



Malton Berhad

(Company No: 320888-T)

**INTERIM FINANCIAL REPORT
30 SEPTEMBER 2015**

MALTON BERHAD

(Company No: 320888-T)

Interim Financial Report – 30 SEPTEMBER 2015

	Page No.
Condensed Consolidated Statement Of Comprehensive Income	1
Condensed Consolidated Statement Of Financial Position	2
Condensed Consolidated Statement Of Changes In Equity	3
Condensed Consolidated Statement Of Cash Flows	4
Explanatory Notes To The Interim Financial Statements:	
Part A: Explanatory Notes Pursuant To FRS 134	5 – 10
Part B: Explanatory Notes Pursuant To Appendix 9B Of The Main Market Listing Requirements Of Bursa Malaysia Securities Berhad	11 – 15

MALTON BERHAD

(Company No : 320888-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND PERIOD ENDED 30 SEPTEMBER 2015 (These figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2014 RM'000	CURRENT YEAR TO DATE 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE 30.09.2014 RM'000
Revenue	123,075	111,591	123,075	111,591
Operating Expenses	(117,419)	(90,239)	(117,419)	(90,239)
Other Operating Income	3,328	3,225	3,328	3,225
Finance Costs	(4,019)	(2,739)	(4,019)	(2,739)
Share in Results of Associated Companies	(81)	(169)	(81)	(169)
Profit before Taxation	4,884	21,669	4,884	21,669
Taxation	(554)	(6,560)	(554)	(6,560)
Net Profit for the Period	4,330	15,109	4,330	15,109
Other Comprehensive Income				
Change in fair value of available-for-sale financial assets	(149)	16	(149)	16
	4,181	15,125	4,181	15,125
Attributable to:				
Owners of the Company	4,334	15,109	4,334	15,109
Non-Controlling Interests	(4)	-	(4)	-
Net Profit for the Period	4,330	15,109	4,330	15,109
Earnings per Share Attributable to Equity Holders of the Company (Sen)				
Basic	0.97	3.55	0.97	3.55
Fully Diluted	1.00	2.98	1.00	2.98

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2015 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 30.09.2015 RM'000	Audited As At 30.06.2015 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	9,970	10,370
Investment Properties	72,794	51,127
Land held for Property Development	130,542	154,650
Investment in Associated Companies	4,331	4,412
Other Investments	1,074	1,227
Deferred Tax Assets	8,607	6,157
Other Receivable	16,030	16,030
	<u>243,348</u>	<u>243,973</u>
Current Assets		
Property Development	574,505	575,609
Inventories	71,376	71,376
Trade Receivables	99,908	92,070
Accrued Billings	37,162	27,864
Amount due from contract customer	212	42,544
Other Receivables and Prepaid Expenses	287,139	285,426
Tax recoverable	683	1,140
Short term funds	1,357	1,346
Fixed Deposits with Licensed Banks	5,916	856
Cash and Bank Balances	61,408	79,372
	<u>1,139,666</u>	<u>1,177,603</u>
Assets classified as held for sale	<u>154,000</u>	<u>154,000</u>
	<u>1,293,666</u>	<u>1,331,603</u>
TOTAL ASSETS	<u><u>1,537,014</u></u>	<u><u>1,575,576</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share Capital	448,416	448,416
Share Premium	6	6
Other Reserves	26,194	26,740
Retained Earnings	238,580	239,515
	<u>713,196</u>	<u>714,677</u>
Non-Controlling Interests	206	-
Total Equity	<u>713,402</u>	<u>714,677</u>
Non-Current Liabilities		
RCSLS - Liability component	65,230	85,403
Redeemable Preference Shares	3,050	3,000
Bank Borrowings	202,285	253,506
Hire-Purchase Payables	1,493	1,678
Deferred Tax Liabilities	3,926	5,703
	<u>275,984</u>	<u>349,290</u>
Current Liabilities		
Trade Payables	195,988	217,213
Advance Billings	76,442	89,269
Other Payables and Accrued Expenses	50,281	39,817
RCSLS - Liability component	29,484	22,907
Bank Borrowings	177,908	124,024
Hire-Purchase Payables	721	857
Tax Liabilities	16,804	17,522
	<u>547,628</u>	<u>511,609</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,537,014</u></u>	<u><u>1,575,576</u></u>
Net Assets Per Share Attributable to Equity Holders of the Company (RM)	<u>1.59</u>	<u>1.59</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2015 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 PERIOD ENDED 30 SEPTEMBER 2015
(These figures have not been audited)**

