

Lingkaran Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Financial Position

	As at 31-Dec-17	As at 31-Mar-17
	RM'000	RM'000
Assets		
Non-current assets		
Highway development expenditure ("HDE")	1,373,204	1,444,521
Plant and equipment	2,251	2,489
Other intangible assets	1,392	1,566
Investment in an associate	176,562	178,511
	<u>1,553,409</u>	<u>1,627,087</u>
Current assets		
Sundry receivables	87,135	93,170
Amount due from an associate	912	6,247
Tax recoverable	1	-
Investment securities	24,874	5,595
Cash and bank balances	576,317	547,054
	<u>689,239</u>	<u>652,066</u>
Total assets	<u>2,242,648</u>	<u>2,279,153</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	229,051	222,448
Other reserve	4,487	1,341
Retained earnings	588,373	491,785
Total equity	<u>821,911</u>	<u>715,574</u>
Liabilities		
Non-current liabilities		
Deferred revenue	18,223	19,394
Deferred tax liabilities	209,508	215,504
Borrowings	985,627	1,119,713
Retirement benefit obligations	3,876	3,552
	<u>1,217,234</u>	<u>1,358,163</u>
Current liabilities		
Provision for heavy repairs	18,586	22,485
Borrowings	140,000	110,000
Sundry payables	33,325	62,637
Income tax payable	11,592	10,294
	<u>203,503</u>	<u>205,416</u>
Total liabilities	<u>1,420,737</u>	<u>1,563,579</u>
Total equity and liabilities	<u>2,242,648</u>	<u>2,279,153</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Lingkar Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Comprehensive Income

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
	RM'000	RM'000	RM'000	RM'000
Revenue	132,298	134,669	396,025	403,073
Employee benefits expense	(6,433)	(6,333)	(21,289)	(20,845)
Maintenance expenses	(6,824)	(6,486)	(17,264)	(20,033)
Depreciation and amortisation	(24,498)	(31,315)	(73,582)	(75,158)
Other expenses	(1,793)	(8,842)	(7,429)	(13,836)
	(39,548)	(52,976)	(119,564)	(129,872)
	92,750	81,693	276,461	273,201
Interest income	5,125	4,362	13,508	11,761
Other income	1,348	373	1,776	486
Finance costs	(18,673)	(20,253)	(56,070)	(60,708)
Share of results of an associate	(431)	1,588	(1,949)	2,163
Profit before tax	80,119	67,763	233,726	226,903
Income tax expense	(19,604)	(16,426)	(57,992)	(55,548)
Profit for the period	60,515	51,337	175,734	171,355
Other comprehensive loss				
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:				
Re-measurement loss on defined benefit plan	-	(869)	-	(869)
Income tax effect	-	229	-	229
Share of other comprehensive loss of an associate	-	(126)	-	(126)
Other comprehensive loss for the period, net of tax	-	(766)	-	(766)
Total comprehensive income for the period	60,515	50,571	175,734	170,589
Basic earnings per share attributable to equity holders of the Company (sen per share)	11.47	9.77	33.34	32.67
Diluted earnings per share attributable to equity holders of the Company (sen per share)	11.45	9.76	33.29	32.63

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Changes in Equity

	← Non-distributable →			Distributable	
	Share capital	Share premium	Other reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
9 months ended 31 December 2017					
At 1 April 2017	222,448	-	1,341	491,785	715,574
Total comprehensive income	-	-	-	175,734	175,734
Transactions with owners					
Issue of ordinary shares pursuant to ESOS	6,603	-	-	-	6,603
Share options granted under ESOS	-	-	3,146	-	3,146
Dividends	-	-	-	(79,146)	(79,146)
Total transactions with owners	6,603	-	3,146	(79,146)	(69,397)
At 31 December 2017	229,051	-	4,487	588,373	821,911
9 months ended 31 December 2016					
At 1 April 2016	104,538	99,329	476	403,005	607,348
Total comprehensive income	-	-	-	170,589	170,589
Transactions with owners					
Issue of ordinary shares pursuant to ESOS	607	13,033	-	-	13,640
Share options granted under ESOS	-	-	3,050	-	3,050
Dividends	-	-	-	(52,538)	(52,538)
Total transactions with owners	607	13,033	3,050	(52,538)	(35,848)
At 31 December 2016	105,145	112,362	3,526	521,056	742,089

