



WCT HOLDINGS BERHAD
(Company Number : 930464-M)
(Incorporated in Malaysia)

Date : 25 May 2015

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL
PERIOD ENDED 31 MARCH 2015**

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WCT HOLDINGS BERHAD

(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED
31 MARCH 2015**

(The figures have not been audited)

CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2015

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.3.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2014) RM'000	CURRENT YEAR TO DATE (3 months to 31.3.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2014) RM'000
Revenue	351,621	467,221	351,621	467,221
Cost of sales	(296,683)	(384,514)	(296,683)	(384,514)
Gross profit	54,938	82,707	54,938	82,707
Other income	21,608	5,472	21,608	5,472
Other expenses	(2,342)	(4,067)	(2,342)	(4,067)
Administrative expenses	(14,937)	(16,884)	(14,937)	(16,884)
Finance costs	(20,011)	(15,069)	(20,011)	(15,069)
Share of profit after tax of associates	2,137	2,364	2,137	2,364
Share of profit after tax of joint ventures	1,352	2,230	1,352	2,230
	42,745	56,753	42,745	56,753
Income tax expense	(9,449)	(16,205)	(9,449)	(16,205)
Profit for the period	33,296	40,548	33,296	40,548
Attributable to:				
Equity holders of the Company	33,214	40,097	33,214	40,097
Non-controlling interest	82	451	82	451
Profit for the period	33,296	40,548	33,296	40,548
Attributable to equity holders of the Company :				
Basic earnings per share (sen)	3.09	3.67	3.09	3.67
Fully diluted earnings per share (sen)	N/A *	3.65	N/A *	3.65

* N/A - Not applicable

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED
31 MARCH 2015**

(The figures have not been audited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2015

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.3.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2014) RM'000	CURRENT YEAR TO DATE (3 months to 31.3.2015) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2014) RM'000
Profit for the period	33,296	40,548	33,296	40,548
Other comprehensive income/(loss):				
Currency translation differences arising from consolidation	9,999	1,194	9,999	1,194
Other comprehensive income/(loss) for the period, net of tax	9,999	1,194	9,999	1,194
Total comprehensive income for the period	43,295	41,742	43,295	41,742
Total comprehensive income/(loss) for the period attributable to :				
Equity holders of the Company	41,333	43,949	41,333	43,949
Non-controlling interest	1,962	(2,207)	1,962	(2,207)
	43,295	41,742	43,295	41,742

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	AS AT CURRENT QUARTER 31.3.2015	AS AT FINANCIAL YEAR ENDED 31.12.2014
	UNAUDITED RM'000	AUDITED RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	234,853	235,656
Land held for property development	1,118,068	991,553
Investment properties	740,956	737,813
Investment in associates	144,008	132,361
Investment in joint ventures	395,702	395,384
Trade receivables	1 583,493	653,928
Other receivables	1 317,280	300,215
Due from related parties	11,060	9,919
Deferred tax assets	22,404	21,445
	<u>3,567,824</u>	<u>3,478,274</u>
<u>Current assets</u>		
Property development costs	448,190	423,173
Inventories	89,777	90,710
Trade receivables	767,271	876,644
Other receivables	171,919	167,643
Due from related parties	229,894	214,999
Tax recoverable	26,795	24,730
Cash and bank balances	770,621	950,841
	<u>2,504,467</u>	<u>2,748,740</u>
TOTAL ASSETS	<u>6,072,291</u>	<u>6,227,014</u>
EQUITY AND LIABILITIES		
<u>Equity attributable to equity holders of the Company</u>		
Share capital	546,276	546,276
Share premium	2,174,151	2,174,151
Reserves	(417,448)	(458,781)
Treasury shares, at costs	(31,297)	(27,266)
	<u>2,271,682</u>	<u>2,234,380</u>
Non-controlling interest	54,724	52,762
Total equity	<u>2,326,406</u>	<u>2,287,142</u>

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015 (Cont'd.)

