

MALTON

Malton Berhad

(Company No: 320888-T)

**INTERIM FINANCIAL REPORT
30 JUNE 2014**

MALTON BERHAD

(Company No: 320888-T)

Interim Financial Report – 30 JUNE 2014

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MALTON BERHAD

(Company No : 320888-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2014

(These figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
	30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
Revenue	102,164	130,067	500,300	359,179
Operating Expenses	(79,286)	(106,904)	(418,228)	(308,387)
Other Operating Income	3,819	7,480	15,250	16,601
Finance Costs	(3,595)	(4,039)	(16,410)	(15,271)
Share in Results of Associated Companies	(4,091)	(3,345)	(1,058)	(1,969)
Profit before Taxation	19,011	23,259	79,854	50,153
Taxation	(10,374)	(7,113)	(28,024)	(14,766)
Net Profit for the Period/Year	8,637	16,146	51,830	35,387
Other Comprehensive Income				
Change in fair value of available-for-sale financial assets	192	(230)	(159)	180
	8,829	15,916	51,671	35,567
Attributable to:				
Owners of the Company	8,637	16,146	51,830	35,387
Non-Controlling Interests	-	-	-	-
Net Profit for the Period/Year	8,637	16,146	51,830	35,387
Earnings per Share Attributable to Equity Holders of the Company (Sen)				
Basic	2.05	3.86	12.37	8.46
Fully Diluted	1.84	3.18	10.60	7.47

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD
(Company No : 320888-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As At 30.6.2014 RM'000	Audited As At 30.6.2013 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	10,387	9,271
Investment Properties	189,652	45,045
Land held for Property Development	234,202	208,810
Investment in Associated Companies	5,371	6,430
Other Investments	1,182	1,390
Deferred Tax Assets	2,310	2,791
Other Receivable	16,401	16,032
	<u>459,505</u>	<u>289,769</u>
Current Assets		
Property Development	78,484	101,524
Land Held for Sale	39,032	-
Inventories	35,813	117,069
Trade Receivables	122,886	140,065
Accrued Billings	30,052	19,168
Amount due from Contract Customers	863	2,641
Other Receivables, JV Deposits and Prepaid Expenses	445,494	235,079
Tax Recoverable	3,677	11,464
Short Term Funds	1,284	1,067
Fixed Deposits with Licensed Banks	16,342	9,691
Cash and Bank Balances	69,622	79,220
	<u>843,549</u>	<u>716,988</u>
TOTAL ASSETS	<u>1,303,054</u>	<u>1,006,757</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	422,550	418,104
Share Premium	6	6
Other Reserves	27,080	25,486
Retained Earnings	209,477	168,828
	<u>659,113</u>	<u>612,424</u>
Non-Controlling Interests	-	-
Total Equity	<u>659,113</u>	<u>612,424</u>
Non-Current Liabilities		
RCSLS - Liability component	100,169	103,669
Redeemable Preference Shares	3,000	-
Bank Borrowings	232,475	50,043
Hire-Purchase Payables	1,688	1,419
Deferred Tax Liabilities	4,200	5,799
	<u>341,532</u>	<u>160,930</u>
Current Liabilities		
Trade Payables	164,477	138,060
Advance Billings	21,391	17,215
Other Payables and Accrued Expenses	44,421	21,873
RCSLS - current portion	17,337	11,524
Bank Borrowings	37,498	38,526
Hire-Purchase Payables	1,003	720
Tax Liabilities	16,282	5,485
	<u>302,409</u>	<u>233,403</u>
TOTAL EQUITY AND LIABILITIES	<u>1,303,054</u>	<u>1,006,757</u>
Net Assets Per Share Attributable to Equity Holders of the Company (RM)	<u>1.56</u>	<u>1.46</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD

(Company No : 320888-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014
(These figures have not been audited)**

	Attributable to Owners of the Company							Distributable	Non-Controlling Interests	Total
	Share Capital	RCSLS Equity Component	Share Premium	Available-for-sale Reserve	Warrant Reserve	Revaluation Reserve	Option Reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1.7.2012	418,104	3,378	6	(873)	20,546	2,065	190	143,894	-	587,310
Total comprehensive income	-	-	-	180	-	-	-	35,387	-	35,567
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(10,453)	-	(10,453)
Balance as at 30.6.2013	418,104	3,378	6	(693)	20,546	2,065	190	168,828	-	612,424
Balance as at 1.7.2013	418,104	3,378	6	(693)	20,546	2,065	190	168,828	-	612,424
Share options granted under ESOS	-	-	-	-	-	-	1,845	-	-	1,845
Issuance of shares: - Conversion of RCSLS	4,446	(92)	-	-	-	-	-	(728)	-	3,626
Total comprehensive income	-	-	-	(159)	-	-	-	51,830	-	51,671
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(10,453)	-	(10,453)
Balance as at 30.6.2014	422,550	3,286	6	(852)	20,546	2,065	2,035	209,477	-	659,113