Note

Effective from 31 January 2017, pursuant to the new Companies Act 2016, the share premium account became part of the share capital.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Cash Flows

	Current Year To Date	Preceding Year Corresponding Period
	31-Dec-17	31-Dec-16
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	233,726	226,903
Adjustments for:		
Amortisation of HDE	72,773	74,446
Amortisation of other intangible assets	176	128
Depreciation of plant and equipment	633	584
Plant and equipment written off	25	10
Other intangible assets written off	-	47
Gain on disposal of plant and equipment	(23)	(31)
Loss on disposal of other intangible assets	-	-
Share of results of an associate	1,949	(2,163)
Deferred revenue recognised	(1,171)	(1,171)
Interest income	(7,929)	(5,093)
Distributions from investment securities	(279)	(191)
Profit element and fees on financing activities	50,156	54,463
Unwinding of discount	5,914	6,245
Profit sharing on Islamic investment	(5,579)	(6,668)
Dividend income	-	-
Gain on disposal of quoted investment	-	-
Provision for short term accumulating compensated absences	-	-
Provision for retirement benefits	324	299
Share options granted under ESOS	2,443	2,369
Provision for heavy repairs	7,471	9,485
Operating profit before working capital changes	360,609	359,662
Decrease in sundry receivables	7,199	29,535
Decrease in sundry payables	(5,608)	(3,545)
Decrease in amount due from an associate	6,038	457
Cash generated from operations	368,238	386,109
Income tax paid	(62,691)	(58,143)
Net cash generated from operating activities	305,547	327,966
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for HDE	(6,158)	(1,542)
Purchase of plant and equipment	(421)	(704)
Purchase of other intangible assets	(2)	-
Payment for heavy repairs	(11,370)	(6,538)
Purchase of investment securities	(19,279)	(142)
Interest received	6,555	4,697
Profit sharing on Islamic investment received	5,789	4,861
Distributions received from investment securities	279	191
Proceeds from disposal of plant and equipment	24	31
Net cash (used in)/generated from investing activities	(24,583)	854

Lingkaran Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Cash Flows

	Current Year To Date	Preceding Year Corresponding Period
	31-Dec-17	31-Dec-16
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares via exercise of ESOS	6,603	13,640
Profit element and fees on financing activities paid	(69,158)	(73,862)
Dividends paid	(79,146)	(52,538)
Repayment of IMTN I	(110,000)	(70,000)
Net cash used in financing activities	<u>(251,701)</u>	<u>(182,760)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	29,263	146,060
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	547,054	419,051
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>576,317</u>	<u>565,111</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31-Dec-17	As at 31-Dec-16
	RM'000	RM'000
Deposits with licensed financial institutions	572,613	563,298
Cash on hand and at banks	3,704	1,813
Cash and cash equivalents at 31 December	<u>576,317</u>	<u>565,111</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

Explanatory Notes to the Interim Financial Statements For The Period Ended 31 December 2017

(The figures have not been audited)

1. Basis of preparation

These condensed consolidated interim financial statements is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2017.

2. Changes in accounting policies

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2017.

On 1 April 2017, the Group and the Company adopted the following amended Malaysian Financial Reporting Standards (MFRSs) mandatory for annual financial periods beginning on or after 1 January 2017:

Effective for annual periods beginning on or after 1 January 2017:

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 12	Annual Improvements to MFRSs 2014 - 2016 Cycle

The adoption of the amended standards did not have any material effect on the financial performance or position of the Group and of the Company.

