

**Interim Report For The Financial Period Ended 30 June 2014**  
( The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.06.2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2013 RM'000	CURRENT YEAR TO DATE 30.06.2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.06.2013 RM'000
Revenue	100,288	44,982	278,507	164,578
Operating expenses	(85,332)	(42,048)	(236,348)	(145,193)
Other operating income	6,038	8,039	13,109	11,588
Profit from operations	20,994	10,973	55,268	30,973
Finance cost	(3,788)	(2,324)	(11,674)	(10,049)
Profit before taxation	17,206	8,649	43,594	20,924
Taxation	(3,684)	(1,711)	(10,039)	(4,823)
<b>Profit for the period</b>	<b>13,522</b>	<b>6,938</b>	<b>33,555</b>	<b>16,101</b>
<b>Total comprehensive income for the year</b>	<b>13,522</b>	<b>6,938</b>	<b>33,555</b>	<b>16,101</b>
Profit attributable to:				
Owners of the Company	13,228	6,891	31,732	15,803
Non Controlling Interest	293	47	1,823	298
	<b>13,522</b>	<b>6,938</b>	<b>33,555</b>	<b>16,101</b>
Total comprehensive income attributable to:				
Owner of the parent	13,228	6,891	31,732	15,803
Non Controlling Interest	293	47	1,823	298
	<b>13,522</b>	<b>6,938</b>	<b>33,555</b>	<b>16,101</b>
EPS - Basic (sen)	6.61	3.43	15.85	7.89

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2013)

**BCB BERHAD**

(Company No : 172003-W)  
(Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 30 June 2014**

( The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE PERIOD ENDED 30 JUNE 2014**

	(UNAUDITED) AS AT 30.06.2014 RM'000	(AUDITED) AS AT 30.06.2013 RM'000
Non Current Assets		
Property, plant and equipment	65,481	65,190
Investment properties	25,889	24,876
Land held for development	34,912	96,766
Deferred tax assets	-	44
Current assets		
Property development costs	557,725	446,991
Inventories	68,049	65,184
Tax recoverable	-	1,924
Trade and other receivables	129,345	59,433
Fixed deposits with licensed banks	2,605	2,549
Cash and bank balances	16,824	19,905
	<b>774,548</b>	<b>595,986</b>
Current liabilities		
Trade and other payables	168,665	75,018
Short term borrowings	176,181	123,147
Bank overdrafts	55,169	54,519
Current tax liabilities	1,835	1,815
	<b>401,850</b>	<b>254,499</b>
Net current assets	<b>372,698</b>	<b>341,487</b>
<b>Total Assets</b>	<b>498,980</b>	<b>528,363</b>
Shareholders' Funds		
Share capital	206,250	206,250
Treasury shares	(3,117)	(3,115)
Revaluation reserves	6,788	6,788
Retained earnings	175,978	144,246
Non Controlling Interest	8,638	6,816
	<b>394,537</b>	<b>360,985</b>
Long term borrowings	101,235	164,126
Deferred tax liabilities	3,209	3,252
	<b>104,444</b>	<b>167,378</b>
<b>Total Equities and Liabilities</b>	<b>498,980</b>	<b>528,363</b>
Net assets per share (RM)	<b>1.91</b>	<b>1.75</b>
(Total Equity/ Number of ordinary share issued)	<b>(394,537/ 206,250)</b>	<b>(360,985/ 206,250)</b>

( The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2013)

**Interim Report For The Financial Period Ended 30 June 2014**  
 ( The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE PERIOD ENDED 30 JUNE 2014**

	Share capital RM'000	Non-distributable		Distributable	Total RM'000	Non Controlling Interest RM'000	Total Equity RM'000
		Revaluation surplus RM'000	Treasury shares RM'000	Retained earnings RM'000			
At 01.07.2013	206,250	6,788	(3,115)	144,246	354,169	6,816	360,985
Transactions with owners:							
Share buy-back	-	-	(2)	-	(2)	-	(2)
Total comprehensive income	-	-	-	31,732	31,732	1,823	33,555
At 30.06.2014	206,250	6,788	(3,117)	175,978	385,899	8,638	394,537
At 01.07.2012	206,250	6,788	(3,114)	128,442	338,366	6,518	344,884
Transactions with owners:							
Share buy-back	-	-	(1)	-	(1)	-	(1)
Total comprehensive income	-	-	-	15,804	15,804	298	16,101
At 01.07.2013	206,250	6,788	(3,115)	144,246	354,169	6,816	360,985