		AS AT CURRENT QUARTER 31.3.2015	AS AT FINANCIAL YEAR ENDED 31.12.2014
		UNAUDITED RM'000	AUDITED RM'000
EQUITY AND LIABILITIES (Cont'd)			
<u>Long-term liabilities</u>			
Trade payables	2	96,657	89,379
Other payables	2	327,297	328,370
Borrowings		1,871,759	1,846,400
Deferred tax liabilities		34,401	35,400
		2,330,114	2,299,549
<u>Current liabilities</u>			
Trade payables		681,138	835,482
Other payables		181,164	207,529
Borrowings		540,615	584,112
Tax payable		12,854	13,200
		1,415,771	1,640,323
Total Liabilities		3,745,885	3,939,872
TOTAL EQUITY AND LIABILITIES		6,072,291	6,227,014
Net asset per share (RM)		2.11	2.07

(1) Included receivables of RM310 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(2) Included payables of RM310 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2015

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TO DATE 31.3.2015 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 31.3.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	42,745	56,753
Adjustments for:-		
Non-cash items	(17,384)	2,260
Non-operating items - financing	7,993	2,932
Non-operating items - investing	(3,872)	(4,327)
Operating profit before working capital changes	<u>29,482</u>	<u>57,618</u>
Net changes in current assets	27,771	13,239
Net changes in current liabilities	(174,496)	(153,986)
Cash flows used in operations	<u>(117,243)</u>	<u>(83,129)</u>
Interest paid	(26,331)	(13,264)
Interest received	12,018	12,137
Taxation paid	(13,764)	(13,963)
Net cash used in operating activities	<u>(145,320)</u>	<u>(98,219)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(2,731)	(1,952)
Investment Properties	(6,123)	(2,217)
Purchase of marketable securities	-	(486)
Withdrawal/(placement) in		
- FSRA account	-	102,274
- deposits in licensed banks	-	(6,675)
Net cash (used in)/generated from investing activities	<u>(8,854)</u>	<u>90,944</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from conversion of warrants	-	1
Purchase of treasury shares	(4,030)	(10,055)
Bank borrowings	(21,564)	(92,649)
Net cash used in financing activities	<u>(25,594)</u>	<u>(102,703)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(179,768)	(109,978)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	944,482	867,524
Foreign exchange differences	(1,979)	1,226
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD *	<u>762,735</u>	<u>758,772</u>

* Cash & cash equivalents excludes fixed deposits with licensed bank amounting to RM770,000 and deposits with maturities more than 3 months amounting to RM159,855.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT HOLDINGS BERHAD (“WCT” OR “THE COMPANY”) (930464-M)
QUARTERLY UNAUDITED RESULTS OF THE GROUP FOR THE FIRST QUARTER ENDED 31
MARCH 2015**

**A EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS
("FRS") 134, INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings included in property, plant and equipment and investment properties which are stated at fair values.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2014. 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 financial year ended 31 December 2014.

A2 Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following new Financial Reporting Standards (“FRSs”) and Amendments to FRSs with effect from 1 January 2015.

FRSs, Amendments to FRSs and Interpretations

Description	Effective for annual periods beginning on or after
• Amendments to FRS 119: <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
• Annual Improvements to FRSs 2010–2012 Cycle	1 July 2014
• Annual Improvements to FRSs 2011–2013 Cycle	1 July 2014

The adoption of the above standards will have no material impact on the financial statements in the period of initial application .

A2 Changes in Accounting Policies (Cont'd)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework comprises Standards as issued by the International Accounting Standards Board ("IASB") that are effective on 1 January 2012. It also comprises new/revised Standards that will be effective after 1 January 2012. All other Standards under the FRS framework where no new/revised Standards that will be effective after 1 January 2012 will transition to MFRS Framework with no further amendments.

The MFRS Framework is to be applied to all entities other than private entities with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estates including its parent, significant investor and venturer ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for 3 years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2017.

A3 Audit Qualification

There was no audit qualification in the auditors' report of the Company's previous financial statements for the financial year ended 31 December 2014.

A4 Seasonal Or Cyclical Factors

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

A6 Changes In Estimate

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter ended 31 March 2015.

A7 Changes In Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, resale, repurchase and repayment of debts and equity securities during the period under review.

Share buy back

During the first quarter of 2015, the Company repurchased 2,623,500 ordinary share of RM0.50 each of its issued share capital from the open market, at an average costs of RM1.54 each. The total consideration paid for the share buy-back including transaction costs during the current financial quarter amounted to RM4.030 million and were financed by internally generated funds. The shares bought back are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

	No of Treasury Shares '000	Treasury Shares RM'000
Balance as at 1 January 2015	14,966	27,266
Repurchased during the period	2,623	4,030
Distributed as dividend during the period	-	-
Balance as at 31 March 2015	<u>17,589</u>	<u>31,296</u>

None of the treasury shares held were resold or cancelled during the quarter under review.