2. Changes in accounting policies (Cont'd)

MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

At the date of authorisation of these condensed consolidated interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group and the Company:

Effective for annual periods beginning on or after 1 January 2018:

MFRS 9	Financial Instruments (IFRS 9 as issued By IASB in July 2014)
MFRS 15 and Clarifications to MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRSs	Annual Improvements to MFRSs 2014 - 2016 Cycle
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

Effective for annual periods beginning on or after 1 January 2019:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRSs	Annual Improvements to MFRSs 2015 - 2017 Cycle

Effective for annual periods beginning on or after 1 January 2021:

MFRS 17	Insurance Contracts
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Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The adoption of the above standards will not have material impact on the financial statements in the period of initial application except for the MFRS 9 Financial Instruments as discussed below.

2. Changes in accounting policies (Cont'd)

MFRS 9 Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

3. Audit report of preceding annual financial statements

There was no qualification in the audit report of the financial statements of the Group for the year ended 31 March 2017.

4. Seasonality and cyclicity of operations

There was no significant fluctuation in the seasonality or cyclicity of operations affecting the Group.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current quarter and financial year to date.

6. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter and financial year to date.

7. Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date except for the issuance of 1,371,000 new ordinary shares for cash pursuant to the Company's Employee Share Option Scheme (ESOS) at exercise price ranging between RM3.44 and RM5.32 per ordinary share.

8. Dividends paid

During the financial year, the Group paid a single tier interim dividend of 15 sen per share in respect of ordinary shares for financial year ending 31 March 2018 amounting to RM79,145,792.70 on 28 September 2017.

9. Segment information

Segment information by business segments are as follows:

9 months ended 31 December 2017

	<u>Highway</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Revenue				
Revenue from external customers	396,025	-	-	396,025
Inter-segment revenue	-	50,699	(50,699)	-
Total revenue	<u>396,025</u>	<u>50,699</u>	<u>(50,699)</u>	<u>396,025</u>
Result				
Segment results	279,399	48,714	(49,876)	278,237
Interest income	9,757	3,751	-	13,508
Profit from operations	<u>289,156</u>	<u>52,465</u>	<u>(49,876)</u>	<u>291,745</u>
Finance costs	(56,070)	-	-	(56,070)
Share of results of an associate	(1,949)	-	-	(1,949)
Profit before tax	<u>231,137</u>	<u>52,465</u>	<u>(49,876)</u>	<u>233,726</u>
Income tax expense	(56,856)	(1,136)	-	(57,992)
Total comprehensive income for the period	<u>174,281</u>	<u>51,329</u>	<u>(49,876)</u>	<u>175,734</u>

9. Segment information (Cont'd)

Segment information by business segments are as follows:

9 months ended 31 December 2016

	<u>Highway</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Revenue				
Revenue from external customers	403,073	-	-	403,073
Inter-segment revenue	-	50,636	(50,636)	-
Total revenue	<u>403,073</u>	<u>50,636</u>	<u>(50,636)</u>	<u>403,073</u>
Result				
Segment results	274,562	49,005	(49,880)	273,687
Interest income	10,609	1,152	-	11,761
Profit from operations	<u>285,171</u>	<u>50,157</u>	<u>(49,880)</u>	<u>285,448</u>
Finance costs	(60,708)	-	-	(60,708)
Share of results of an associate	2,163	-	-	2,163
Profit before tax	<u>226,626</u>	<u>50,157</u>	<u>(49,880)</u>	<u>226,903</u>
Income tax expense	(55,125)	(423)	-	(55,548)
Profit for the period	<u>171,501</u>	<u>49,734</u>	<u>(49,880)</u>	<u>171,355</u>
Other comprehensive (loss)/income				
Other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement (loss)/gain on defined benefit plan	(956)	87	-	(869)
Income tax effect	229	-	-	229
Share of other comprehensive loss of an associate	(126)	-	-	(126)
Other comprehensive (loss)/income for the period, net of tax	<u>(853)</u>	<u>87</u>	<u>-</u>	<u>(766)</u>
Total comprehensive income for the period	<u>170,648</u>	<u>49,821</u>	<u>(49,880)</u>	<u>170,589</u>

9. Segment information (Cont'd)

The segment assets and segment liabilities of the Group are as follows:

