

Interim Report For The Financial Period Ended 31 December 2015

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 31 DECEMBER 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Revenue	121,963	73,829	181,801	197,728
Operating expenses	(104,633)	(62,145)	(151,967)	(168,296)
Other operating income	4,129	2,224	5,866	4,531
Profit from operations	21,459	13,908	35,700	33,963
Finance cost	(5,880)	(3,803)	(9,828)	(8,820)
Profit before taxation	15,579	10,105	25,872	25,143
Taxation	(3,995)	(1,731)	(7,986)	(6,034)
Profit for the period	11,584	8,374	17,886	19,109
Total comprehensive income for the year	11,584	8,374	17,886	19,109
Profit attributable to:				
Owners of the Company	12,442	8,447	16,806	17,049
Non Controlling Interest	(859)	(73)	1,079	2,060
	11,584	8,374	17,886	19,109
Total comprehensive income attributable to:				
Owner of the parent	12,442	8,447	16,806	17,049
Non Controlling Interest	(859)	(73)	1,079	2,060
	11,584	8,374	17,886	19,109
EPS - Basic (sen)	3.11	2.11	4.20	4.26

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2015)

Interim Report For The Financial Period Ended 31 December 2015

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2015**

	(UNAUDITED) AS AT 31.12.2015 RM'000	(AUDITED) AS AT 30.06.2015 RM'000
Non Current Assets		
Property, plant and equipment	64,758	66,278
Investment properties	22,879	22,878
Land held for development	34,981	83,149
Current assets		
Property development costs	749,563	728,550
Inventories	69,982	70,008
Tax recoverable	-	2,742
Trade and other receivables	98,970	79,517
Fixed deposits with licensed banks	2,841	2,905
Cash and bank balances	19,011	25,194
	<u>940,367</u>	<u>908,916</u>
Current liabilities		
Trade and other payables	164,864	271,672
Short term borrowings	265,561	121,526
Bank overdrafts	52,520	53,547
Current tax liabilities	2,309	4,495
	<u>485,254</u>	<u>451,240</u>
Net current assets	<u>455,113</u>	<u>457,676</u>
Total Assets	<u>577,730</u>	<u>629,981</u>
Shareholders' Funds		
Share capital	206,250	206,250
Treasury shares	(3,120)	(3,119)
Revaluation reserves	6,788	6,788
Retained earnings	219,055	202,249
Non Controlling Interest	13,901	12,822
	<u>442,875</u>	<u>424,990</u>
Long term borrowings	134,010	204,145
Deferred tax liabilities	847	846
	<u>134,856</u>	<u>204,991</u>
Total Equities and Liabilities	<u>577,730</u>	<u>629,981</u>
Net assets per share (RM)	<u>1.04</u>	<u>1.00</u>
(Total Equity/ Number of ordinary share issued)	(428,974/ 412,500)	(412,168/ 412,500)

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2015)

Interim Report For The Financial Period Ended 31 December 2015

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 31 DECEMBER 2015**

	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 01.07.2015	206,250	6,788	(3,119)	202,249	412,168	12,822	424,990
Transactions with owners:							
Share buy-back	-	-	(1)	-	(1)	-	(1)
Total comprehensive income	-	-	-	16,806	16,806	1,079	17,886
At 31.12.2015	206,250	6,788	(3,120)	219,055	428,973	13,901	442,875
At 01.07.2014	206,250	6,788	(3,117)	174,336	384,257	8,895	393,153
Transactions with owners:							
Share buy-back	-	-	(1)	-	(1)	-	(1)
Total comprehensive income	-	-	-	17,049	17,049	2,060	19,109
At 31.12.2014	206,250	6,788	(3,118)	191,385	401,305	10,956	412,260

(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 2015)

Interim Report For The Financial Period Ended 31 December 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	6 MONTHS ENDED 31.12.2015 RM'000	6 MONTHS ENDED 31.12.2014 RM'000
Operating activities		
Profit after taxation	17,886	19,109
Adjustments for non-cash items	19,420	15,641
Operating profit before working capital changes	<u>37,306</u>	<u>34,750</u>
Trade & other receivables	(19,452)	(981)
Inventories	26	280
Property development cost	(21,013)	(22,737)
Trade payables and Other payables	(58,643)	40,357
Net change in working capital	<u>(61,776)</u>	<u>51,669</u>
Net Interest Paid	(9,706)	(8,693)
Tax refunded	-	-
Taxes paid	(6,828)	(1,504)
Net cash (used in)/ from operating activities	<u>(78,310)</u>	<u>41,472</u>
Investing activities		
Purchase of property, plant and equipment	-	(136)
Proceeds from disposal of property, plant and equipment and investment properties	1,520	1,645
Addition to Land Held for Property Development	-	-
Net cash used in investing activities	<u>1,520</u>	<u>1,509</u>
Financing activities		
Proceeds from borrowings	96,943	2,010
Repayment of borrowings	(25,436)	(40,951)
Purchase of treasury shares	(1)	(2)
Fixed deposits pledged to a licensed bank	64	-
Net cash from financing activities	<u>71,570</u>	<u>(38,943)</u>
Net (decrease)/ increase in cash and cash equivalents	(5,220)	4,038
Cash and cash equivalents at beginning of period	(25,448)	(35,153)
Cash and cash equivalents at end of period	<u>(30,668)</u>	<u>(31,115)</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 2015)