A8 Dividends

Please refer to Explanatory Note B11.

A9 Segmental Information

	Engineering and construction	Property development	Property investment and management	Unallocated	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months period ended 31 March 2015						
Revenue						
External	249,928	87,300	14,393	-	-	351,621
Inter segment	146,667	8,434	-	-	(155,101)	-
	<u>396,595</u>	<u>95,734</u>	<u>14,393</u>	<u>-</u>	<u>(155,101)</u>	<u>351,621</u>
Segment results						
Profit from operations	27,436	25,562	6,269	-	-	59,267
Finance costs	-	-	-	-	-	(20,011)
Share of profits of associates	-	-	-	2,137	-	2,137
Share of profits of joint ventures	-	(135)	1,487	-	-	1,352
Taxation	-	-	-	-	-	(9,449)
Profit for the period						<u>33,296</u>
Profit attributable to :-						
- Equity holders of the Company						33,214
- Non-controlling interest						82
						<u>33,296</u>
3 months period ended 31 March 2014						
Revenue						
External	327,037	126,442	13,742	-	-	467,221
Inter segment	56,283	928	-	-	(57,211)	-
	<u>383,320</u>	<u>127,370</u>	<u>13,742</u>	<u>-</u>	<u>(57,211)</u>	<u>467,221</u>
Segment results						
Profit from operations	36,708	23,755	6,765	-	-	67,228
Finance costs	-	-	-	-	-	(15,069)
Share of profits of associates	-	-	-	2,364	-	2,364
Share of profits of joint ventures	-	22	2,208	-	-	2,230
Taxation	-	-	-	-	-	(16,205)
Profit for the period						<u>40,548</u>
Profit attributable to :-						
- Equity holders of the Company						40,097
- Non-controlling interest						451
						<u>40,548</u>

A10 Carrying Amount Of Revalued Assets

The valuations of investment properties and property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2014.

A11 Subsequent Material Events

There were no material events subsequent to the reporting period up to 19 May 2015 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) which have not been reflected in the financial statements for the quarter under review.

A12 Effect Of Changes In The Composition Of The Group

- (i) On 8 March 2015, WCT Berhad, a wholly-owned subsidiary of the Company, via a joint venture with Al-Ali Projects Co (W.L.L.) has accepted a contract from Lusail Real Estate Development Company for all the works relating to Contract No. CP07-C-1B – Commercial Boulevard Road D3, Road A4, Internal Roads, Utilities and Underground Car Parks 2, 3, 4 and 5 for Lusail Development Project in Doha, Qatar.

The Joint Venture is an unincorporated joint venture between WCTB and Al-Ali Projects Co (W.L.L.), a company incorporated in Qatar. The rights and liabilities of WCTB and Al-Ali Projects Co (W.L.L.) in the joint venture are in the ratio of 70:30.

- (ii) On 19 March 2015, WCT Land Sdn Bhd, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary company, WCT Land and Development (Australia) Pty Ltd ("WCTLD").

WCTLD is a company incorporated in Victoria, Australia, has an issued and paid up share capital of AUD1.00 divided into 1 ordinary share of AUD1.00 each. WCTLD is currently dormant and no liabilities will be assumed pursuant to the Incorporation.

Save as disclosed above, there were no changes in the composition of the Group during the period under review.

A13 Contingent Liabilities

Contingent liabilities of the Group as at 19 May 2015 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) comprised bank guarantees and letters of credit totaling RM731.293 million and RM30.578 million respectively provided by the Group to various parties in the ordinary course of business and tax matters under appeal amounting to RM3.9 million. The changes in contingent liabilities since 19 February 2015 are as follows:-

(a)	Bank Guarantees RM'000	Letter of credit RM'000
Balance as at 19 February 2015	746,324	28,091
Extended/utilised during the period	51,604	3,139
Discharged/paid during the period	<u>(66,635)</u>	<u>(652)</u>
Balance as at 19 May 2015	<u><u>731,293</u></u>	<u><u>30,578</u></u>

- (b) The tax matters under appeal of the Group totaling RM3.9 million are in respect of corporation tax and service tax of a foreign subsidiary.