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD

(Company No : 320888-T)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

(These figures have not been audited)

	30.6.2014	30.6.2013
	RM'000	RM'000
CASH FLOWS FROM/(USED IN)		
OPERATING ACTIVITIES		
Profit before Taxation	79,854	50,153
Adjustments for :		
Finance costs	16,410	15,271
Share options granted under ESOS	1,845	-
Write off of:		
Property, plant and equipment	2	8
Development expenditure	-	37
Share in results of associated companies	1,058	1,969
Provision for doubtful debt	14	-
Gain on fair value adjustment	(1,496)	-
Depreciation of property, plant & equipment	2,480	2,174
Allowance for foreseeable loss	-	20
Distribution income on short term funds	(256)	(1,090)
Gain on disposal of property, plant & equipment	(513)	(111)
Interest income	(11,549)	(8,046)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>87,849</u>	<u>60,385</u>
CHANGES IN WORKING CAPITAL		
(Increase)/Decrease:		
Property development - current portion	20,573	96,908
Land held for sale	(6,524)	-
Inventories	81,256	(88,235)
Receivables	(192,379)	(244,061)
Accrued billings	(10,884)	(13,854)
Amount due from contract customers	1,778	(1,624)
Increase/(Decrease) in:		
Payables	41,952	28,496
Advance billings	4,176	11,490
CASH USED IN OPERATIONS	<u>27,797</u>	<u>(150,495)</u>
Income tax paid net of refund	(10,336)	(17,669)
NET CASH USED IN OPERATING ACTIVITIES	<u>17,461</u>	<u>(168,164)</u>
INVESTING ACTIVITIES		
Interest received	9,741	6,474
Distribution income from short term funds received	256	1,090
(Increase)/Decrease in:		
Property development - non-current portion	(45,564)	5,815
Short term funds	(167)	148,097
Addition to investment properties	(143,706)	(227)
Proceeds from disposal of property, plant and equipment	530	111
Withdrawal/(Placement) of fixed deposit	(389)	(2,108)
Addition to property, plant & equipment	(2,253)	(522)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	<u>(181,552)</u>	<u>158,730</u>
FINANCING ACTIVITIES		
Finance costs paid	(19,399)	(13,570)
Proceeds from long-term loans/borrowings	229,153	34,363
Proceeds from issuance of redeemable preference shares in a subsidiary company	3,000	-
Dividend paid	(10,453)	(10,453)
Repayment of borrowings	(45,721)	(4,026)
Repayment of hire purchase payables	(808)	(633)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	<u>155,772</u>	<u>5,681</u>
Net decrease in cash and cash equivalents	(8,319)	(3,753)
Cash and cash equivalents at the beginning of the year	62,017	65,770
Cash and cash equivalents at the end of the year	<u>53,698</u>	<u>62,017</u>
Cash and cash equivalents comprise the followings :		
Fixed deposits net of amounts pledged	13,263	7,001
Cash and bank balances	49,933	66,542
Bank overdrafts	(9,498)	(11,526)
	<u>53,698</u>	<u>62,017</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 JUNE 2014**

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1 Accounting Policies and Method of Computation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2013.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual audited financial statements for the financial year ended 30 June 2013 except as follows:

