)
Profit for the period									<u>50,815</u>
Assets									
Segment assets	1,363,013	478,652	342,845	23,071	25,853	16,920	17,900	-	2,268,254
Investment in an associate	12,039	-	679	-	-	-	-	-	12,718
Deferred tax assets									24,237
Current tax assets									3,875
Total assets									<u>2,309,084</u>
Liabilities									
Segment liabilities	614,639	348,667	67,408	7,925	1,856	131,834	1,183	-	1,173,512
Deferred tax liabilities									50,382
Current tax liabilities									8,078
Total liabilities									<u>1,231,972</u>
Other segment information									
Depreciation and amortisation	276	11,293	888	8	227	9	64	-	12,765
Additions to non-current assets other than financial instruments and deferred tax assets	<u>73,627</u>	<u>6,741</u>	<u>1,892</u>	<u>15</u>	<u>40</u>	<u>-</u>	<u>11</u>	<u>-</u>	<u>82,326</u>
* Included inter-company interest expense	4,703	4,722	-	-	-	3,042	33	(12,500)	-
** Included inter-company interest income	(868)	-	-	-	-	(2,067)	-	2,935	-
# Included unrealised foreign exchange losses	-	13,510	-	-	-	-	-	-	13,510
# Included realised foreign exchange losses/(gains)	-	(1,050)	-	1	(44)	(1,340)	-	-	(2,433)

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 March 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	244,437	74,805	16,888	28,296	5,551	-	665	-	370,642
Inter-segment revenue	18,202	-	-	879	-	16,876	-	(35,957)	-
Total segment revenue	<u>262,639</u>	<u>74,805</u>	<u>16,888</u>	<u>29,175</u>	<u>5,551</u>	<u>16,876</u>	<u>665</u>	<u>(35,957)</u>	<u>370,642</u>
Results									
Operating result [#]	56,233	40,025	9,966	2,014	101	7,765	(73)	(7,408)	108,623
Interest expense*	(7,645)	(7,805)	(1,326)	-	-	(4,150)	(32)	9,025	(11,933)
Interest income**	1,075	97	25	-	82	1,512	1	(1,617)	1,175
Share of profits of associates	2,473	-	(345)	-	-	-	-	-	2,128
Segment result	<u>52,136</u>	<u>32,317</u>	<u>8,320</u>	<u>2,014</u>	<u>183</u>	<u>5,127</u>	<u>(104)</u>	<u>-</u>	<u>99,993</u>
Tax expense									<u>(25,392)</u>
Profit for the period									<u><u>74,601</u></u>
Assets									
Segment assets	1,138,774	437,358	315,941	20,615	22,429	13,286	15,178	-	1,963,581
Investment in an associate	19,486	-	894	-	-	-	-	-	20,380
Deferred tax assets									17,565
Current tax assets									<u>3,990</u>
Total assets									<u><u>2,005,516</u></u>
Liabilities									
Segment liabilities	460,520	303,536	79,457	7,636	2,085	89,831	54	-	943,119
Deferred tax liabilities									49,014
Current tax liabilities									<u>10,114</u>
Total liabilities									<u><u>1,002,247</u></u>
Other segment information									
Depreciation and amortisation	548	7,162	757	9	208	10	60	-	8,754
Additions to non-current assets other than financial instruments and deferred tax assets	<u>80,897</u>	<u>22,853</u>	<u>10,487</u>	<u>34</u>	<u>46</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>114,321</u>
* Included inter-company interest expense	3,338	2,893	-	-	-	1,659	32	(7,922)	-
** Included inter-company interest income	(150)	-	-	-	-	(1,467)	-	1,617	-
# Included unrealised foreign exchange gain	-	(9,468)	-	-	-	-	-	-	(9,468)
# Included realised foreign exchange losses/(gains)	-	522	-	-	12	(191)	-	-	343

