



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
INTERIM REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2015**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 30.06.2015 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30.06.2014 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 30.06.2015 RM'000	(Unaudited) Preceding Year-to-Date 30.06.2014 RM'000
Revenue	255,838	212,294	693,192	582,936
Cost of sales	(179,428)	(139,454)	(472,246)	(370,184)
Gross profit	76,410	72,840	220,946	212,752
Other income	1,965	(26,284)	6,430	8,978
Sales and marketing expenses	(10,646)	(8,721)	(24,879)	(18,788)
Administrative expenses	(20,751)	(14,853)	(56,846)	(47,723)
Other expenses	(6,470)	5,054	(20,765)	(17,385)
Profit from operations	40,508	28,036	124,886	137,834
Share of results of associates	(99)	214	183	2,342
Interest expenses	(10,118)	(7,168)	(27,140)	(19,101)
Profit before tax	30,291	21,082	97,929	121,075
Tax expense	(9,095)	(6,141)	(25,918)	(31,533)
Profit for the period	21,196	14,941	72,011	89,542
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	517	2,527	2,635	1,453
Other comprehensive income for the period	517	2,527	2,635	1,453
Total comprehensive income for the period	21,713	17,468	74,646	90,995
Profit attributable to:				
Owners of the parent	20,886	11,606	61,919	79,089
Non-controlling interest	310	3,335	10,092	10,453
	21,196	14,941	72,011	89,542
Total comprehensive income attributable to:				
Owners of the parent	21,395	14,071	64,535	80,526
Non-controlling interest	318	3,397	10,111	10,469
	21,713	17,468	74,646	90,995
Earnings per share				
Basic Earnings per ordinary share (sen)	4.98	2.77	14.76	18.86
Diluted Earnings per ordinary share (sen)	4.96	2.74	14.39	18.28
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 30 JUNE 2015**

	(Unaudited) 30.06.2015	(Audited) 30.09.2014
<i>Assets</i>	RM'000	RM'000
Property, plant and equipment	184,803	173,841
Intangible assets	5,021	4,758
Biological assets	233,017	223,923
Prepaid lease payments	27,382	27,342
Investment properties	299,443	299,443
Investment in associated companies	12,619	12,436
Land held for property developments	522,249	510,794
Deferred tax assets	30,143	20,552
Receivables, deposits and prepayments	2,588	2,524
Total Non-Current Assets	1,317,265	1,275,613
Property development costs	401,555	346,013
Inventories	86,660	38,129
Accrued billings	112,421	126,353
Receivables, deposits and prepayments	209,013	156,889
Current tax assets	4,995	3,969
Cash, bank balances, term deposits and fixed income funds	257,833	196,091
Total Current Assets	1,072,477	867,444
TOTAL ASSETS	2,389,742	2,143,057
<i>Equity</i>		
Share capital	419,408	419,394
Share premium	16	1
Warrant reserve	8,009	8,012
Translation reserve	1,470	(1,146)
Revaluation reserve	12,100	12,100
Retained earnings	624,511	596,144
Equity attributable to Equity holders of the Company	1,065,514	1,034,505
Non-Controlling Interest	33,311	23,162
Total Equity	1,098,825	1,057,667
<i>Liabilities</i>		
Deferred tax liabilities	47,968	49,829
Provisions	7,284	4,713
Loans and borrowings - long-term	524,587	415,742
Payables, deposits received and accruals	126,149	122,069
Total Non-Current Liabilities	705,988	592,353
Provisions	19,596	19,596
Progress billings	69,833	31,235
Payables, deposits received and accruals	250,793	244,644
Loans and borrowings - short-term	225,963	192,068
Current tax liabilities	18,744	5,494
Total Current Liabilities	584,929	493,037
Total Liabilities	1,290,917	1,085,390
TOTAL EQUITY AND LIABILITIES	2,389,742	2,143,057
Net Assets per share attributable to shareholders of the Company (RM)	2.54	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.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2015**

Group	----- Attributable to owners of the parent -----							Controlling Interests RM'000	Total Equity RM'000
	< ----- Non-distributable ----- >				Distributable				
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000		
Financial period ended 30 June 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	-	-	-	2,616	-	61,919	64,535	10,111	74,646
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 30.06.2015 (unaudited)	419,408	16	8,009	1,470	12,100	624,511	1,065,514	33,311	1,098,825
Financial period ended 30 June 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	-	-	-	1,437	-	79,089	80,526	10,469	90,995
Transactions with owners									
Issuance of shares pursuant to									
- Bonus issue	69,898	(14,153)	-	-	-	(55,745)	-	-	-
- Warrants	242	371	(68)	-	-	-	545	-	545
Share issue expenses	-	(133)	-	-	-	-	(133)	-	(133)
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	5,600	5,600
Dividends	-	-	-	-	-	(26,194)	(26,194)	-	(26,194)
At 30.06.2014 (unaudited)	419,393	-	8,012	(1,663)	12,100	570,234	1,008,076	18,663	1,026,739