On 1 July 2013, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual periods beginning on or after 1 July 2013:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendment to Government Loans)
FRS 1	First-time Adoption of Financial Reporting Standards (Amendment to Improvements to FRSs (2012))
FRS 7	Financial Instruments: Disclosures (Amendments relating to Disclosures - Offsetting Financial Assets and Financial Liabilities)
FRS 10	Consolidated Financial Statements
FRS 10	Consolidated Financial Statements (Amendments relating to Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance)
FRS 11	Joint Arrangements
FRS 11	Joint Arrangements (Amendments relating to Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance)
FRS 12	Disclosures of Interests in Other Entities
FRS 12	Disclosures of Interests in Other Entities (Amendments relating to Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance)
FRS 13	Fair Value Measurement
FRS 101	Presentation of Financial Statements [Improvements to FRSs (2012)]
FRS 116	Property, Plant and Equipment [Improvements to FRSs (2012)]
FRS 119	Employee Benefits (2011)
FRS 127	Separate Financial Statements (2011)
FRS 128	Investments in Associates and Joint Ventures (2012)
FRS 132	Financial Instruments: Presentation [Amendment relating to Improvements to FRSs (2012)]
FRS 134	Interim Financial Reporting [Amendment to Improvements to FRSs (2012)]
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group for financial year ended 30 June 2014.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
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On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) had 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 shall apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities (“TEs”).

TEs, 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 given a transitional period of two years, within which the MFRS Framework is mandatory to be adopted by the TEs. Following the announcement by the MASB on 7 August 2013, the transitional period for TEs has been extended for an additional year. Therefore, the mandatory adoption date of the MFRS Framework for TEs has been extended from annual periods beginning on or after 1 January 2014 to annual periods beginning on or after 1 January 2015.

The Group being a TE has availed itself of these transitional arrangements 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 June 2016, being the first set of financial statements prepared in accordance with new MFRS Framework. Further, an explicit and unreserved statement of compliance with IFRSs will be made in these financial statements.

The following FRS and IC Interpretation have been issued by the MASB but are not yet effective, and have yet to be adopted by the Group:

FRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009) ²
FRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010) ²
FRS 10	Consolidated Financial Statements (Amendments relating to Investment Entities) ¹
FRS 12	Disclosures of Interests in Other Entities (Amendments relating to Investment Entities) ¹
FRS 127	Separate Financial Statements (2011) (Amendments relating to Investment Entities) ¹
FRS 132	Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities) ¹
FRS 136	Recoverable amount disclosures for Non-Financial Assets (Amendments to FRS 136) ¹
FRS 139	Novation of Derivatives and Continuation of Hedge Accounting (Amendments to FRS 139) ¹

¹ Effective for annual periods beginning on or after January 1, 2014

² Effective for annual periods beginning on or after January 1, 2015

Consequential amendments were also made to various FRSs as a result of these new/revised FRSs.

The directors anticipate that abovementioned FRSs and IC Interpretations will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these FRSs and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 JUNE 2014**

2 Audit Report

The auditors' report on preceding year's annual financial statements of the Company and of the Group was not qualified.

3 Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

4 Unusual Items

There were no material items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

5 Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

6 Debt and Equity Securities

i) The following are the changes in debt and equity securities that were issued by the Company during the current quarter ended 30 June 2014:

On 28 April 2014, the Company issued 4,446,700 new ordinary shares of RM1.00 each pursuant to conversion of RM4,446,700 nominal value 7-year 6% Redeemable Convertible Secured Loan Stocks ("RCSLS").

Accordingly, the issued and paid-up share capital of the Company has increased from RM418,103,512 to RM422,550,212 as at 30 June 2014 and the outstanding RCSLS has reduced from RM139,301,169 to RM134,854,469 as at 30 June 2014.

ii) The following are the changes in debt and equity securities that were issued by the Company subsequent to the quarter ended 30 June 2014 and have not been reflected in the financial statements for the quarter ended 30 June 2014:

On 1 July 2014, the Company redeemed RM13,485,444 nominal value 7-year 6% RCSLS pursuant to the Trust Deed.

On 22 July 2014, the Company issued 348,300 new ordinary shares of RM1.00 each pursuant to conversion of RM348,300 nominal value 7-year 6% RCSLS.

On 31 July 2014, the Company issued 750,000 new ordinary shares of RM1.00 each pursuant to conversion of RM750,000 nominal value 7-year 6% RCSLS.

On 6 August 2014, the Company issued 3,960,000 new ordinary shares of RM1.00 each pursuant to conversion of RM3,960,000 nominal value 7-year 6% RCSLS.

On 15 August 2014, the Company issued 40,000 new ordinary shares of RM1.00 each pursuant to conversion of RM40,000 nominal value 7-year 6% RCSLS.

Save as disclosed above, there were no cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Company.

