OSK Holdings Berhad (207075-U)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
Assets:		
Non-current		
Property, plant and equipment	**780,337**	785,130
Investment properties	**578,115**	570,342
Investments in associated companies and a joint venture	**2,823,282**	2,791,783
Bearer plants	**17,069**	17,298
Intangible assets	**2,021**	2,084
Inventories	**1,091,091**	1,097,344
Deferred tax assets	**82,851**	84,487
Available-for-sale securities	**954**	882
Capital financing	**17,753**	16,750
Trade receivables	**40,442**	36,645
Other assets	**4,455**	4,455
	5,438,370	5,407,200
Current		
Inventories	**519,959**	512,458
Securities at fair value through profit or loss	**16,483**	16,309
Capital financing	**353,148**	365,368
Contract assets	**375,616**	384,807
Trade receivables	**315,366**	394,241
Other assets	**81,062**	109,119
Tax recoverables	**28,890**	26,139
Derivative assets	**19,036**	30,718
Cash and short term funds	**370,830**	439,594
	2,080,390	2,278,753
Non-current assets held for sale	**14,900**	5,100
	2,095,290	2,283,853
Total Assets	**7,533,660**	7,691,053

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (CONT'D)

	Note	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
Liabilities:			
Non-current			
Medium term notes	B8	**746,998**	746,837
Borrowings	B8	**652,116**	846,974
Deferred income		**163,850**	168,233
Trade payables		**48,415**	48,415
Other liabilities		**6,695**	2,121
Deferred tax liabilities		**134,792**	136,772
		1,752,866	1,949,352
Current			
Borrowings	B8	**753,094**	604,433
Deferred income		**5,581**	6,196
Contract liabilities		**169,426**	160,465
Trade payables		**266,018**	354,089
Tax payables		**14,801**	20,475
Other liabilities		**223,549**	288,349
		1,432,469	1,434,007
Total Liabilities		**3,185,335**	3,383,359
Net Assets		**4,348,325**	4,307,694
Equity:			
Share capital		**1,402,891**	1,402,891
Treasury shares, at cost	A5(a)	**(30,234)**	(30,234)
		1,372,657	1,372,657
Reserves		**2,761,952**	2,721,375
Issued capital and reserves attributable to Owners of the Company		**4,134,609**	4,094,032
Non-controlling interests		**213,716**	213,662
Total Equity		**4,348,325**	4,307,694
Net Assets per share attributable to Owners of the Company (RM)		**2.99**	2.96

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	Note	**Current quarter ended 31.3.2016 RM'000**	Comparative quarter ended 31.3.2015 RM'000	**Current year to date ended 31.3.2016 RM'000**	Preceding year to date ended 31.3.2015 RM'000
Revenue		**348,287**	13,782	**348,287**	13,782
Cost of sales		**(239,945)**	(4,173)	**(239,945)**	(4,173)
Gross profit		**108,342**	9,609	**108,342**	9,609
Other income		**4,630**	11,779	**4,630**	11,779
Administrative expenses		**(57,603)**	(3,686)	**(57,603)**	(3,686)
Other expenses		**(2,011)**	(10,509)	**(2,011)**	(10,509)
		53,358	7,193	**53,358**	7,193
Finance costs		**(18,225)**	(990)	**(18,225)**	(990)
		35,133	6,203	**35,133**	6,203
Share of results of associated companies and a joint venture		**50,207**	41,298	**50,207**	41,298
Profit before tax		**85,340**	47,501	**85,340**	47,501
Tax expense		**(13,269)**	(1,949)	**(13,269)**	(1,949)
Profit after tax		**72,071**	45,552	**72,071**	45,552
Profit attributable to:					
Owners of the Company		**69,620**	45,552	**69,620**	45,552
Non-controlling interests		**2,451**	-	**2,451**	-
		72,071	45,552	**72,071**	45,552
Earnings per share attributable to Owners of the Company (sen)					
Basic	B11(a)	**5.03**	4.79	**5.03**	4.79
Diluted	B11(b)	**5.03**	4.79	**5.03**	4.79

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

QUARTERLY REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	Current quarter ended 31.3.2016 RM'000	Comparative quarter ended 31.3.2015 RM'000	**Current year to date ended 31.3.2016 RM'000**	Preceding year to date ended 31.3.2015 RM'000
Profit after tax	**72,071**	45,552	**72,071**	45,552
Other Comprehensive Income for the period, net of tax				
Items that may be reclassified subsequently to profit or loss:				
Fair value (loss)/gain on:				
- Cash flow hedge	**(86)**	-	**(86)**	-
- Foreign currency translation	**(14,451)**	-	**(14,451)**	-
- Revaluation of securities available-for-sale	**72**	-	**72**	-
Share of other comprehensive income / reserves of an associated company:				
- Foreign exchange reserves	**(30,016)**	14,534	**(30,016)**	14,534
- Other reserves	**12,774**	6,433	**12,774**	6,433
Total Other Comprehensive (Loss)/Income for the period, net of tax	**(31,707)**	20,967	**(31,707)**	20,967
	40,364	66,519	**40,364**	66,519
Total Comprehensive Income attributable to :				
Owners of the Company	**41,228**	66,519	**41,228**	66,519
Non-controlling interests	**(864)**	-	**(864)**	-
	40,364	66,519	**40,364**	66,519