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 THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2015**

	(Unaudited) 30.06.2015 RM'000	(Unaudited) 30.06.2014 RM'000
Cash Flows From Operating Activities		
Profit before tax	97,929	121,075
Adjustments for non-cash items	63,940	40,920
Operating profit before changes in working capital	<u>161,869</u>	<u>161,995</u>
Change in property development costs	(28,107)	5,756
Change in inventories	2,810	13,832
Change in receivables, deposits and prepayments	(38,482)	(16,592)
Change in payables and accruals	48,429	(3,285)
Cash generated from operations	<u>146,519</u>	<u>161,706</u>
Interest paid	(27,921)	(26,235)
Interest received	3,674	1,845
Tax paid	(25,206)	(24,789)
Tax refunded	-	1,232
Retirement benefit obligation paid	354	-
Net cash from operating activities	<u>97,420</u>	<u>113,759</u>
Cash Flows Used In Investing Activities		
Acquisition of a subsidiary company, net of cash acquired	-	13
Additions to investment properties	-	(2,075)
Additions to land held for property developments	(89,858)	(98,580)
Acquisition of property, plant and equipment	(12,120)	(22,055)
Additions to biological assets	(2,040)	(12,872)
Subscription of shares in an associate	-	(600)
Dividend received	-	20,700
Withdrawal of deposits with licensed banks	(4,937)	(934)
Proceeds from disposal of property, plant and equipment	525	83
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>(108,426)</u>	<u>(115,066)</u>
Cash Flows From Financing Activities		
Dividend paid	(33,552)	(26,194)
Net drawdown of bank borrowings	73,526	104,120
Payments of finance lease liabilities	(843)	(1,705)
Proceeds from issuance of shares by a subsidiary to minority shareholder	38	5,600
Proceeds from issuance of shares	26	413
Net cash from financing activities	<u>39,195</u>	<u>82,234</u>
Net increase in cash and cash equivalents	<u>28,189</u>	<u>80,927</u>
Effect of exchange rate fluctuations	880	(206)
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>213,827</u>	<u>194,001</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
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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 30 June 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	445,008	165,567	26,257	47,799	7,697	-	864	-	693,192
Inter-segment revenue	-	-	-	64	-	34,277	-	(34,341)	-
Total segment revenue	445,008	165,567	26,257	47,863	7,697	34,277	864	(34,341)	693,192
Results									
Operating result [#]	86,593	18,955	11,695	4,168	406	15,870	(341)	(16,131)	121,215
Interest expense*	(17,462)	(18,569)	(2,338)	-	-	(10,788)	(64)	22,081	(27,140)
Interest income**	3,849	1,541	33	-	15	4,182	1	(5,950)	3,671
Share of profits of associates	555	-	(372)	-	-	-	-	-	183
Segment result	73,535	1,927	9,018	4,168	421	9,264	(404)	-	97,929
Tax expense									(25,918)
Profit for the period									72,011
Assets									
Segment assets	1,446,135	466,371	343,172	25,243	26,337	17,338	17,389	-	2,341,985
Investment in an associate	12,101	-	518	-	-	-	-	-	12,619
Deferred tax assets									30,143
Current tax assets									4,995
Total assets									2,389,742
Liabilities									
Segment liabilities	670,949	335,253	65,864	9,885	1,834	139,298	1,122	-	1,224,205
Deferred tax liabilities									47,968
Current tax liabilities									18,744
Total liabilities									1,290,917
Other segment information									
Depreciation and amortisation	550	17,033	1,361	12	345	13	97	-	19,411
Additions to non-current assets other than financial instruments and deferred tax assets	93,167	11,103	2,852	22	122	-	11	-	107,277
* Included inter-company interest expense	9,213	6,612	-	-	-	6,184	64	(22,073)	-
** Included inter-company interest income	(1,809)	-	-	-	-	(4,141)	-	5,950	-
# Included inter-company management expense/(income)	10,828	4,476	1,981	591	-	(18,041)	165	-	-
# Included net unrealised foreign exchange losses	-	18,956	-	-	-	-	-	-	18,956
# Included net realised foreign exchange losses/(gains)	-	(1,923)	-	1	(72)	(1,545)	-	-	(3,539)