7 Dividend Paid

There was no dividend paid during the quarter ended 30 June 2014.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 JUNE 2014**

8 Segmental Reporting

a) Analysis by business segments for the financial year ended 30 June 2014:

	Property development	Construction & project management	Property trading	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External Sales	271,096	207,974	20,522	708		500,300
Internal Sales	-	52,986	-	62,971	(115,957)	-
	<u>271,096</u>	<u>260,960</u>	<u>20,522</u>	<u>63,679</u>	<u>(115,957)</u>	<u>500,300</u>
Results						
Segmental operating profit/(loss)	<u>60,184</u>	<u>18,109</u>	<u>14,651</u>	<u>48,470</u>	<u>(55,897)</u>	<u>85,517</u>
Interest and distribution income						11,805
Profit from operations						<u>97,322</u>
Finance costs						(16,410)
Share in results of associated companies						(1,058)
Profit before tax						<u>79,854</u>
Income tax expense						(28,024)
Net profit for the year						<u>51,830</u>

b) Analysis by business segments for the financial year ended 30 June 2013:

	Property development	Construction & project management	Property trading	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External Sales	157,237	194,799	6,442	701		359,179
Internal Sales	-	15,318	-	25,882	(41,200)	-
	<u>157,237</u>	<u>210,117</u>	<u>6,442</u>	<u>26,583</u>	<u>(41,200)</u>	<u>359,179</u>
Results						
Segmental operating profit/(loss)	<u>40,715</u>	<u>18,817</u>	<u>3,008</u>	<u>11,309</u>	<u>(15,592)</u>	<u>58,257</u>
Interest and distribution income						9,136
Profit from operations						<u>67,393</u>
Finance costs						(15,271)
Share in results of associated companies						(1,969)
Profit before tax						<u>50,153</u>
Income tax expense						(14,766)
Net profit for the Year						<u>35,387</u>

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
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9 Revaluation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the annual financial statements for the financial year ended 30 June 2013.

10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the current quarter ended 30 June 2014 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

11 Changes in the Composition of the Group

There were no material changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations for the Group for the quarter under review.

12 Contingent Liabilities

As at this reporting date, the Group does not have any material contingent liabilities.

13 Significant Related Party Transactions

The significant transactions with entities in which certain Directors of the Company are also Directors are as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-Date	Preceding Year Corresponding Year To-Date
	30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
Rental paid/payable to:				
Pavilion REIT #	548	535	2,153	2,141
Purchase of gifts and hampers				
Crabtree & Evelyn (Malaysia) Sdn Bhd	41	2	135	75

Pavilion REIT is managed by Pavilion REIT Management Sdn Bhd, a company in which certain Directors of the Company have directorships.

14 Capital Commitments

There is no outstanding capital commitment as at the end of the current quarter.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

1 Review of Performance

During the financial year under review, several cooling measures have been announced by the Government to curb excessive property speculations. These measures may pose potential downside risks for the property sectors. The Malaysian economy registered a strong growth of 6.4% in the second quarter of 2014 as compared to 6.2% recorded in the first quarter of 2014.

The Group's revenue grew by 39.3% to RM500.3 million for the current financial year as compared to RM359.2 million reported in the previous financial year while pre-tax profit increased by 59.2% to RM79.9 million for the current financial year as compared to RM50.2 million reported in the previous financial year.

The Group's revenue for the current quarter declined by 21.4% to RM102.2 million as compared to RM130.1 million reported in the previous corresponding quarter while pre-tax profit for the current quarter decreased to RM19.0 million as compared to RM23.3 million reported in the previous corresponding quarter. Revenue and profit from the property development division declined during the current quarter as compared to the previous corresponding quarter due to higher billings and profit recognition from the completion of Amaya Maluri project in Kuala Lumpur and Mutiara Residence project in Penang during the financial year ended 30 June 2013. Revenue and profit from construction and project management division also decline in the current quarter as compared to previous corresponding quarter due to lower billings as a result of the recent completion of the Jaya 14 project.

The share of results of associated companies during the quarter declined to a loss of RM4.1 million as compared to a loss of RM3.3 million reported in the previous corresponding quarter.