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	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	335,139	290,286	858,279	802,108
The Peoples' Republic of China	5,010	5,551	13,688	12,344
Republic of Indonesia	97,205	74,805	385,137	386,816
	<u>437,354</u>	<u>370,642</u>	<u>1,257,104</u>	<u>1,201,268</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 19 May 2015, 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 2014 recorded an increase of approximately RM87.5 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 19 May 2015 were approximately RM1.1 billion and RM705.7 million respectively.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 31.03.2015 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	5,500
- Property, plant and equipment for manufacturing division	4,800
- Investment property for hotel and property investment division	4,450
	<u>17,760</u>

A14. RELATED PARTY TRANSACTIONS

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

THE REST OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

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

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

(i) Second quarter ended 31 March 2015

The Group recorded higher revenue for the current quarter of RM229.7 million as compared to the preceding year correspondence quarter of RM188.1 million. The increase in the Group's revenue by 22% was mainly contributed by the property and construction division from its ongoing projects.

The Group recorded lower profit before tax for the current quarter of RM21.0 million as compared to the preceding year correspondence quarter of RM75.0 million due to inclusion of unrealised foreign exchange losses of RM13.8 million in the current quarter as compared to unrealised foreign exchange gains of RM29.4 million in the preceding year correspondence quarter from the plantation division's United States Dollar ("USD") borrowings as a result of the Indonesia Rupiah has weakened against USD. The profit before tax excluding the unrealised foreign exchange losses and unrealised foreign exchange gains respectively was lower at RM34.8 million for the current quarter as compared to the preceding year correspondence quarter of RM45.6 million mainly attributed to lower revenue and profit contribution from the plantation division as a result of weaker crude palm oil ("CPO") and palm kernel selling prices per metric tonne ("MT").

(ii) Financial year-to-date ("YTD") ended 31 March 2015 by Segments

Property and construction

The division recorded higher revenue and profit before tax of RM287.6 million and RM55.5 million for the current YTD as compared to the preceding YTD of RM244.4 million and RM52.1 million respectively following the higher revenue and profit recognition from the ongoing projects, namely Hill Park Shah Alam, Pelangi Heights, Kajang East, MKH Avenue, MKH Boulevard and Saville @ Kajang.

As at 31 Mar 2015, the Group has locked-in unbilled sales value of RM842.9 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses in the future.

Plantation

Despite the higher revenue of RM97.2 million in the current YTD as compared to the preceding YTD of RM74.8 million, this division recorded loss before tax of RM2.1 million in the current YTD as compared to profit before tax in the preceding YTD of RM32.3 million due to inclusion of unrealised foreign exchange losses of RM13.5 million in the current YTD as compared to unrealised foreign exchange gains of RM9.5 million in the preceding YTD. The unrealised foreign exchange losses were mainly due to weakening of Indonesia Rupiah against its USD borrowings.

The profit before tax excluding the unrealised foreign exchange losses of RM11.4 million for the current YTD was lower as compared to the preceding YTD of RM22.8 million after excluding unrealised foreign exchange gains mainly due to weaker CPO and palm kernel selling prices per MT, despite the increase in CPO sales volume from approximately 30,800MT to 43,300MT.

Hotel and property investment

Despite the higher revenue of RM17.3 million in the current YTD as compared to the preceding YTD of RM16.9 million, this division recorded lower profit before tax of RM6.0 million in the current YTD as compared to the preceding YTD of RM8.3 million mainly due to the absent of gain on transfer of property development costs to investment properties in the current YTD as compared to the preceding YTD of RM1.8 million.

Trading

This division recorded higher revenue and profit before tax of RM29.7 million and RM2.6 million for the current YTD as compared to the preceding YTD of RM28.3 million and RM2.0 million respectively.

Manufacturing

Despite the lower revenue of RM5.0 million for the current YTD as compared to the preceding YTD of RM5.6 million, this division recorded profit before tax of RM0.3 million as compared to the preceding YTD of RM0.2 million.

Investment holding

Revenue and profit before tax of this division were mainly derived from the inter-group transactions on management fee and interest billings and charging which were eliminated at the Group level.