	Share Capital RM'000	Equity Component of RCSLS RM'000	Share Premium RM'000	Available- for-sale Reserve RM'000	Warrant Reserve RM'000	Revaluation Reserve RM'000	Option Reserve RM'000	Retained Earnings RM'000	Non- Controlling Interests RM'000	Total RM'000
Balance as at 1.7.2014	422,550	3,286	6	(852)	20,546	2,065	2,035	209,690	-	659,326
Issuance of shares:										
- Conversion of RCSLS	5,099	(382)						(3,043)		1,674
Total comprehensive income	-	-	-	16	-	-	-	15,109	-	15,125
Balance as at 30.9.2014	<u>427,649</u>	<u>2,904</u>	<u>6</u>	<u>(836)</u>	<u>20,546</u>	<u>2,065</u>	<u>2,035</u>	<u>221,756</u>	<u>-</u>	<u>676,125</u>
Balance as at 1.7.2015	448,416	2,887	6	(793)	20,546	2,065	2,035	239,515	-	714,677
Redemption of of RCSLS	-	(397)						(3,153)	-	(3,550)
Effect of dilution in equity interest of a subsidiary		-	-	-	-	-	-	(2,116)	-	(2,116)
Non-controlling interest arising from subscription of shares in a subsidiary	-	-	-	-	-	-	-	-	210	210
Total comprehensive income	-	-	-	(149)	-	-	-	4,334	(4)	4,181
Balance as at 30.9.2015	<u>448,416</u>	<u>2,490</u>	<u>6</u>	<u>(942)</u>	<u>20,546</u>	<u>2,065</u>	<u>2,035</u>	<u>238,580</u>	<u>206</u>	<u>713,402</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2015 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 PERIOD ENDED 30 SEPTEMBER 2015**

(These figures have not been audited)

	30.09.2015 RM'000	30.09.2014 RM'000
CASH FLOWS FROM/(USED IN)		
OPERATING ACTIVITIES		
Profit before Taxation	4,884	21,669
Adjustments for :		
Finance costs	4,019	2,739
Write off of:		
Development expenditure	-	109
Share in results of associated companies	81	169
Depreciation of property, plant & equipment	708	626
Distribution income on short term funds	(10)	(21)
Interest income	(2,492)	(2,689)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>7,190</u>	<u>22,602</u>
CHANGES IN WORKING CAPITAL		
(Increase)/Decrease:		
Property development - current portion	5,095	9,176
Inventories	-	1,134
Receivables	(6,948)	15,270
Accrued billings	(9,298)	11,358
Amount owing by contract customers	42,332	(367)
Increase/(Decrease) in:		
Payables	(17,038)	(22,897)
Advance billing	(12,827)	21,598
CASH FROM/(USED IN) OPERATIONS	<u>8,506</u>	<u>57,874</u>
Income tax paid net of refund	(4,083)	(4,224)
NET CASH FROM OPERATING ACTIVITIES	<u>4,423</u>	<u>53,650</u>
INVESTING ACTIVITIES		
Interest received	344	274
Distribution income from short term funds received	10	21
(Increase)/Decrease in:		
Property development - non-current portion	23,003	(18,019)
Short term funds	(9)	(14)
Additional of Investment properties	(1,001)	-
(Placement)/Withdrawal of fixed deposit	-	2
Addition to property, plant & equipment	(224)	(225)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	<u>22,123</u>	<u>(17,961)</u>
FINANCING ACTIVITIES		
Finance costs paid	(5,391)	(4,773)
Proceeds from long-term loan	9,472	3,000
Redemption of preference shares	(10,500)	-
Acquisition of subsidiary, net of cash and cash equivalents	(1)	-
Repayment of borrowings	(16,679)	(14,674)
Repayment of hire purchase payables	(406)	(256)
NET CASH USED IN FINANCING ACTIVITIES	<u>(23,505)</u>	<u>(16,703)</u>
Net increase in cash and cash equivalents	3,041	18,986
Cash and cash equivalents at the beginning of the period	45,990	53,698
Cash and cash equivalents at the end of the period	<u>49,031</u>	<u>72,684</u>
Cash and cash equivalents comprise the followings :		
Fixed deposits net of amounts pledged	5,060	14,000
Cash and bank balances	51,964	66,068
Bank overdrafts	(7,993)	(7,384)
	<u>49,031</u>	<u>72,684</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

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 2015.

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 2015.