2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group's revenue declined marginally to RM102.2 million for the current quarter as compared to RM102.6 million for the immediate preceding quarter. The marginal decrease of RM0.4 million in revenue was mainly due to lower billings as a result of the recent completion of the Jaya 14 project under the construction and project management division but offset by higher revenue recognition from the property development division arising from progress billings for the Nova Saujana project in Subang as well as the initial recognition of revenue of the new projects launched namely, Bukit Jalil City in Kuala Lumpur and SK One Residence in Seri Kembangan during the quarter. The Group recorded a higher pre-tax profit of RM19.0 million for the current quarter as compared to the pre-tax profit of RM6.4 million for the immediate preceding quarter due to maiden profits contribution of the newly launched projects.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 JUNE 2014**

3 Prospects for the next Financial Year Ending 30 June 2015

The Malaysian economy is expected to remain on a steady path to be driven by private investment and private consumption. The cooling measures announced by the Government will not have significant effects on the Group's immediate earnings due to high percentage of lock-in sales for launched projects.

In the meantime, the on-going development projects of the Group namely The Cantonment in Penang, Nova Saujana in Subang, Bukit Jalil City in Kuala Lumpur and SK One Residence in Seri Kembangan, together with the on-going construction contracts in hand, will continue to contribute positively to the earnings of the Group for the financial year ending 30 June 2015.

Barring unforeseen circumstances, the Board of Directors envisages the Group to achieve satisfactory results for the financial year ending 30 June 2015.

4 Profit Forecast or Profit Guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee.

5 Taxation

Details of taxation are as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.6.2014 RM'000	Preceding Year Corresponding Quarter 30.6.2013 RM'000	Current Year To-Date 30.6.2014 RM'000	Preceding Year Corresponding Year To-Date 30.6.2013 RM'000
Current taxation	9,525	6,438	27,303	14,925
Under provision in prior year	788	570	1,616	67
Deferred taxation	61	105	(895)	(226)
	<u>10,374</u>	<u>7,113</u>	<u>28,024</u>	<u>14,766</u>

The effective tax rate for the current year to-date (before share of results of associated companies) is higher than the statutory tax rate due to the incurrence of certain expenses that are not deductible for tax purposes and losses incurred by certain subsidiary companies which do not qualify for group relief.

6 Profits/(Loss) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and/or properties for the quarter under review.

7 Purchases or Disposals of Quoted Securities

There was no purchase and disposal of quoted securities by the Group for the current financial quarter under review.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 30 JUNE 2014**

8 Status of Corporate Proposals

(i) Layar Raya Sdn Bhd (“LRSB”)

On 9 December 2013, LRSB, a wholly-owned subsidiary company of the Company, had entered into a conditional Sale and Purchase Agreement with Fame Action Sdn Bhd (“FASB”) for the proposed disposal of two pieces of freehold land held under Lot 4192 and Lot 1656, measuring 10.3542 hectares (approximately 25.6 acres), both located within Mukim of Cheras, District of Ulu Langat, Selangor for a cash consideration of RM35,664,538.00 (“Proposed Disposal 1”).

The Proposed Disposal 1 has since become unconditional.

LRSB had on 8 July 2014 mutually agreed with FASB to extend the period for payment of the balance consideration amounting to RM32,098,084.20 to 9 September 2014 subject to the payment of interest at the rate of 8% per annum to be calculated on a daily basis.

(ii) Rentak Sejati Sdn Bhd (“RSSB”)

On 30 May 2014, RSSB, an indirect wholly-owned subsidiary company of the Company, had entered into a conditional Sale and Purchase Agreement with Hedgeford Ventures Sdn Bhd (“HVSB”) for the proposed disposal of a piece of leasehold land held under Pajakan Negeri No. Hakmilik 77546, Lot No. 43001, Pekan Baru Subang, daerah Petaling, Selangor measuring in area of approximately 12 acres for a cash consideration of RM83,665,642.00 (“Proposed Disposal 2”).

The Proposed Disposal 2 is conditional upon the followings:

- (a) RSSB having obtained the approval from the appropriate authorities for the conversion of the Land use from “Perusahaan” to “Bangunan Perniagaan” (“Conversion”);
- (b) RSSB having paid for the premium for the Conversion;
- (c) RSSB having obtained the written consent from the appropriate authority/(ies) consenting to the transfer of the Land to HVSB and/or the sale of the Land to HVSB;
- (d) RSSB having issued a letter of undertaking to HVSB undertaking to terminate all the contracts or letters of appointment entered into with RSSB’s architect, surveyors, consultants, advisers and agents in relation to the project on the Land; and
- (e) HVSB having obtained the approval of the EPU for the sale and purchase of the Land by HVSB from RSSB.

Saved for the above, there was no other outstanding corporate proposal for the Group.