( The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2013)

**Interim Report For The Financial Period Ended 30 June 2014**

( The figures have not been audited)

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

	12 MONTHS ENDED 30.06.2014 RM'000	0 30.06.2013 RM'000
<b>Operating activities</b>		
Profit after taxation	33,555	16,101
Adjustments for non-cash items	21,373	12,961
Operating profit before working capital changes	54,928	29,062
Trade & other receivables	(69,912)	(7,342)
Inventories	(2,865)	34,335
Property development cost	(49,893)	(68,395)
Trade payables and Other payables	91,832	14,532
Net change in working capital	<u>24,090</u>	<u>2,192</u>
Net Interest Paid	(11,488)	16
Tax refunded	152	128
Taxes paid	(6,553)	(5,201)
<b>Net cash (used in)/ from operating activities</b>	<u>6,201</u>	<u>(2,865)</u>
<b>Investing activities</b>		
Capital Injection from Joint Venture	400	-
Purchase of property, plant and equipment	(3,035)	(4,850)
Proceeds of property, plant and equipment disposal and investment properties	1,058	3,339
Addition to Land Held for Property Development	-	(580)
Net cash used in investing activities	<u>(1,577)</u>	<u>(2,091)</u>
<b>Financing activities</b>		
Proceeds from borrowings	49,145	36,221
Repayment of borrowings	(57,442)	(31,662)
Purchase of treasury shares	(2)	(1)
<b>Net cash from financing activities</b>	<u>(8,299)</u>	<u>4,558</u>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(3,675)	(398)
<b>Cash and cash equivalents at beginning of period</b>	(32,065)	(34,216)
<b>Cash and cash equivalents at end of period</b>	<u>(35,740)</u>	<u>(34,614)</u>

( The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2013)

**Notes to the Interim Report For The Financial Period Ended 31 March 2014**

( The figures have not been audited)

**EXPLANATORY NOTES**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards (“FRS”) 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2013.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2013, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs, IC Interpretations and Technical Release with effect from 1 July 2011, as disclosed below.

On 1 July 2011, the Group adopted the new or amended FRS and IC Interpretations that are mandatory for application on 1 January 2011 and 1 July 2011. This includes the following FRSs and IC Interpretations:

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters and Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment transaction
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement Contains A Lease
IC Interpretation 18	Transfer of Assets from Customers
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards: Cost of an investment in a subsidiary, jointly controlled entity or associate
Amendments to FRS 3	Business Combinations
Amendments to FRS 7	Financial Instruments
Amendments to FRS 101	Presentations of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interest in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Reporting
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Improvements to FRSs (2010)	

FRSs, Amendments to FRSs, IC Interpretations and Technical Releases issues but not yet effective

At the date of authorisation of these interim financial statements, the following FRSs, Amendments to FRSs, Interpretations and Technical Releases were issued but not yet effective and have not been applied by the Group:

FRSs/IC Interpretations	Descriptions	Effective for annual period beginning on or after
FRS 124	Related party disclosures	1 January 2012
IC Interpretation 15	Agreements for Construction of Real Estate	1 January 2012

As the date of authorisation of these interim financial report, the following FRSs, IC interpretations and Amendments to IC Interpretation were issued but not yet effective and have not been applied by the Group for the financial year ending 30 June 2013. These standards will not have material impact on the financial statements in the period of initial application, except as discussed below:

IC interpretation 15: Agreements for Construction

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111: Construction Contracts or FRS 118: Revenue

At the end of reporting period, the Group recognises revenue and associated cost from the construction of real estate by reference to the stage of completion of construction works. The Group is in the process of assessing the impact of implementing this Interpretation.

As stated in our audited financial statements for the financial year ended 30 June 2013, the Group has yet adopt the Malaysian Financial Reporting Standards (“MFRS”) framework, but has elected to be transitioning entity which will only adopt the MRFS framework for financial year ending 30 June 2015.

## 2. Status of Audit Qualifications

The audited financial statements of the Group for the year ended 30 June 2013 was not subject to any audit qualification.

## 3. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

## 4. Unusual Items

There was no unusual item affecting assets, liabilities, equity, net income and cash flows during the financial quarter under review.

## 5. Material changes in past estimates and their effect on the current interim period.

There was no material effect on the current interim period from estimates of amounts reported in prior interim periods of the current financial year or prior financial years.