A14 Capital Commitments

There are no material commitments except for as follows:-

	RM'000
Approved and contracted for :	
Property, plant and equipment	94,667
Investment property	386,209
Share of capital commitment of joint operations	<u>89,786</u>
	<u><u>570,662</u></u>

A15 Significant Related Party Transactions

<u>The Group</u>	RM'000
Contract revenue from joint ventures	11,485
Rent expense payable to a joint venture	(14)
Interest receivable from joint ventures	2,933
Management fee receivable from joint ventures	27
Sales of properties to Directors and persons connected with the Directors	<u><u>3,471</u></u>

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF THE BURSA MALAYSIA

B1 Review of performance

For the current quarter, the Group recorded revenue and net profit of RM352 million and RM33 million respectively as compared to RM467 million and RM40 million respectively in the preceding year corresponding quarter. The lower turnover is mainly due to completion of several projects and we expect contribution from the new projects to increase in the second half of the year.

Engineering and construction segment recorded revenue and operational profit of RM250 million (2014:RM327 million) and RM27 million (2014:RM37 million) respectively. The decrease in operating profit is attributable to lower contribution from overseas division.

Property development and investment segments registered revenue and operational profit of RM102 million (2014:RM140 million) and RM32 million (2014:RM31 million) respectively.

Basic earning per share for current quarter is lower at 3.09 sen as compared to 3.67 sen recorded in the preceding year corresponding quarter.

B2 Comparison With Immediate Preceding Quarter's Results

For the current quarter under review, the Group recorded revenue and net profit of RM352 million and RM33 million as compared to RM322 million and RM23 million reported in the immediate preceding quarter. The higher profit is mainly due to better product margin from property sales.

B3 Profit for the period

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING	CURRENT YEAR	PRECEDING YEAR
	QUARTER	YEAR	TO DATE	CORRESPONDING
	(3 months period To 31.3.2015)	(3 months period To 31.3.2014)	(3 months period To 31.3.2015)	(3 months period To 31.3.2014)
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting/ (charging):				
Interest income	2,205	6,467	2,205	6,467
Interest from joint ventures	2,933	1,933	2,933	1,933
Murabahah & Mudarabah profit	4,347	-	4,347	-
Interest expense	(20,011)	(15,069)	(20,011)	(15,069)
Depreciation and amortisation	(1,820)	(1,373)	(1,820)	(1,373)
Bad debts written off	-	(1,964)	-	(1,964)
Reversal of allowance for impairment of trade and other receivables	-	991	-	991
Gain/(loss) on disposal of property, plant and equipment	383	(267)	383	(267)
Gain/(loss) on foreign exchange	18,461	(5,908)	18,461	(5,908)

B4 Prospect For Financial Year 2015

With the impending implementation of 11th Malaysia Plan and roll out of mega infrastructure projects, the Group is cautiously optimistic to achieve satisfactory results for the financial year ending 31 December 2015.

B5 Variance Of Actual Profit From Forecast Profit

Not applicable to the Group.

B6 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING	CURRENT YEAR	PRECEDING YEAR
	QUARTER	YEAR	TO DATE	CORRESPONDING
	(3 months period To 31.3.2015)	(3 months period To 31.3.2014)	(3 months period To 31.3.2015)	(3 months period To 31.3.2014)
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:				
Income tax				
- current year	11,406	14,938	11,406	14,938
- prior years	-	737	-	737
Deferred taxation	(1,957)	530	(1,957)	530
	<u>9,449</u>	<u>16,205</u>	<u>9,449</u>	<u>16,205</u>

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the current quarter ended 31 March 2015 is lower than the statutory tax rate mainly due to certain income which is not subjected to income tax.

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the corresponding quarter ended 31 March 2014 is higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

B7 Status of Corporate Proposals Announced

Save as disclosed below, the Group did not announce any corporate proposal which has not been completed as at 19 May 2015 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

On 16 March 2015, the Company proposes to undertake the following:-

- (i) A renounceable rights issue of up to 143,226,391 new ordinary shares of RM0.50 each in the Company ("WCT Share(s)" or "Share(s)") ("Rights Share(s)") on the basis of one (1) Rights Share for every 10 existing WCT Shares held on an entitlement date to be determined later ("Proposed Rights Issue of Shares"); and
- (ii) A bonus issue of up to 315,098,061 new warrants in WCT ("Warrant(s) E") on the basis of one (1) free Warrant E for every five (5) existing WCT Shares held on an entitlement date to be determined later after the completion of the Proposed Rights Issue of Shares ("Proposed Bonus Issue of Warrants").