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9 Borrowings and Debt Securities

The Group's borrowings and debt securities as at the end of the current quarter are as follows:

	RM'000
RCSLS – Liability Component	117,506
Term Loans	227,853
Revolving Credits	28,000
Bridging Loans	4,622
Redeemable Preference Shares	3,000
Bank Overdrafts	9,498
Hire Purchase Payables	2,691
Total	<u>393,170</u>
Repayment due within next 12 months	<u>55,838</u>
Repayment due after 12 months	<u>337,332</u>

All borrowings are denominated in Ringgit Malaysia and are secured.

10 Off Balance Sheet Financial Instruments

There were no off balance sheet arrangements entered into nor were there any off balance sheet financial instruments issued by the Group as at the date of this report.

11 Material Litigation

There is no pending material litigation as at the date of this report.

13 Dividend

No interim dividend has been recommended for the financial quarter ended 30 June 2014.

14 Earnings Per Share (“EPS”)

Basic

The basic earnings per ordinary share of the Group for the current quarter and current year to date have been calculated based on the Group's profit attributable to equity holders of the Company of RM8,637,000 and RM51,830,000 respectively and on the weighted average number of ordinary shares in issue and ranking for dividend during the financial period/year.

Fully Diluted

Under FRS 133 on Earnings Per Share, the options pursuant to the Employee Shares Option Scheme and Warrants have no dilutive effect as both the exercise prices of the options and Warrants are above the average market price of the Company's shares during the quarter and year ended 30 June 2014.

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The diluted earnings per ordinary share of the Group for the current quarter and current year to date have been calculated based on the Group's adjusted profit attributable to equity holders of the Company of RM10,002,000 and RM57,292,000 respectively and on the weighted average number of ordinary shares in issue and issuable and ranking for dividend during the financial period assuming full conversion of the outstanding RCSLS.

(a) Basic EPS	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.6.2014	Preceding Year Corresponding Qtr 30.6.2013	Current Year To Date 30.6.2014	Preceding Year to Date 30.6.2013
Profit attributable to equity holders of the Company (RM'000)	8,637	16,146	51,830	35,387
Weighted average number of shares in issue ('000)	421,231	418,104	418,883	418,104
Basic earnings per share (sen)	2.05	3.86	12.37	8.46
 (b) Diluted EPS	 Current Quarter 30.6.2014	 Preceding Year Corresponding Qtr 30.6.2013	 Current Year To Date 30.6.2014	 Preceding Year to Date 30.6.2013
Profit attributable to equity holders of the Company (RM'000)	8,637	16,146	51,830	35,387
Effects on earnings upon conversion of RCSLS (RM'000)	1,365	1,567	5,462	6,269
	<hr/> 10,002	<hr/> 17,713	<hr/> 57,292	<hr/> 41,656
Weighted average number of shares in issue ('000)	421,231	418,104	418,883	418,104
Effects of dilution	121,369	139,301	121,369	139,301
Adjusted weighted average number of shares in issue and issuable ('000)	<hr/> 542,600	<hr/> 557,405	<hr/> 540,252	<hr/> 557,405
Diluted earnings per share (sen)	1.84	3.18	10.60	7.47

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15 Profit Before Tax

The following items have been included in arriving at profit before tax:

After charging:	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year	Current Year	Preceding
	30.6.2014	Corresponding Qtr	To Date	Year to Date
	RM'000	30.6.2013	30.6.2014	30.6.2013
	RM'000	RM'000	RM'000	RM'000
Interest expense	3,595	4,039	16,410	15,271
Depreciation and Amortization	694	556	2,480	2,174
After crediting:				
Interest income	2,805	2,739	11,549	8,046
Gain on fair value changes of investment properties	-	-	900	-
Other income	1,001	4,735	2,545	7,465
Distribution income from short term funds	13	6	256	1,090

There were no provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investment or properties, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current quarter under review and financial year ended 30 June 2014.

16 Realised and Unrealised Retained Earnings

	As at 30.6.2014 RM'000	As at 31.03.2014 RM'000
Total retained earnings:		
Company and subsidiaries		
-realised profit	430,235	414,276
-unrealised profit	987	826
	<u>431,222</u>	<u>415,102</u>
Associated companies		
-realised profit	1,821	4,969
-unrealised profit	3,550	4,494
	<u>5,371</u>	<u>9,463</u>
Less: Consolidation adjustments	(227,116)	(222,997)
Total group retained earnings as per unaudited consolidated financial statements	<u>209,477</u>	<u>201,568</u>