## 6. Issuances or Repayments of Debts and Equity Securities

There was no issuance, cancellation, repurchases, resale and repayment of debts and equity securities in the financial quarter under review except for:

### Share Buy-back

As to-date of this report, the Company had bought back a total of 6,015,600 shares from the open market at an average purchase price of RM0.52 per share. The total consideration paid for the share buy-back, inclusive of transaction costs amounted to RM3,116,712. The shares bought back are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

## 7. Dividend

At the forthcoming Annual General Meeting, a first and final dividend of 3.00% under the single tier system in respect of the financial year ended 30 June 2014 will be proposed for shareholders' approval. Based on the total number of issued and paid-up share capital as at 30 June 2014 of 200,234,400 ordinary shares, the total dividend payable would amount to RM6,007,032. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2015.

The entitlement and payment dates will be determined at a later date.

## 8. Segment Information

Segmental information is presented in respect of the Group's business segments and they reflect the Group's internal reporting structures that are regularly reviewed for the purpose of allocating resources to the segment and assessing its performance.

For management purposes, the Group has identified the following four reportable segments as follows:

- a) Property Development : Property Development, Letting of Properties and Project Management
- b) Construction: : Project Construction Services, Manufacturing of Concrete Products and Trading of Building Materials
- c) Hotel : Providing Hotel Services, Food and Beverages and Catering Services
- d) Others : These are dormant companies for future use.

	Property development and management RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>12 Months Ended 30.06.2014</b>						
<b>Revenue</b>						
External revenue	262,194	8,745	7,567	-	-	278,507
Inter-segment revenue	-	61,669	-	-	(61,669)	-
<b>Total</b>	<b>262,194</b>	<b>70,414</b>	<b>7,567</b>	<b>-</b>	<b>(61,669)</b>	<b>278,507</b>
<b>Adjusted EBITDA</b>	<b>52,536</b>	<b>4,132</b>	<b>1,249</b>	<b>(3)</b>	<b>-</b>	<b>57,914</b>

	Property development and management RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>12 Months Ended 30.06.2013</b>						
<b>Revenue</b>						
External revenue	148,549	9,051	6,978	-	-	164,578
Inter-segment revenue	-	58,133	-	-	(58,133)	-
<b>Total</b>	<b>148,549</b>	<b>67,184</b>	<b>6,978</b>	<b>-</b>	<b>(58,133)</b>	<b>164,578</b>
<b>Adjusted EBITDA</b>	<b>30,172</b>	<b>-</b>	<b>2,075</b>	<b>1,264</b>	<b>(4)</b>	<b>33,507</b>

<b>Total segment assets</b>	<b>Property development and management RM'000</b>	<b>Construction and related activities RM'000</b>	<b>Hotel RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>30.06.2014</b>	1,057,224	176,524	37,490	375	(370,784)	900,829
<b>30.06.2013</b>	953,338	195,164	37,881	378	(403,899)	782,862

<b>Total segment liabilities</b>	<b>Property development and management RM'000</b>	<b>Construction and related activities RM'000</b>	<b>Hotel RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>30.06.2014</b>	694,284	165,362	17,427	3	(370,784)	506,292
<b>30.06.2013</b>	620,028	187,837	17,909	2	(403,899)	421,877

**A reconciliation of total adjusted EBITDA**

	<b>30.06.2014 RM'000</b>	<b>30.06.2013 RM'000</b>
<b>Adjusted EBITDA</b>	57,914	32,814
<b>Finance income</b>	98	144
<b>Finance cost</b>	(11,674)	(10,032)
<b>Tax</b>	(10,039)	(4,614)
<b>Depreciation</b>	(2,744)	(2,211)
<b>Net profit for the financial period</b>	<u>33,555</u>	<u>16,101</u>

**Reportable segments assets are reconciled to total assets as follows:**

	<b>30.06.2014 RM'000</b>	<b>30.06.2013 RM'000</b>
<b>Total segment assets</b>	900,829	780,938
<b>Tax recoverable</b>	-	1,924
<b>Consolidated total assets (as per Statement of Financial Position)</b>	<u>900,829</u>	<u>782,862</u>

**Reportable segments liabilities are reconciled to total liabilities as follows:**

	<b>30.06.2014 RM'000</b>	<b>30.06.2013 RM'000</b>
<b>Total segment liabilities</b>	506,292	421,877
<b>Consolidated total liabilities (as per Statement of Financial Position)</b>	<u>506,292</u>	<u>421,877</u>

**9. Carrying Amount of Revalued Assets**

Property, plant and equipment, which are stated at revalued amounts, have been brought forward without amendments from the previous annual financial statements.