B7 Status of Corporate Proposals Announced (Cont'd)

(Collectively referred to as the "Proposals")

The Company had obtained the approval of the Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 20 April 2015 for the admission and listing and quotation of the Proposed Rights Issue of Shares and Proposed Bonus Issue of Warrants.

On 23 April 2015, the Company had resolved to fix the following prices pursuant to the Proposals:-

- (a) the issue price of the Rights Shares at RM1.00 per Rights Share; and
- (b) the exercise price of the Warrants E at RM2.08 per Warrant E.

Subsequently, the Company's shareholders approved the Proposals at the Extraordinary General Meeting held on 19 May 2015.

The Proposals is expected to be completed by third quarter of 2015.

B8 Realised and Unrealised Profits

The breakdown of retained profits of the Group both realized and unrealized as at the reporting date pursuant to the directive issued by Bursa Malaysia Securities on 25 March 2010 are as follow:

	As at 31.3.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	1,031,898	1,019,761
- Unrealised	155,331	142,273
	<u>1,187,229</u>	<u>1,162,034</u>
Total share of retained profits/(losses) from associates:-		
- Realised	101,731	99,566
- Unrealised	(365)	(337)
	<u>101,366</u>	<u>99,229</u>
Total share of (accumulated losses)/retained profits from jointly arrangement:-		
- Realised	(25,262)	(30,566)
- Unrealised	129,112	130,747
	<u>103,850</u>	<u>100,181</u>
Less : Consolidation adjustment	<u>(250,127)</u>	<u>(252,383)</u>
Total Group retained profits as per consolidated accounts	<u>1,142,318</u>	<u>1,109,061</u>

B9 Group Borrowing And Debt Securities

Detail of group borrowings are as follows:-

	As at 31.3.2015 RM'000	As at 31.12.2014 RM'000
Long Term Bank Borrowings		
<u>Secured:-</u>		
Long Term Loan	271,759	246,400
	<u>271,759</u>	<u>246,400</u>
<u>Unsecured:-</u>		
Sukuk Murabahah	600,000	600,000
MTN	1,000,000	1,000,000
	<u>1,600,000</u>	<u>1,600,000</u>
	<u>1,871,759</u>	<u>1,846,400</u>
Short Term Bank Borrowings		
<u>Secured :-</u>		
Hire Purchase Creditors	-	7
Revolving Credit	88,000	88,000
Term Loans	21,600	21,600
	<u>109,600</u>	<u>109,607</u>
<u>Unsecured :-</u>		
Trust Receipt	10,701	-
Bank Overdraft	6,956	5,429
BONDS	294,283	292,385
Revolving credit	47,775	43,049
IMTN	-	100,000
Term loan	71,300	33,642
	<u>431,015</u>	<u>474,505</u>
	<u>540,615</u>	<u>584,112</u>
Total Bank Borrowings	<u>2,412,374</u>	<u>2,430,512</u>

Key:

Sukuk Murabahah - RM1.5 billion Sukuk Murabahah Programme

BONDS - Serial Fixed Rate Bonds

MTN - Medium Term Notes

IMTN - Islamic Medium Term Notes

B10 Material Litigation

Except as disclosed below, there are no material litigation pending since 31 December 2013 (being the date of the last annual statement of financial position) to 19 May 2015 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board of the Company has no knowledge of any proceedings pending or threatened against the Company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group during the said period.