Adoption of Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB" or the "Board") 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 are entities that are within the scope of MFRS 141 *Agriculture* and/or IC Interpretation 15 *Agreements for the Construction of Real Estate*, including the parent, significant investors and joint ventures. The Board permitted TEs to defer the adoption of the MFRS Framework in view of the then proposed changes to the revenue and agriculture standards by the IASB. With the issuance of MFRS 15 *Revenue from Contracts with Customers* and the amendments to MFRS 116 *Property, Plant and Equipment* and MFRS 141, TEs which have chosen to continue with the FRS Framework is now required to adopt the MFRS Framework latest by 1 January 2017.

A single mandatory effective date (i.e. 1 January 2017) for the changeover to the MFRS Framework applies for the aforementioned entities although the effective date of the amendments to MFRS 116 and MFRS 141 is a year earlier than that of MFRS 15. The Board believes that a single date would mitigate potential complexity in preparing consolidated financial statements by TEs that are involved in both the agriculture and property development industries.

The Group and the Company being TEs have availed themselves of these transitional arrangements and will continue to apply FRSs in the preparation of its financial statements. Accordingly, the Group and the Company 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 2018, 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.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

Adoption of New and Revised Financial Reporting Standards

In the current financial year, the Group and the Company adopted all the new and revised FRSs and Issues Committee Interpretations (“IC Interpretations”) and amendments to FRSs and IC Interpretations issued by the MASB that are effective for annual financial periods beginning on or after 1 July 2015.

The adoption of these new and revised FRSs and IC Interpretations did not result in significant changes in the accounting policies of the Group and of the Company and has no significant effect on the financial performances or positions of the Group and of the Company.

FRSs and IC Interpretations in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and amendments to FRSs which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

FRS 9	Financial Instruments (Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139) ²
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 9	Financial Instruments (IFRS 9 issued by IASB in July 2014) ²
FRS 14	Regulatory Deferral Accounts ¹
Amendments to FRS 9 and FRS 7	Mandatory Effective Date of FRS 9 (FRS 9 as issued by IASB in November 2009 and October 2010) and Transition Disclosures ²
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception ¹
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations ¹
Amendments to FRS 101	Disclosure Initiative ¹
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to FRS 127	Equity Method in Separate Financial Statements ¹
Amendments to FRSs	Annual Improvements to MFRSs 2012 - 2014 Cycle ¹

¹ Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

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

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

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 are 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

The following are the changes in debt and equity securities that were issued by the Company during the current quarter ended 30 September 2015:

- (i) On 1 July 2015, the Company had redeemed and cancelled RM19,250,501 Nominal Value 7-year 6% Redeemable Convertible Secured Loan Stocks ("RCSLS") pursuant to the scheduled redemption in accordance with the provisions under the Trust Deed dated 27 May 2011 constituting the RCSLS.

Accordingly, the outstanding RCSLS has reduced from RM115,503,425 to RM96,252,924 as at 30 September 2015.

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 were no dividends paid during the quarter ended 30 September 2015.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

8 Segmental Reporting

a) Analysis by business segments for the 3-months period ended 30 September 2015:

	Property development RM'000	Construction RM'000	Property trading RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue						
External Sales	70,191	52,708	-	176		123,075
Internal Sales	-	33,811	-	1,218	(35,029)	-
	<u>70,191</u>	<u>86,519</u>	<u>-</u>	<u>1,394</u>	<u>(35,029)</u>	<u>123,075</u>
Results						
Segmental operating profit/(loss)	<u>6,577</u>	<u>5,336</u>	<u>(41)</u>	<u>(3,440)</u>	<u>(1,950)</u>	<u>6,482</u>
Interest and distribution income						<u>2,502</u>
Profit from operations						<u>8,984</u>
Finance costs						<u>(4,019)</u>
Share in results of associated companies						<u>(81)</u>
Profit before tax						<u>4,884</u>
Income tax expense						<u>(554)</u>
Net profit for the period						<u>4,330</u>

b) Analysis by business segments for the 3-months period ended 30 September 2014:

	Property development RM'000	Construction RM'000	Property trading RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue						
External Sales	70,812	39,144	1,458	177		111,591
Internal Sales	-	22,832	-	1,182	(24,014)	-
	<u>70,812</u>	<u>61,976</u>	<u>1,458</u>	<u>1,359</u>	<u>(24,014)</u>	<u>111,591</u>
Results						
Segmental operating profit/(loss)	<u>23,135</u>	<u>2,622</u>	<u>306</u>	<u>(3,003)</u>	<u>(1,193)</u>	<u>21,867</u>
Interest and distribution income						<u>2,710</u>
Profit from operations						<u>24,577</u>
Finance costs						<u>(2,739)</u>
Share in results of associated companies						<u>(169)</u>
Profit before tax						<u>21,669</u>
Income tax expense						<u>(6,560)</u>
Net profit for the period						<u>15,109</u>

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

9 Revaluation of Property, Plant and Equipment and Investment Properties

The valuation of property, plant and equipment and investment properties have been brought forward without any amendments from the annual financial statements for the financial year ended 30 June 2015.