**10. Material events not reflected in interim period.**

The Group does not have any material events during the period under review.

**11. Changes in the Composition of the Group**

On 6 December 2013, the Company entered into a joint venture agreement with United Harvest Group Company Limited, a private limited company incorporated in Hong Kong to jointly acquire and develop seven (7) contiguous parcels of residential development land located within Zone A, Medini Iskandar, Mukim of Pulai, District of Johor. The total purchase consideration of this seven plots of land is RM123,644,100.00. A joint venture company named BCB Heights Sdn Bhd was incorporated for this purpose with 60% of its equity owned by the Company while the remainder 40% by United Harvest Group Company Limited.

On 16 May 2014, BCB Development Sdn Bhd, a 70% owned subsidiary of the Company acquired the entire issued and paid-up capital of Total Builder Generation Sdn Bhd ("TBG") amounting RM2.00 and divided into 2 Ordinary Shares of RM1.00 each, for a cash consideration of RM2.00. Subsequently, TBG become a wholly-owned subsidiary of BCB Development Sdn Bhd.

**12. Contingent Liabilities**

There were no significant changes in contingent liabilities in respect of the Group since the last annual Statement of Financial Position date.

**13. Capital Commitments**

On 6 December 2013, BCB Heights Sdn Bhd ("BCB Heights"), a newly incorporated subsidiary of the Company, entered into a lease purchase agreement (LPA) with IBZI Development (Johor) Sdn Bhd to acquire seven (7) contiguous parcels of residential development land with land area of approximately 7.81 acres and a total gross floor area ( Contracted GFA) of 2,060,735 square feet located within Zon A, Medini Iskandar, Mukim of Pulai, District of Johor Bahru, State of Johor Darul Takzim for a total purchase consideration of RM123,644,100.00 .

The Lease Purchase Consideration shall be paid by BCB Heights to the Vendor in the following manner:

	<u>RM '000</u>
Total lease purchase consideration	123,644,100.00
- Less 28% of purchase consideration paid	(34,620,348.00)
Balance lease purchase consideration	<u>89,023,752.00</u>

The balance of the lease purchase consideration will be due in January 2015 with another 2 months extension granted with 6% per annum.



#### 14. Recurrent Related Party Transactions

##### a) Nature of relationships of BCB Group with the interested related parties

- (i) Dato' Tan Seng Leong is a director of BCB Berhad and all its subsidiary companies. He is a major shareholder of BCB Berhad. He is deemed interested by virtue of his relationship with his spouse and his children namely Datin Lim Sui Yong, Tan Vin Sern and Tan Lindy, as they are the directors of Marvel Plus Development Sdn Bhd ("MPDSB"), whilst Datin Lim Sui Yong and Tan Vin Sern are also the major shareholders of MPDSB. Dato' Tan Seng Leong is also a director of Ju-Ichi Enterprise Sdn Bhd ("JIESB").
- (ii) Tan Vin Sern is a director of BCB Berhad and all its subsidiary companies. He is the son of Dato' Tan Seng Leong and brother of Tan Lindy. He is also a director of MPDSB and JIESB.
- (iii) Tan Lindy is a Director of BCB Berhad and all its subsidiary companies. She is the daughter of Dato' Tan Seng Leong and the sister of Tan Vin Sern. She is also a director of MPDSB and JIESB.
- (iv) Tan Lay Hiang is a Director of BCB Berhad and certain of its subsidiary companies. She is the sister-in-law to Datin Lim Sui Yong.
- (v) Tan Lay Kim is a Director of BCB Berhad and certain of its subsidiary companies. She is the sister-in-law to Datin Lim Sui Yong. She resigned with effective from 30th September 2012
- (vi) Chang Shao-Yu is a Director of Marvel Plus. He is the spouse of Tan Lindy and son-in-law of Dato' Tan Seng Leong and Datin Lim Sui Yong.
- (vii) Tan Vin Shyan is a Director of BCB Berhad and all its subsidiary companies and Director of Ju-Ichi. He is the son of Dato' Tan Seng Leong and Datin Lim Sui Yong and brother of Tan Lindy and Tan Vin Sern.