Status update on the arbitration proceedings in relation to the Cancellation of the Nad Al Sheba Racecourse, Dubai, U.A.E. contract ("the Cancellation"):

The Arbitration Tribunal to resolve the dispute between the Company (jointly with Arabtec Construction LLC, ("Joint Venture") as Claimants) and Meydan Group LLC (formerly known as Meydan LLC, as Respondent) ("Employer") in relation to the Cancellation had been duly constituted with the appointment of the Tribunal Chairman and the respective Co-Arbitrators by the Dubai International Arbitration Centre ("DIAC") and the proceedings have proceeded pursuant thereto. In the course of the proceedings, the Joint Venture's dispute and claims had been revised from time to time and at present, totals approximately AED2.8 billion. The Employer has taken the position that the DIAC Case No. 02/2009 have expired by effluxion of time. After deliberation, the arbitration Tribunal in DIAC Case No. 02/2009 had on 9 June 2012 rejected conclusively the Employer's submission that the arbitration proceedings have expired by effluxion of time. Notwithstanding the arbitration Tribunal's decision above, the Employer had on 14 June 2012 brought its counterclaims in relation to what was DIAC Case No. 02/2009 before the Dubai Courts under Commercial Action No. 1066/2012 ("Civil Suit"), claiming against the JV, a sum of AED3.5 billion. On 26 February 2013, the Dubai Court of First Instance dismissed the Civil Suit on the grounds that the DIAC Case No. 02/2009 had not expired by effluxion of time and in view of the valid and binding arbitration agreement between the parties.

On 27 February 2013, the Company was informed by Arabtec that its board of directors has agreed to the Employer's proposal ("Proposal") for Arabtec and the Employer to withdraw all pending legal cases as between themselves without prejudice to their respective rights and proceed with negotiations for an amicable settlement. Pursuant thereto, Arabtec and the Employer has since withdrawn their respective claims and counterclaims as against themselves, from the DIAC Case 2/2009. The arbitration proceedings continues as between the Company and the Employer in respect of the Company's rights in its share of the Joint Venture's claims namely approximately AED1.4 billion and the said arbitration proceedings are presently still on-going.

On 24 March 2013, the Employer filed a notice of appeal to the Dubai Court of Appeal against the dismissal of the Civil Suit by the Court of First Instance insofar as it concerns Meydan's counterclaims against the Company. On 26 November 2014, the Dubai Court of Appeal confirmed that the arbitral proceedings in DIAC Case No. 02/2009 continue insofar as they concern all outstanding issues between the Company and Meydan and suspended Meydan's Civil Suit until the Final Award to be issued in DIAC Case No. 02/2009. Both the Employer and the Company has filed an appeal to the Court of Cassation and the appeals are still pending.

The Company is, based on continuing legal opinion received, of the view that notwithstanding Arabtec's withdrawal, the Company's chances of success in the arbitration proceedings in DIAC Case No. 02/2009 remain good.

B11 Dividends

	Paid in Year Ending 31 Dec 2015 RM'000	Paid in Year Ended 31 Dec 2014 RM'000
<u>Final dividend paid</u>		
For the financial year ended 31 December 2013		
- Single tier dividend of 3.25 sen per ordinary share of RM0.50	-	35,278
<u>Single tier interim dividend paid</u>		
For the financial year ended 31 December 2014		
- Cash dividend of 1.25 sen per ordinary share of RM0.50	-	13,516
- Share dividend of 1 treasury share for every 100 ordinary shares of RM0.50 each held	-	23,321
Total net dividend paid	<u>-</u>	<u>72,115</u>

A final single tier dividend comprising cash dividend of 1.0 sen per ordinary share of RM0.50 each and share dividend on the basis of 1 treasury share for every 100 existing ordinary shares of RM0.50 each held, for the financial year ended 31 December 2014 was approved by the shareholders at the Annual General Meeting held on 19 May 2015.

The entitlement date for the final dividend is fixed on 26 May 2015 and a Depositor shall qualify for entitlement only in respect of:-

- i) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 26 May 2015 in respect of ordinary transfer; and
- ii) Shares bought on the Bursa Securities on a cum entitlement basis in accordance with the Rules of Bursa Securities.

The final dividend will be payable and credited into the entitled Depositors' Securities Account on 16 June 2015.

B12 Earnings Per Share

	Reporting Quarter / Current Year To Date 31.3.2015
(a) Basic Earnings Per Share	
Profit attributable to the equity holders of the parent (RM'000)	33,214
Weighted average number of ordinary shares in issue ('000)	1,076,179
Basic earnings per share (sen)	3.09
(b) Fully Diluted Earnings Per Share	
No diluted earnings per share is disclosed as the all potential ordinary shares are antidilutive.	

B13 Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter presentation.

Date: 25th May 2015