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 30 June 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	386,605	116,383	25,672	44,049	9,336	-	891	-	582,936
Inter-segment revenue	18,202	-	-	881	-	28,695	-	(47,778)	-
Total segment revenue	404,807	116,383	25,672	44,930	9,336	28,695	891	(47,778)	582,936
Results									
Operating result [#]	84,158	34,483	14,673	3,196	564	11,869	(182)	(12,772)	135,989
Interest expense*	(12,584)	(13,139)	(2,229)	-	-	(7,237)	(61)	16,149	(19,101)
Interest income**	2,033	165	43	-	104	2,876	1	(3,377)	1,845
Share of profits of associates	2,956	-	(614)	-	-	-	-	-	2,342
Segment result	76,563	21,509	11,873	3,196	668	7,508	(242)	-	121,075
Tax expense									(31,533)
Profit for the period									89,542
Assets									
Segment assets	1,166,208	427,610	317,729	22,021	22,641	30,234	16,698	-	2,003,141
Investment in an associate	8,270	-	624	-	-	-	-	-	8,894
Deferred tax assets									19,795
Current tax assets									4,712
Total assets									2,036,542
Liabilities									
Segment liabilities	473,031	295,851	65,183	7,891	2,156	103,908	1,198	-	949,218
Deferred tax liabilities									47,376
Current tax liabilities									13,209
Total liabilities									1,009,803
Other segment information									
Depreciation and amortisation	838	11,335	1,167	14	310	15	96	-	13,775
Additions to non-current assets other than financial instruments and deferred tax assets	100,385	34,160	3,711	38	47	-	8	-	138,349
* Included inter-company interest expense	6,657	4,860	-	-	-	3,493	61	(15,071)	-
** Included inter-company interest income	(561)	-	-	-	-	(2,816)	-	3,377	-
# Included inter-company management expense/(income)	11,182	2,101	989	394	-	(14,711)	45	-	-
# Included net unrealised foreign exchange losses	-	12,480	-	-	-	-	-	-	12,480
# Included net realised foreign exchange losses/(gains)	-	1,457	-	-	(31)	211	-	-	1,637

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	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysia	519,928	457,217	872,775	806,553
The Peoples' Republic of China	7,697	9,336	13,893	12,058
Republic of Indonesia	165,567	116,383	385,247	367,629
	<u>693,192</u>	<u>582,936</u>	<u>1,271,915</u>	<u>1,186,240</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 for on 10 June 2015, the Company has acquired 2 ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Global Landscape Creation Sdn Bhd (“GLCSB”), for a cash consideration of RM2. As a result, GLCSB became a wholly-owned subsidiary of the Company.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 17 August 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 RM141.1 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 17 August 2015 were approximately RM1.1 billion and RM759.3 million respectively.

A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	As at 30.6.2015 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	4,800
- Property, plant and equipment for manufacturing division	4,420
- Investment property for hotel and property investment division	4,380
	<u>16,610</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 30.06.2015 RM'000	Financial Year-to-Date 30.06.2015 RM'000
Sales of development properties to:		
-Other key management personnel of the Group	<u>2,041</u>	<u>2,041</u>

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

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

(i) Third quarter ended 30 June 2015

The Group recorded higher revenue for the current quarter of RM255.8 million as compared to the preceding year corresponding quarter of RM212.3 million. The increase in the Group's revenue by 20% 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 Group recorded higher profit before tax for the current quarter of RM30.3 million as compared to the preceding year corresponding quarter of RM21.1 million. The profit before tax excluding the unrealised foreign exchange losses was lower at RM35.7 million for the current quarter as compared to the preceding year corresponding quarter of RM43.0 million mainly due to lower profit contribution from property and construction division as a result of higher charged out of sales and marketing expenses for the new projects launched during the year and interest expenses, and lower profit contribution from plantation division as a result of weaker CPO and palm kernel selling prices per metric tonne ("MT").

The unrealised foreign exchange losses was mainly attributable from the plantation division's United States Dollar ("USD") borrowings.

(ii) Financial year-to-date ("YTD") ended 30 June 2015 by Segments

Property and construction

The division recorded higher revenue of RM445.0 million for the current YTD as compared to the preceding YTD of RM386.6 million following the higher revenue and profit recognition from the ongoing and new projects, namely Hill Park Shah Alam, Pelangi Heights, Kajang East, MKH Avenue, MKH Boulevard, Saville @ Kajang and Pelangi Semenyih (built then sell). Nevertheless, this division has lower profit before tax of RM73.5 million in current YTD as compared to RM76.6 million in preceding YTD mainly due to lower profit contribution from the associated company and higher interest expenses.

As at 30 June 2015, the Group has locked-in unbilled sales value of RM854.6 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 RM165.6 million in the current YTD as compared to the preceding YTD of RM116.4 million, this division recorded lower profit before tax of RM1.9 million in the current YTD as compared to the preceding YTD of RM21.5 million due to inclusion of unrealised foreign exchange losses of RM19.0 million in the current YTD as compared to RM12.5 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 RM20.9 million for the current YTD was lower as compared to the preceding YTD of RM34.0 million mainly due to weaker CPO and palm kernel selling prices per MT, despite the increase in CPO sales volume from approximately 53,100MT to 83,200MT.