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

There were no material events subsequent to the current quarter ended 30 September 2015 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 except as follows:-

On 29 May 2015, the Company entered into a conditional subscription agreement with Macorp Sdn Bhd (“MSB”), a company incorporated in Malaysia, to subscribe for 400,000 new ordinary shares of RM1.00 each representing 80% of the enlarged issued and paid-up share capital in MSB at an issue price of RM1.00 per MSB share for a total consideration of RM400,000 (“Proposed Subscription”).

The Proposed Subscription was completed on 8 July 2015 and MSB is now a 80% owned subsidiary of the Company.

12 Contingent Liabilities

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

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

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
	30.9.2015 RM'000	30.9.2014 RM'000	30.9.2015 RM'000	30.9.2014 RM'000
Rental paid/payable to:				
Pavilion REIT #	591	553	591	553
Purchase of gifts and hampers				
Crabtree & Evelyn (Malaysia) Sdn Bhd	144	141	144	141

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

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

1 Review of Performance

The Group's revenue for the current quarter improved by 10.3% to RM123.1 million as compared to RM111.6 million reported in the previous corresponding quarter while pre-tax profit for the current quarter was lower at RM4.9 million as compared to RM21.7 million reported in the previous corresponding quarter. Revenue from the property development division reduced marginally during the current quarter as compared to the previous corresponding quarter due to completion of Nova Saujana in Saujana Subang and the initial recognition of billings from The Park Sky Residence in Bukit Jalil City which was launched in July 2015 while profit was lower due to higher initial overheads for new projects to be launched and recognition of higher profits arising from the disposal of certain parcels of land in the previous corresponding quarter. Revenue and profits from construction and project management division also improved in the current quarter as compared to the previous corresponding quarter due to the initial recognition of billings from Royale Pavilion Hotel project.

The share of results of associated companies during the quarter showed a marginal loss of RM0.1 million as compared to a loss RM0.2 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 improved to RM123.1 million for the current quarter as compared to RM118.4 million for the immediate preceding quarter. The Group recorded a pre-tax profit of RM4.9 million for the current quarter as compared to the pre-tax profit of RM32.2 million for the immediate preceding quarter. The higher turnover for the current quarter was mainly due to higher billings from the property development division from the launching of The Park Sky Residence in Bukit Jalil City with encouraging take-up rate while the construction division recorded a lower contribution due to completion of certain project in the preceding quarter. The lower pre-tax profits during the current quarter were mainly due to recognition of gain on fair value adjustments of investment properties of RM15.2 million and write back of certain provisions no longer required in the previous quarter.

3 Prospects for the current Financial Year Ending 30 June 2016

The Malaysian real GDP moderated to 4.7% in the third quarter of 2015 as compared to 4.9% recorded in the second quarter of 2015, supported mainly by private sector demand.

The Malaysian economy is expected to remain on a steady growth path with domestic demand remaining as the key driver of growth. The weakening of Ringgit and weaker energy and commodity prices remain a concern for the economy growth.

In the meantime, the on-going development projects of the Group namely, Bukit Jalil City Signature Shops and The Park Sky Residence in Bukit Jalil and SK One Residence in Seri Kembangan, together with the on-going construction contracts in hand and in particular Damansara Town Centre and Royale Pavilion Hotel projects, will continue to contribute positively to the earnings of the Group for the financial year ending 30 June 2016.

Barring unforeseen circumstances, the Board of Directors envisages the Group to achieve satisfactory results for the financial year ending 30 June 2016.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 30.9.2015 RM'000	Preceding Year Corresponding Quarter 30.9.2014 RM'000	Current Year To-Date 30.9.2015 RM'000	Preceding Year Corresponding Year To-Date 30.9.2014 RM'000
Current taxation	3,479	7,171	3,479	7,171
Under provision in prior year	343	-	343	-
Deferred taxation	(3,268)	(611)	(3,268)	(611)
	<u>554</u>	<u>6,560</u>	<u>554</u>	<u>6,560</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.