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

	2nd Quarter ended 31.03.2015 RM'000	1st Quarter ended 31.12.2014 RM'000
Profit before tax	<u>21,004</u>	<u>46,634</u>

The profit before tax for the current quarter of RM21.0 million was lower as compared to the preceding quarter of RM46.6 million due to inclusion of unrealised foreign exchange losses of RM13.8 million in the current quarter as compared to unrealised foreign exchange gains of RM0.3 million in the preceding quarter. The profit before tax excluding unrealised foreign exchange losses of RM34.8 million was lower in the current quarter as compared to the preceding quarter of RM46.3 million was mainly due to lower profit contribution from the plantation division as a result of weaker CPO and palm kernel selling prices per MT.

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 (excluding the unrealised foreign exchange losses/gains) 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 31.03.2015 RM'000	Financial year-to-date 31.03.2015 RM'000
Amortization of prepaid lease payments	(198)	(394)
Amortization of biological assets	(3,112)	(5,784)
Depreciation of property, plant and equipment	(3,508)	(6,587)
Interest expense	(9,313)	(17,022)
Deposits written off	(226)	(226)
Gain on disposal of property, plant and equipment	73	73
Net gain/(loss) on foreign exchange:		
- realised	1,576	2,433
- unrealised	(13,812)	(13,510)
Interest income	1,487	2,662

(ii) CASH AND CASH EQUIVALENTS

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

	(Unaudited) 31.03.2015 RM'000	(Unaudited) 31.03.2014 RM'000
Cash and bank balances	73,187	52,686
Cash held under housing development accounts	134,030	119,523
Cash held under sinking fund accounts	8	-
Deposits with licensed banks	33,950	18,198
Short term funds	5,284	-
Bank overdrafts	(19,507)	(1,059)
	<u>226,952</u>	<u>189,348</u>
Less: Non short term and highly liquid fixed deposits	<u>(14,577)</u>	<u>(5,300)</u>
	<u>212,375</u>	<u>184,048</u>

B6. TAX EXPENSE

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

	Current Quarter 31.03.2015 RM'000	Financial Year-to-Date 31.03.2015 RM'000
Current taxation		
- income taxation	12,061	19,850
- deferred taxation	(6,529)	(3,027)
	<u>5,532</u>	<u>16,823</u>

The Finance (No. 2) Act 2014 has amended the Income Tax Act 1967 to reduce the Malaysian corporate income tax rate from 25% to 24% with effect from year of assessment 2016. Accordingly, the applicable tax rates to be used for the measurement of any applicable deferred tax for entities in Malaysia will be the expected rates.

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 31.03.2015 RM'000
Short-term - unsecured	75,494
Short-term - secured	144,816
Long-term - unsecured	-
Long-term - secured	514,640
	<u>734,950</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	81,250	299,878
	<u>81,250</u>	<u>299,878</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 second quarter ended 31 March 2015.

B12. EARNINGS PER SHARE (“EPS”)

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	31.03.2015	Quarter	31.03.2015	31.03.2014
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	10,904	50,700	41,033	67,483
Weighted average number of ordinary shares ('000)				
At 1 October 2014/2013	419,394	349,253	419,394	349,253
Bonus issue *	-	69,899	-	69,899
Exercised warrants	11	2	11	2
At 31 December 2014/2013	419,405	419,154	419,405	419,154
BASIC EPS (sen)	2.60	12.10	9.78	16.10
DILUTED EPS				
Profit attributable to Owners of the parent (RM'000)	10,904	50,700	41,033	67,483
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	419,405	419,154	419,405	419,154
Effect of dilution: warrants ('000)	2,869	3,035	12,364	8,998
At 31 December 2014/2013	422,274	422,189	431,769	428,152
DILUTED EPS (sen)	2.58	12.01	9.50	15.76

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

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 31.03.2015 RM'000	(Audited) As at 30.09.2014 RM'000
Total retained earnings of its subsidiaries		
- realised	604,976	611,838
- unrealised	116,585	110,301
	<u>721,561</u>	<u>722,139</u>
Total share of retained earnings from associates		
- realised	8,468	8,186
	<u>730,029</u>	<u>730,325</u>
Less: Consolidation adjustments	(126,404)	(134,181)
Total retained earnings of the Group	<u><u>603,625</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 Statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 May 2015.