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

Notes to the Interim Report For The Financial Period Ended 31 December 2015

(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 2015.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2015, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs, IC Interpretations and Technical Release with effect from 1 January 2015, as disclosed below.

Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
Amendments to MFRSs	Annual Improvements to MFRSs 2010-2012 Cyclesed Payment transaction
Amendments to MFRSs	Annual Improvements to MFRSs 2011-2013 Cycle

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
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10, MFRS12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 116 & MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRSs	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

As at 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 2015. These standards will not have a 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 the 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 2015, the Group has yet to adopt the Malaysian Financial Reporting Standards ("MFRS") framework, but has elected to be a transitioning entity which will only adopt the MFRS framework for financial year ending 30 June 2018.

2. Status of Audit Qualifications

The audited financial statements of the Group for the year ended 30 June 2015 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 at to-date, the Company has bought back a total of 12,037,200 shares from the open market at an average purchase price of RM0.26 per share (This average purchase price is adjusted following a share split exercise conducted on 7 January 2016 whereby the initial share par value of RM1.00 per share was halved to RM0.50 per share). The total consideration paid for the share buy-back, inclusive of transaction costs amounted to RM3,120,390. The shares bought back are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

7. Dividend

The Board does not recommend any interim dividend for the financial quarter under review.

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 activities RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
6 Months Ended 31.12.2015						
Revenue						
External revenue	175,230	2,305	4,266	-	-	181,801
Inter-segment revenue	-	53,463	-	-	(53,463)	-
Total	175,230	55,768	4,266	-	(53,463)	181,801
Adjusted EBITDA	37,334	(1,122)	1,113	(1)	-	37,324

	Property development and management activities RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
6 Months Ended 31.12.2014						
Revenue						
External revenue	187,692	6,030	4,006	-	-	197,728
Inter-segment revenue	-	24,477	-	-	(24,477)	-
Total	187,692	30,507	4,006	-	(24,477)	197,728
Adjusted EBITDA	39,962	413	900	-	-	41,275

Total segment assets	Property development and management activities RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
31.12.2015	1,395,184	218,535	36,923	367	(422,024)	1,228,985
31.12.2014	1,055,707	178,245	37,183	375	(360,228)	911,282

Total segment liabilities	Property development and management activities RM'000	Construction and related activities RM'000	Hotel RM'000	Others RM'000	Elimination RM'000	Total RM'000
31.12.2015	985,358	206,371	16,402	1	(422,024)	786,108
31.12.2014	676,338	165,578	17,332	3	(360,228)	499,022

A reconciliation of total adjusted EBITDA

	31.12.2015 RM'000	31.12.2014 RM'000
Adjusted EBITDA	37,325	41,275
Finance income	103	112
Finance cost	(9,828)	(8,819)
Tax	(7,986)	(6,034)
Depreciation	(1,728)	(1,121)
Net profit for the financial period	<u>17,886</u>	<u>25,413</u>

Reportable segments assets are reconciled to total assets as follows:

	31.12.2015 RM'000	31.12.2014 RM'000
Total segment assets	1,228,985	911,282
Tax recoverable	-	-
Consolidated total assets (as per Statement of Financial Position)	<u>1,228,985</u>	<u>911,282</u>

Reportable segments liabilities are reconciled to total liabilities as follows:

	31.12.2015 RM'000	31.12.2014 RM'000
Total segment liabilities	794,335	494,709
Tax payable	-	4,313
Consolidated total liabilities (as per Statement of Financial Position)	<u>794,335</u>	<u>499,022</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 29 September 2015, the Company acquired the entire issued and paid-up capital of Absolute 88 Sdn Bhd , comprising of 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00, making it a wholly owned subsidiary of the Company. On 27 October 2015, Absolute 88 Sdn Bhd was renamed BCB Medini Development Sdn Bhd ("BCB Medini").

Also on 27 October 2015, the Company acquired the entire issued and paid-up capital of Knights Bridge Express Sdn Bhd ("Knights Bridge"), comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00, making it a wholly owned subsidiary of the Company.