	Highway		Others		Eliminations		Consolidated	
	31-Dec-17	31-Mar-17	31-Dec-17	31-Mar-17	31-Dec-17	31-Mar-17	31-Dec-17	31-Mar-17
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets and liabilities								
Segment assets	1,930,925	1,947,846	188,233	205,563	(53,072)	(52,767)	2,066,086	2,100,642
Investment in an associate	176,562	178,511	-	-	-	-	176,562	178,511
Consolidated total assets	<u>2,107,487</u>	<u>2,126,357</u>	<u>188,233</u>	<u>205,563</u>	<u>(53,072)</u>	<u>(52,767)</u>	<u>2,242,648</u>	<u>2,279,153</u>
Segment liabilities	<u>1,419,593</u>	<u>1,562,743</u>	<u>1,835</u>	<u>1,098</u>	<u>(691)</u>	<u>(262)</u>	<u>1,420,737</u>	<u>1,563,579</u>

The major operating segment of the Group is highway business. Explanatory comment on the performance of the highway business is provided in Note 21 and Note 22.

10. Valuation of plant and equipment

All plant and equipment of the Group are carried at cost less accumulated depreciation and impairment losses.

11. Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter.

12. Changes in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

13. Contingent liabilities and contingent assets

There were no material changes in other contingent liabilities or contingent assets since 31 March 2017.

14. Capital commitments

The amount of commitments for capital expenditure not provided for in the interim financial statements are as follows:

	As at 31-Dec-17
	<u>RM'000</u>
Capital expenditure	
Approved and contracted for:	
Highway development expenditure	1,271
Other intangible assets	64
Total	<u>1,335</u>

15. Income tax expense

Breakdowns of tax charge for the current quarter and financial year to date are as follows:

	Current Quarter 31-Dec-17	Current Year To Date 31-Dec-17
	<u>RM'000</u>	<u>RM'000</u>
Income tax	22,093	63,988
Deferred tax	<u>(2,489)</u>	<u>(5,996)</u>
Total	<u>19,604</u>	<u>57,992</u>

For the current quarter and financial year to date, the Group's effective tax rate (excluding the results of an associate which is equity accounted net of tax) is higher than the statutory tax rate due to certain expenditure not being allowed as a deduction for tax purposes.

16. Status of corporate proposals

There were no corporate proposals announced but not completed at a date not earlier than 7 days from the date of issue of this announcement.

17. Group borrowings and debt securities

The details of the Group's borrowings as at the end of the period are as follows:

	As at 31-Dec-17	As at 31-Dec-16
	RM000	RM000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II	985,627	1,117,631
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I	140,000	110,000
Total Borrowings	1,125,627	1,227,631

Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II were issued in 10 series and 3 series respectively, with maturities from April 2013 to April 2023. The interest rate/profit element is fixed ranges from 4.6% to 6.0% per annum.

The Group borrowings are denominated in Ringgit Malaysia.

The repayment during the period are as follows:

	9 months ended	
	31-Dec-17	31-Dec-16
	RM000	RM000
Repayment during the period	110,000	70,000

18. Disclosure of derivatives

There were no derivatives at the date of issue of this announcement.

19. Disclosure of amount of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities at the end of the quarter. The financial liabilities of the Group are not designated at fair value through profit or loss.

The above disclosure was prepared in accordance with paragraph 19 of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

20. Material litigations

There were no pending material litigations. There has been no change in the situation since 31 March 2017 to a date not earlier than 7 days from the date of issue of this announcement.

21. Comparison of profit before taxation with the immediate preceding quarter

	Current Quarter 31-Dec-17	Immediate Preceding Quarter 30-Sep-17	Changes
	RM'000	RM'000	%
Revenue	132,298	134,753	-1.8%
Profit Before Tax	80,119	80,277	-0.2%
Profit After Tax	60,515	60,077	0.7%

(a) Revenue

The Group recorded lower revenue of RM132.298 million in the current quarter as compared to RM134.753 million recorded in the immediate preceding quarter mainly due to the decrease in toll revenue as a result of lower traffic volume recorded during the festive period in the current quarter.