8 Status of Corporate Proposals

(a) On 7 October 2015, Khuan Choo Property Management Sdn Bhd (“KCPM”), a wholly-owned subsidiary company, has exercised its rights under the Put Option Agreement (“POA”) dated 10 May 2013 to require Impian Ekspresi Sdn Bhd (“IESB”), a related party (Note 22) to acquire from KCPM the entitlement to 186,667 square feet of office space in the Damansara Town Centre redevelopment project for a cash consideration of RM154,000,000 (“Option Price”) in accordance with the terms and conditions of the POA. The Option Price shall be paid by IESB to KCPM no later than 90 days from 7 October 2015. The directors estimate that there will be no significant gain or loss on disposal of assets classified as held for sale upon completion in the current financial year.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

(b) On 13 October 2015, the Company proposed to establish a new Employees’ Share Option Scheme (“ESOS”) of up to 15% of the total issued and paid-up share capital of the Company. The proposed new ESOS are subjected to the approval of Bursa Securities for the listing of and quotation for the new Malton Shares to be issued and allotted pursuant to the exercise of the ESOS Options under the proposed new ESOS on the Main Market of Bursa Securities which was obtained on 26 October 2015 and the approval of the shareholders of the Company at an extraordinary general meeting to be convened on 25 November 2015.

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

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	94,714
Term Loans	297,931
Revolving Credits	65,500
Bridging Loans	8,769
Redeemable Preference Shares	3,050
Bank Overdrafts	7,993
Hire Purchase Payables	2,214
Total	<u>480,171</u>
Repayment due within next 12 months	<u>208,113</u>
Repayment due after 12 months	<u>272,058</u>

All borrowings are denominated in Ringgit Malaysia and are secured except for RM30,000,000 revolving credit facilities which are unsecured.

10 Material Litigation

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

11 Dividend

The Directors have proposed a first and final single-tier dividend of 3% per share in respect of the financial year ended 30 June 2015, for approval of the shareholders at the forthcoming Annual General Meeting of the Company to be held on 25 November 2015.

The dividend if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 29 January 2016 and entitlement to dividends will be determined on the basis of the record of depositors as at 31 December 2015.

No interim dividend has been recommended for the financial quarter ended 30 September 2015.

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

12 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 RM4,334,000 and on the weighted average number of ordinary shares in issue and ranking for dividend during the quarter.

Fully Diluted

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 RM5,431,000 and on the weighted average number of ordinary shares in issue and issuable and ranking for dividend during the quarter assuming full conversion of the outstanding RCSLS, and the effects of unexercised Warrants and ESOS options.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30.9.2015	Preceding Year Corresponding Qtr 30.9.2014	Current Year To Date 30.9.2015	Preceding Year to Date 30.9.2014
(a) Basic EPS				
Profit attributable to equity holders of the Company (RM’000)	4,334	15,109	4,334	15,109
Weighted average number of shares in issue (’000)	448,416	425,147	448,416	425,147
Basic earnings per share (sen)	0.97	3.55	0.97	3.55
(b) Diluted EPS				
Profit attributable to equity holders of the Company (RM’000)	4,334	15,109	4,334	15,109
Effects on earnings upon conversion of RCSLS (RM’000)	1,097	1,308	1,097	1,308
	<u>5,431</u>	<u>16,417</u>	<u>5,431</u>	<u>16,417</u>
Weighted average number of shares in issue (’000)	448,416	425,147	448,416	425,147
Effects of RCSLS	96,253	116,270	96,253	116,270
Effects of unexercised Warrants	-	8,132	-	8,132
Effects of unexercised ESOS	-	944	-	944
Adjusted weighted average number of shares in issue and issuable (’000)	<u>544,669</u>	<u>550,493</u>	<u>544,669</u>	<u>550,493</u>
Diluted earnings per share (sen)	1.00	2.98	1.00	2.98

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

13 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
	30.9.2015	Corresponding Qtr	To Date	Year to Date
	RM'000	30.9.2014	30.9.2015	30.9.2014
		RM'000	RM'000	RM'000
Interest expense	4,019	2,739	4,019	2,739
Depreciation and Amortization	708	626	708	626
Impairment loss on other investment	-	-	-	-
After crediting:				
Interest income	2,492	2,689	2,492	2,689
Gain on fair value changes of investment properties	-	-	-	-
Other income	826	515	826	515
Distribution income from short term funds	10	21	10	21

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 period ended 30 September 2015.

14 Realised and Unrealised Retained Earnings

	As at 30.9.2015 RM'000	As at 30.6.2015 RM'000
Total share of retained earnings:		
Company and subsidiaries		
-realised	478,914	476,864
-unrealised	7,558	3,331
	<u>486,472</u>	<u>431,434</u>
Associated companies		
-realised	4,331	4,412
-unrealised	-	-
	<u>4,331</u>	<u>4,412</u>
Less: Consolidation adjustments	(252,223)	(245,092)
Total group retained earnings as per unaudited consolidated financial statements	<u>238,580</u>	<u>239,515</u>