Hotel and property investment

Despite the higher revenue of RM26.3 million in the current YTD as compared to the preceding YTD of RM25.7 million, this division recorded lower profit before tax of RM9.0 million in the current YTD as compared to the preceding YTD of RM11.9 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 RM47.8 million and RM4.2 million for the current YTD as compared to the preceding YTD of RM44.0 million and RM3.2 million respectively.

Manufacturing

This division recorded lower revenue and profit before tax of RM7.7 million and RM421,000 for the current YTD as compared to the preceding YTD of RM9.3 million and RM668,000 respectively.

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

	3rd Quarter ended 30.06.2015 RM'000	2nd Quarter ended 31.03.2015 RM'000
Profit before tax	<u>30,291</u>	<u>21,004</u>

The profit before tax for the current quarter of RM30.3 million was higher as compared to the preceding quarter of RM21.0 million due to inclusion of unrealised foreign exchange losses of RM5.4 million in the current quarter as compared to unrealised foreign exchange losses of RM13.8 million in the preceding quarter. The profit before tax excluding unrealised foreign exchange losses of RM35.7 million was slightly higher in the current quarter as compared to the preceding quarter of RM34.8 million mainly due to higher profit contribution from the plantation division as a result of higher sales tonnages of CPO and palm kernel in current quarter as compared the preceding quarter.

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 30.06.2015 RM'000	Financial year-to-date 30.06.2015 RM'000
Amortization of prepaid lease payments	(198)	(592)
Amortization of biological assets	(3,085)	(8,869)
Depreciation of property, plant and equipment	(3,363)	(9,950)
Interest expense	(10,118)	(27,140)
Deposits written off	-	(226)
Property, plant and equipment written off	(98)	(98)
Gain on disposal of property, plant and equipment	168	241
Net gain/(loss) on foreign exchange:		
- realised	1,106	3,539
- unrealised	(5,446)	(18,956)
Interest income	1,009	3,671

(ii) CASH AND CASH EQUIVALENTS

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

	(Unaudited) 30.06.2015 RM'000	(Unaudited) 30.06.2014 RM'000
Cash and bank balances	62,184	108,905
Cash held under housing development accounts	152,249	64,671
Cash held under sinking fund accounts	10	-
Deposits with licensed banks	38,870	32,646
Short term funds	4,520	-
Bank overdrafts	(28,466)	(5,936)
	<u>229,367</u>	<u>200,286</u>
Less: Non short term and highly liquid fixed deposits	(15,540)	(6,285)
	<u>213,827</u>	<u>194,001</u>

B6. TAX EXPENSE

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

	Current Quarter 30.06.2015 RM'000	Financial Year-to-Date 30.06.2015 RM'000
Current taxation		
- income taxation	17,580	37,430
- deferred taxation	(8,485)	(11,512)
	<u>9,095</u>	<u>25,918</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 30.6.2015 RM'000
Short-term - unsecured	81,598
Short-term - secured	144,365
Long-term - unsecured	15,000
Long-term - secured	<u>509,587</u>
	<u>750,550</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	<u>77,500</u>	<u>291,177</u>
	<u>77,500</u>	<u>291,177</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 third quarter ended 30 June 2015.

B12. EARNINGS PER SHARE (“EPS”)

	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-to-Date	Year-to-Date
	30.06.2015	Quarter	30.06.2015	30.06.2014
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	20,886	11,606	61,919	79,089
Weighted average number of ordinary shares ('000)				
At 1 October 2014/2013	419,394	349,253	419,394	349,253
Bonus issue *	-	69,898	-	69,898
Exercised warrants	11	2	11	2
At 30 June 2015/2014	419,405	419,153	419,405	419,153
BASIC EPS (sen)	4.98	2.77	14.76	18.87
DILUTED EPS				
Profit attributable to Owners of the parent (RM'000)	20,886	11,606	61,919	79,089
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	419,405	419,153	419,405	419,153
Effect of dilution: warrants ('000)	1,719	3,841	10,817	13,419
At 30 June 2015/2014	421,124	422,994	430,222	432,572
DILUTED EPS (sen)	4.96	2.74	14.39	18.28

* 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 30.06.2015 RM'000	(Audited) As at 30.09.2014 RM'000
Total retained earnings of its subsidiaries		
- realised	602,062	611,838
- unrealised	117,087	110,301
	<u>719,149</u>	<u>722,139</u>
Total share of retained earnings from associates		
- realised	8,369	8,186
	<u>727,518</u>	<u>730,325</u>
Less: Consolidation adjustments	(103,007)	(134,181)
Total retained earnings of the Group	<u><u>624,511</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 26 August 2015.