(b) Profit before tax

The Group recorded slightly lower profit before tax of RM80.119 million for the current quarter as compared to RM80.277 million recorded in the immediate preceding quarter. The decrease in profit before tax in the current quarter is primarily arising from the following:

- (i) Lower toll revenue as mentioned above; and
- (ii) Higher maintenance expenses recorded in the current quarter.

However, the above decrease in profit before tax was mitigated by:

- (i) Lower amortisation charge in the current quarter in line with lower traffic volume as mentioned above;
- (ii) Lower other expenses in the current quarter mainly due to one-off reimbursement of Touch 'n Go commission; and
- (iii) Higher interest income and higher other income recorded in the current quarter for one-off access fees received from new developments along LDP.

(c) Profit after tax

The Group achieved profit after tax of RM60.515 million as compared to RM60.077 million in the immediate preceding quarter mainly due to the reasons as mentioned above.

22. Review of performance for the current quarter and financial year to date

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To Date	Preceding Year Corresponding Period	Changes
	31-Dec-17	31-Dec-16		31-Dec-17	31-Dec-16	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	132,298	134,669	-1.8%	396,025	403,073	-1.7%
Profit Before Tax	80,119	67,763	18.2%	233,726	226,903	3.0%
Profit After Tax	60,515	51,337	17.9%	175,734	171,355	2.6%

(a) Revenue

(i) Current quarter

For the current quarter, the Group recorded revenue of RM132.298 million as compared to RM134.669 million recorded in the preceding year corresponding quarter due mainly to lower toll revenue as a result of lower traffic volume plying the LDP.

(ii) Current year to date

Similarly, the Group recorded lower revenue for the current year to date of RM396.025 million against RM403.073 million in the preceding year corresponding period due mainly to lower toll revenue as a result of lower traffic volume plying the LDP.

(b) Profit before tax

(i) Current quarter

The Group recorded higher profit before tax of RM80.119 million in the current quarter as compared to RM67.763 million recorded in the preceding year corresponding quarter due mainly to:

- Lower amortisation in the current quarter. Higher amortisation charge in the preceding year corresponding quarter attributable to higher amortisation of highway development expenditure (HDE) recognised based on the latest toll traffic volume projections prepared by an independent consultant. As the projections were concluded in December 2016, the entire adjustment has been accounted for in the preceding year corresponding quarter.
- Lower other expenses in the current quarter. In the preceding year corresponding quarter, the Group settled a one-off licence fees imposed by Malaysian Highway Authority for advertising structures along LDP.
- Lower finance cost in the current quarter pursuant to repayment of borrowings during the period.

22. Review of performance for the current quarter and financial year to date (Cont'd)

(b) Profit before tax (Cont'd)

(i) Current quarter (Cont'd)

However, the increase in profit before tax in the current quarter was reduced by:

- Lower revenue as mentioned in (a)(i) above.
- Share of loss in an associate, Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd (“SPRINT Group”) in the current quarter of RM0.431 million as compared to share of profit of RM1.588 million recorded in the preceding year corresponding quarter. The share of loss in SPRINT Group in the current quarter is due mainly to lower revenue recognised attributable to lower traffic volume and higher amortisation of HDE charge as the amortisation was based on new traffic forecast prepared by an independent consultant.

(ii) Current year to date

As for the current year to date, the Group recorded higher profit before tax of RM233.726 million as compared to RM226.903 million in the preceding year corresponding period. This is mainly attributable to the following:

- Lower maintenance expenses in the current year to date.
- Lower amortisation charge recognised in the current year to date due to reason similar to as mentioned in (b)(i) above.
- Lower other expenses in the current year to date due to reason similar to as mentioned in (b)(i) above.
- Higher interest income in the current year to date.
- Lower finance cost in the current year to date pursuant to repayment of borrowings during the period.

Nonetheless, the increase in the Group’s profit before tax in the current year to date was lowered by:

- Lower toll revenue in the current year to date as mentioned in (a)(ii) above.
- Share of loss in SPRINT Group in the current year to date of RM1.949 million as compared to share of profit of RM2.163 million recorded in the preceding year corresponding period. The share of loss in SPRINT Group in the current year to date is due mainly to lower revenue recognised attributable to lower traffic volume and higher amortisation of HDE charge due to reason similar to as mentioned in (b)(i) above.