##### b) The related party transactions between BCB Group and the interested related parties are as follows:

	Quarterly Period Ended 30.06.2014 RM'000	Quarterly Period Ended 30.06.2013 RM'000
<b><u>Marvel Plus Development Sdn Bhd</u></b>		
BCB Construction Sdn Bhd		
- Building construction services	2,136	1,853
BCB Management Sdn Bhd		
- Project management services and sales & marketing services	-	-
BCB Road Builder Sdn Bhd		
- Road construction services	-	-
<b><u>Ju-Ichi Enterprise Sdn Bhd</u></b>		
BCB Berhad (Hotel Division)		
- Car park management & security services	15	12
BCB Berhad		
- Rental of office space	75	75
BCB Construction Sdn Bhd		
- Building construction services	15	802

## ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

### 1. Review of Performance of the Group for the Quarter and Financial Year-To-Date

1. a The Group turnover increased by 123% to RM100.29 million for the fourth quarter of 2014 as compared to the corresponding quarter of last year. The Group recorded a 99% increase in profit before tax of RM17.21 million in the current quarter as compared to a profit before tax of RM8.65 million in the corresponding quarter of last year.

The Group's quarterly performance as per segmental divisions is as follows:

**Property Development division's** revenue increased by 138% to RM97.40 million in Q4' 2014 (Q4 '2013: RM40.97 million). Profit before tax increased to RM14.56 million (Q4'2013: RM7.18 million). The increase in profit before tax was mainly due to strong sales achieved from the Group's high-end projects in the Klang Valley - Concerto North Kiara and Home Tree. Concerto North Kiara is a condominium project located in the vicinity of Mont' Kiara, Kuala Lumpur while Home Tree is a mixed bungalow and commercial project located in the vicinity of Kota Kemuning, Shah Alam, Selangor.

**Construction division's** revenue decreased to RM1.14 million in Q4' 2014 ( Q4 '2013: RM2.84 million). Profit before tax is at RM2.65 million (Q4' 2013: 1.74 million). The reduction in revenue is attributed to the division carrying out more in-house work for the Group instead of undertaking external works. The increase in profit before tax is due to a RM2.45 million revaluation gain arising from a fair value revaluation exercise carried out on its investment properties.

**Hotel division's** revenue increased by 49 % to RM1.75 million in Q4' 2014 ( Q4 '2013: RM1.17 million). Loss before tax was RM0.01 million (Q4'2013: (RM0.14 million).

The improvement is attributed to better sales in the current quarter.

1. b For the financial year to-date, the Group's revenue increased by 69% to RM278.51 million ( 2014: RM164.68 million) while the Group's profit before tax increased by 108% to RM43.59 million ( 2013: RM20.92 million).

The Group's financial year to-date performance as per segmental divisions is as follows:

**Property Development division's** revenue increased by 76 % to RM262.19 million as at Q4' 2014 (2013: RM148.65 million). Profit before tax for the financial year to-date increased by 109 % to RM39.66 million (Q4' 2013: RM18.97 million). The increase in profit before tax was mainly due to strong sales achieved from the Group's high-end projects in the Klang Valley - Concerto North Kiara and Home Tree. Concerto North Kiara is a condominium project located in the vicinity of Mont' Kiara, Kuala Lumpur while Home Tree is a mixed bungalow and commercial project located in the vicinity of Kota Kemuning, Shah Alam, Selangor.

**Construction division's revenue** decreased by 3% to RM8.75 million as at Q4' 2014 (Q4 2013: RM9.05 million). Profit before tax for the financial year to-date increased to 108% or 3.83 million (Q4' 2013: RM1.85 million). The increase in profit before tax is due to a RM2.45 million revaluation gain arising from a fair value revaluation exercise carried out on its investment properties.

**Hotel division's** revenue increased marginally 8.44 % to RM7.57 million as at Q4' 2014 ( Q4' 2013: RM6.98 million). Profit before tax for the financial year to-date was RM0.10 million (Q4' 2013: RM0.11 million). The almost even profit before tax recorded despite a spike in revenue was mainly caused by higher operating expenses as a result of the implementation of the minimum wage policy plus tough operating environment - which saw intense competition with many new boutique hotels in town.

### 2. Material Changes in Profit Before Taxation for the Quarter Reported On as Compared with the Immediate Preceding Quarter

Group profit before tax increased from RM7.55 million in the preceding quarter to RM17.21 million in the current quarter. This is mainly due to good sales response from our Klang Valley and Johor projects.

### 3. Prospects for the Financial Year

Despite the cooling measures initiated by the government since the end of last year to check the property market from rising too rapidly, the Board is optimistic of the Group's performance for the financial year 2015 mainly from contributions by its two main Klang Valley projects:

a) Concerto North Kiara in Kuala Lumpur: A high-end condominium project consisting of 3 tower blocks with a total of 440 units and bearing a total gross development value of about RM575 million. It is ear-marked for completion in 1.5 years time.