Both BCB Medini and Knights Bridge are currently dormant and will ultimately undertake property development activities.

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 1 October 2015, Absolute 88 Sdn Bhd (since renamed BCB Medini Sdn Bhd) ("BCB Medini"), entered into a Lease Purchase Agreement with Metrogold Assets Sdn Bhd ("MASB") to acquire the rights of a lease over a 22 acres land in Medini Iskandar Malaysia bearing a 1,463,173 gross floor area s.f ("GFA" s.f) for a cash consideration of RM58,526920.00 or RM40.00 per GFA s.f excluding Goods and Services Tax.

The Lease purchase consideration were paid in the following manner:

	<u>RM' 000</u>
Total lease purchase consideration:	58,527
15% Deposit paid	(8,779)
Balance lease purchase consideration	<u>49,748</u>
10% paid on 30th November 2015	(5,853)
75% paid on 15th December 2015	<u>(43,895)</u>
	-

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 via his family controlled company called Evergreen Ratio Sdn Bhd. He is deemed to have an interest with the interested related parties by virtue of his relationship with his spouse and his children namely Datin Lim Sui Yong, Tan Vin Sern, Tan Vin Shyan and Tan Lindy, as they are directors of Marvel Plus Development Sdn Bhd ("MPDSB"), whilst Datin Lim Sui Yong and Tan Vin Sern are also shareholders of MPDSB. Dato' Tan Seng Leong is also a director of Ju-Ichi Enterprise Sdn Bhd ("JIESB") as well as a major shareholder of IBZI Development (Johor) Sdn Bhd ("IBZI").
- (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, JIESB and IBZI.
- (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 most of its subsidiary companies. She is the sister of Dato' Tan Seng Leong.
- (v) Chang Shao-Yu is a Director of MPDSB. He is the spouse of Tan Lindy and son-in-law of Dato' Tan Seng Leong and Datin Lim Sui Yong.
- (vi) Tan Vin Shyan is a Director of BCB Berhad and most of its subsidiaries. He is the son of Dato' Tan Seng Leong and Datin Lim Sui Yong, and brother of Tan Lindy and Tan Vin Sern. He is also a director and shareholder of MPDSB, JIESB and IBZI.
- (vii) Datin Lim Sui Yong is a major shareholder of BCB Berhad via her family controlled company called Evergreen Ratio Sdn Bhd. She is also a director and shareholder of MPDSB.

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

	Quarterly Period Ended 31.12.2015 RM'000	Quarterly Period Ended 31.12.2014 RM'000
<u>Marvel Plus Development Sdn Bhd</u>		
BCB Construction Sdn Bhd		
- Building construction services	1,255	352
BCB Management Sdn Bhd		
- Project management services and sales & marketing services	-	-
BCB Road Builder Sdn Bhd		
- Road construction services	-	-
<u>Ju-Ichi Enterprise Sdn Bhd</u>		
BCB Berhad		
- Rental of office space	75	75
BCB Construction Sdn Bhd		
- Building construction services	1	-
<u>Ibzi Development Sdn Bhd</u>		
BCB Construction Sdn Bhd	608	-
- Building construction services		

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 65% to RM121.96 million for the second quarter of 2016 as compared to RM73.83 million recorded for the corresponding quarter of last year. The Group recorded a 54% increase in profit before tax of RM15.58 million in the current quarter as compared to a profit before tax of RM10.11 million recorded 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 73% to RM117.85 million in Q2' 2016 (Q2' 2015: RM67.96 million). Profit before tax increased to RM15.01 million (Q2'2015: RM8.10 million). The increase in profit before tax is mainly due to better sales as well as higher progress billings in the current quarter.

Construction division's revenue decreased by 51% to RM1.73 million in Q2' 2016 (Q2' 2015: RM3.51 million). Profit before tax is RM0.24 million (Q2' 2015: 1.74 million). The decreased in revenue and profit before tax is mainly due to the construction division concentrating more resources on in-house jobs for the Group.

Hotel division's revenue increased marginally by 1% to RM2.38 million in Q2' 2016 (Q2' 2015: RM2.36 million). Profit before tax was RM0.32 million (Q2'2015: RM 0.27 million). The improvement in profit before tax was mainly attributed to lower overheads as a result of cost cutting measures initiated during the quarter.

1. b For the financial year to-date, the Group's revenue decreased by 8% to RM181.80 million (Q2' 2015: RM197.73 million) while the Group's profit before tax increased by 3% to RM25.87 million (Q2' 2015: RM25.14 million).