(c) Profit after tax

The variance in profit after tax recorded in the current quarter and current year to date is mainly due to the reasons as mentioned above.

23. Current financial year's prospects

Pursuant to the Concession Agreement, the final toll increase was scheduled for 1 January 2016. However the Government has decided to defer the increase until further notice and hence will have to compensate Lingkaran Trans Kota Sdn Bhd (Littrak) for the loss in revenue as a result of the deferment. Based on our past experience with the Government, the Group is optimistic that terms of the Concession Agreement will continue to be observed by all parties concerned.

If the Government decides to continue with the deferment of the toll increase to users, Littrak can expect tollable traffic volume to remain fairly stable and constant in the short term even after taking into account an anticipated marginal drop in traffic as a result of the completion of the Kelana Jaya and Ampang Light Rail Transit (LRT) Extension lines in June 2016 and the opening of the Mass Rapid Transit (MRT) Sungai Buloh-Kajang line in July 2017. The traffic data is being closely monitored as a result of these events.

Should the Government decide to pass on the full final toll increase to road users, then Littrak can expect a significant drop in tollable traffic volume, and correspondingly, revenue, similar to what occurred in October 2015 when toll rates were increased.

24. Profit forecast or profit guarantees

- (a) There is no profit forecast applicable for comparison.
- (b) There is no profit guarantee by the Group.

25. Dividend

On 28 February 2018, the Board of Directors has approved a second single tier (exempt from tax) interim dividend of 10 sen per share for the financial year ending 31 March 2018.

The second interim dividend shall be paid at a date to be determined and in respect of deposited securities, entitlement to dividend will be determined on the basis of the record of depositors at the book closure date.

The Board of Directors had approved a second single tier (exempt from tax) interim dividend of 15 sen per share for the financial year ended 31 March 2017 in the previous year corresponding quarter ended 31 December 2016.

The total dividend per share for the current financial year to date is 25 sen inclusive of the first single tier (exempt from tax) interim dividend of 15 sen, paid on 28 September 2017. For the preceding year corresponding period, a total single tier (exempt from tax) interim dividend per share of 25 sen was declared.

26. Earnings per share

The basic earnings per share amounts are calculated by dividing the Group's profit for the period, net of tax, attributable to equity holders of the Company of RM175.734 million by the weighted average number of ordinary shares outstanding during the period of 527.136 million.

The diluted earnings per share amounts are calculated by dividing the Group's profit for the period, net of tax, attributable to equity holders of the Company of RM175.734 million by the weighted average number of ordinary shares outstanding during the period including dilutive potential ordinary shares, of 527.858 million calculated as follows:

	Million shares
Weighted average number of ordinary shares	527.136
Effects of dilution:	
Exercise of Employee Share Option Scheme	<u>0.722</u>
Weighted average number of ordinary shares for diluted earnings per share computation	<u>527.858</u>

27. Fair value hierarchy

The fair value measurement hierarchies used to measure financial assets and financial liabilities carried at fair value in the statements of financial position are as follows:

Level 1 - unadjusted quoted market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted market prices that are observable either directly or indirectly

Level 3 - inputs that are significant to the fair value measurement are unobservable

As at reporting date, the Group's and the Company's fair value for investment securities is measured at Level 1 hierarchy whereas fair values for borrowings are measured at Level 2 hierarchy.

No transfers between any levels of the fair value hierarchy took place during the current financial year and the comparative year. There were also no changes in the purpose of any financial asset and financial liability that subsequently resulted in a different classification of that asset.

28. Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current quarter and financial year to date is arrived at after charging/(crediting) the following items:

	Current Quarter 31-Dec-17	Current Year To Date 31-Dec-17
	RM'000	RM'000
Interest income	(5,125)	(13,508)
Other income	(1,348)	(1,776)
Finance costs	18,673	56,070
Depreciation and amortisation	24,498	73,582
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-
Exceptional items	-	-

The above disclosure was prepared in accordance with paragraph 16 of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.