As at to-date, the Group received good sales response from the launching of all three towers with more than RM310 million sales recorded.

b) Home Tree in the vicinity of Kota Kemuning, Shah Alam, Selangor: This development on 151 acres of land will comprise more than 400 units of high-end bungalows and a similar number of commercial units bearing a total gross development value of at least RM1.8 billion. It is ear-marked for completion in about 4 years time.

Phase 1, comprising 101 units of bungalows was launched in July 2013 and is close to fully sold. As at to-date, more than RM250 million sales has been recorded.

The Group is optimistic that these projects as well as existing ones will contribute positively to its earnings.

### 4. Variance on Profit Forecast

The Group did not issue any profit forecast or profit guarantee.

## 5. Profit for the period

Profit before taxation is derived after taking into consideration of the following:

	Current 30/6/2014	Cumulative year to date 30/06/2013
	RM'000	RM'000
Interest Income	186	144
Other Income	4,461	4,109
Gain or loss on disposal of properties	477	724
Interest expenses	(11,674)	(10,032)
Depreciation and amortisation	(2,744)	(2,211)

Other than the above, there were no disposal of quoted or unquoted investment or properties and amortisation of assets for the financial quarter ended 30 June 2014.

## 6. Taxation

Taxation consists of the followings:

	Quarter Current year	Quarter Preceding year corresponding	Cumulative Current year to- date	Cumulative Preceding year corresponding
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current financial period	5,902	2,118	12,255	5,229
- prior year	83	(42)	83	(42)
Deferred taxation				
- current financial period	183	1,035	183	1,037
- prior year	(2,482)	(1,400)	(2,482)	(1,401)
	<u>3,686</u>	<u>1,711</u>	<u>10,039</u>	<u>4,823</u>

The effective tax rate for the financial quarter ended 30 June 2014 was higher than the statutory tax rate mainly due to certain expenses disallowed for tax purposes.

## 6. Profit / (loss) on sale of unquoted investments and / or properties.

There was no disposal of unquoted investment or property during the financial quarter under review other than in the ordinary course of the Group's business.

## 7. Quoted Securities

There were no purchase and disposal of quoted securities for the financial quarter under review.

## 8. Status of Corporate Proposal

There were no corporate proposals for the financial quarter under review.

## 9. Dividend

The Board of Directors has not recommended any interim dividend for the current quarter or financial period to-date.

## 10. Group Borrowings

The tenure of Group borrowings classified as short and long term categories are as follows:-

Short term borrowings	RM'000
- Secured	231,350
- Unsecured	-
	<u>231,350</u>
Long-term borrowings	
- Secured	101,235
- Unsecured	-
	<u>101,235</u>
Total	<u>332,585</u>

**11. Financial instruments with off balance sheet risk.**

There was no off balance sheet financial instrument during the financial quarter under review.

**12. Material litigation**

The Group does not have material litigation during the financial under review.

**13. Earnings per share**

	<b>Individual Current year quarter</b>	<b>Individual Preceding year corresponding quarter</b>	<b>Cumulative Current year to- date</b>	<b>Cumulative Preceding year corresponding</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>a) Basic earnings per share</b>				
Net profit attributable to owners for the period	13,228	6,891	31,732	15,803
Weighted average number of ordinary shares in issue	200,234	201,057	200,236	200,236
Basic earnings/(loss) per share (sen)	<u>6.61</u>	<u>3.43</u>	<u>15.85</u>	<u>7.89</u>
<b>b) Diluted earnings per share</b>				
Diluted earnings per share (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**14. Realised and Unrealised Profits**

	<b>As At End of Current Quarter 30/06/2014 RM'000</b>
<b>Total retained earnings/ (accumulated losses) of BCB Berhad and its subsidiaries:</b>	
- Realised	180,633
- Unrealised	<u>(3,209)</u>
	177,424
<b>Total share of retained profits/ (accumulated losses) from associated companies:</b>	
- Realised	-
- Unrealised	<u>-</u>
	-
<b>Total share of retained profits/ (accumulated losses) from jointly controlled entities:</b>	
- Realised	-
- Unrealised	<u>-</u>
	-
Less: Consolidation Adjustments	(1,446)
<b>Total group retained profits/ (accumulated losses) as per consolidated accounts</b>	<u><u>175,978</u></u>