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

Property Development division's revenue decreased by 7% to RM175.23 million as at Q2' 2016 (Q2' 2015: RM187.69 million). Profit before tax for the financial year to-date increased by 9% to RM25.19 million (Q2' 2015: RM23.08 million). The increase in profit before tax was mainly due to higher billings from the Group's two main Klang Valley projects - Concerto North Kiara in Kuala Lumpur and Home Tree in the vicinity of Kota Kemuning, Shah Alam, Selangor.

Construction division's revenue decreased by 62 % to RM2.31 million as at Q2' 2016 (Q2' 2015: RM6.03 million). Profit before tax for the financial year to-date decreased to 0.33 million (Q2' 2015: RM2.04 million). The decreased in revenue and profit before tax is mainly due to the construction division concentrating more resources on in-house jobs for the Group.

Hotel division's revenue increased by 6.5% to RM4.27 million in Q2' 2016 (Q2' 2015: RM4.01 million). Profit before tax was RM0.35 million (Q2'2015:RM 0.06million).

The improvement in profit before tax was mainly attributed to the higher sales and cost cutting measures initiated during the quarter.

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 RM59.96 million in the preceding quarter to RM121.96 million in the current quarter. This is mainly due to higher profits recognised on the back of higher billings in the quarter from its two main Klang valley projects - Concerto North Kiara in Kuala Lumpur and Home Tree in the vicinity of Kota Kemuning, Shah Alam, Selangor.

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 2016 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 was completed in December of 2015.

As at to-date, the Group received good sales response from the launching of all three towers with more than RM430 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 various other types of other houses 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 in 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 31/12/2015 RM'000	Cumulative year to date 31/12/2015 RM'000
Interest Income	32	122
Other Income	22,162	23,832
Gain or loss on disposal of properties	(2)	-
Interest expenses	(5,880)	(9,828)
Depreciation and amortisation	(890)	(1,728)

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 2015.

6. Taxation

Taxation consists of the followings:

	Quarter Current year RM'000	Quarter Preceding year corresponding RM'000	Cumulative Current year to- date RM'000	Cumulative Preceding year corresponding RM'000
Income tax				
- current financial period	3,995	1,731	7,986	6,034
- prior year	-	-	-	-
Deferred taxation				
- current financial period	-	-	-	-
- prior year	-	-	-	-
	<u>3,995</u>	<u>1,731</u>	<u>7,986</u>	<u>6,034</u>

The effective tax rate for the financial quarter ended 31 December 2015 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 was no purchase and disposal of quoted securities for the financial quarter under review.

8. Status of Corporate Proposal

On 3 November 2015, The Board of Directors of BCB announced that the Company intend to undertake the following:

- (i) Share Split involving the subdivision of every one (1) existing BCB Berhad ("BCB") Share held by the entitled shareholders of BCB into two (2) ordinary shares of RM0.50 each in BCB and
- (ii) Amendments to the Memorandum and Articles of Association of BCB to facilitate the implementation of the Proposed Share Split.

The initial issued and paid-up share capital of BCB was RM206,250,000 comprising 206,250,000 BCB Shares (including 6,018,600 BCB Shares held as treasury shares).

On 7 January 2016, upon the completion of the Share Split exercise, the initial 206,250,000 ordinary shares of RM1.00 each in BCB were subdivided into 412,500,000 ordinary shares of RM0.50 each. However the paid-up capital of BCB remains unchanged at RM206,250,000. Total treasury shares were like-wise halved to 12,037,200 shares.

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	318,081
- Unsecured	-
	<u>318,081</u>
Long-term borrowings	
- Secured	134,010
- Unsecured	-
	<u>134,010</u>
Total	<u><u>452,090</u></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 any material litigation during the financial period under review.

13. Earnings per share

	Individual Current year quarter	Individual Preceding year corresponding quarter	Cumulative Current year to- date	Cumulative Preceding year corresponding
	RM'000	RM'000	RM'000	RM'000
a) Basic earnings per share				
Net profit attributable to owners for the period	12,442	8,447	16,806	17,049
Weighted average number of ordinary shares in issue	400,472	400,472	400,472	400,472
Basic earnings/(loss) per share (sen)	3.11	2.11	4.20	4.26
b) Diluted earnings per share				
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

14. Realised and Unrealised Profits

	As At End of Current Quarter 30/06/2015 RM'000
Total retained earnings/ (accumulated losses) of BCB Berhad and its subsidiaries:	
- Realised	221,829
-Unrealised	(847)
	220,982
Total share of retained profits/ (accumulated losses) from associated companies:	-
- Realised	-
-Unrealised	-
	-
Total share of retained profits/ (accumulated losses) from jointly controlled entities:	-
- Realised	-
-Unrealised	-
	-
Less: Consolidation Adjustments	(1,927)
Total group retained profits/ (accumulated losses) as per consolidated accounts	219,055