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

OSK Holdings Berhad (207075-U)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	Attributable to Owners of the Company											
	Share capital	Treasury shares [Note A5(a)]	Share premium	Available-for-sale reserve	Revalua-tion reserve	Foreign exchange reserves	Hedging reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1.1.2016	**1,402,891**	**(30,234)**	**336,481**	**-**	**76,321**	**96,133**	**824**	**(10,455)**	**2,222,071**	**4,094,032**	**213,662**	**4,307,694**
Profit after tax	-	-			-			-	**69,620**	**69,620**	**2,451**	**72,071**
Other comprehensive income/(loss)	-	-	-	**65**	-	**(41,154)**	**(77)**	**12,774**	-	**(28,392)**	**(3,315)**	**(31,707)**
Total Comprehensive Income/(Loss)	-	-	-	**65**	-	**(41,154)**	**(77)**	**12,774**	**69,620**	**41,228**	**(864)**	**40,364**
Conversion of warrants in subsidiary companies	-	-	-	-	-	-	-	-	-	-	**410**	**410**
Effects of acquisitions of warrants in subsidiary company	-	-	-	-	-	-	-	-	**(126)**	**(126)**	-	**(126)**
Dilution of interests in subsidiary companies for conversion of warrants in subsidiary companies	-	-	-	-	-	-	-	-	**(508)**	**(508)**	**508**	-
Dilution of interests in a subsidiary company of an associated company	-	-	-	-	-	-	-	-	**(17)**	**(17)**	-	**(17)**
Total changes in ownership interests	-	-	-	-	-	-	-	-	**(651)**	**(651)**	**918**	**267**
As at 31.3.2016	**1,402,891**	**(30,234)**	**336,481**	**65**	**76,321**	**54,979**	**747**	**2,319**	**2,291,040**	**4,134,609**	**213,716**	**4,348,325**
As at 1.1.2015	969,058	(30,232)	-	-	76,321	26,260	-	(4,064)	1,670,648	-	-	2,707,991
Profit after tax	-	-	-	-	-	-	-	-	45,552	45,552	-	45,552
Other comprehensive income	-	-	-	-	-	14,534	-	6,433	-	20,967	-	20,967
Total Comprehensive Income	-	-	-	-	-	14,534	-	6,433	45,552	66,519	-	66,519
As at 31.3.2015	969,058	(30,232)	-	-	76,321	40,794	-	2,369	1,716,200	66,519	-	2,774,510

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	Current year to date ended 31.3.2016 RM'000	Preceding year to date ended 31.3.2015 RM'000
Cash Flows From Operating Activities		
Profit before tax	**85,340**	47,501
Adjustments for:		
Non-cash and non-operating items	**18,740**	(5,116)
Share of results of associated companies and a joint venture	**(50,207)**	(41,298)
Operating profit before working capital changes	**53,873**	1,087
Decrease / (Increase) in operating assets:		
Inventories	**(8,732)**	-
Capital financing	**11,229**	37,945
Contract assets	**9,191**	-
Trade receivables	**73,305**	(100)
Other receivables	**28,058**	(606)
Increase / (Decrease) in operating liabilities:		
Deferred income	**(4,998)**	(561)
Contract liabilities	**8,961**	-
Trade payables	**(88,195)**	(3,318)
Other liabilities	**(60,226)**	(51)
Cash generated from operations	**22,466**	34,396
Interest received	**10,992**	8,251
Interest paid	**(2,615)**	(2,834)
Income tax paid	**(22,543)**	(2,132)
Refund of income tax	**500**	2,700
Net cash generated from operating activities	**8,800**	40,381
Cash Flows From Investing Activities		
Acquisition of warrants in subsidiary company	**(126)**	-
Dividends received	**128**	164
Expenditure incurred on investment properties	**(18,273)**	(474)
Proceeds from disposals of plant and equipment	**1,318**	-
Proceeds from disposals of securities at fair value through profit or loss	**-**	24,679
Purchase of:		
- property, plant and equipment	**(4,680)**	(8)
- software licenses	**(21)**	-
- bearer plants	**(48)**	-
Advance to an associated company	**(610)**	-
Net cash (used in) / generated from investing activities	**(22,312)**	24,361

QUARTERLY REPORT
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2016 (CONT'D)

	Current year to date ended 31.3.2016 RM'000	Preceding year to date ended 31.3.2015 RM'000
Cash Flows From Financing Activities		
Drawdown of loans	**82,228**	-
Interest paid	**(27,087)**	(990)
Repayment of revolving credits - net	**(34,541)**	(64,305)
Repayment of loans	**(72,359)**	-
Proceeds from issuance of shares by subsidiary companies for warrants conversion	**410**	-
Net cash used in financing activities	**(51,349)**	(65,295)
Net decrease in Cash and Cash Equivalents	**(64,861)**	(553)
Effects of exchange rate changes	**(561)**	-
Cash and Cash Equivalents at beginning of period	**451,582**	56,098
Cash and Cash Equivalents at end of period	**386,160**	55,545
Cash and Cash Equivalents comprised:		
Cash and short term funds	**370,830**	1,671
Securities at fair value through profit or loss, liquid investments	**16,260**	53,874
	387,090	55,545
Bank overdrafts	**(930)**	-
	386,160	55,545

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2015)

QUARTERLY REPORT FOR FIRST QUARTER ENDED 31 MARCH 2016

The unaudited interim financial report ("the quarterly report") have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") issued by the MASB

A1. Basis of preparation

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2015 and the accompanying explanatory notes, which 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 December 2015.

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2015.

For the current year to date, the Group adopted the following standards, amendments to published standards and interpretations that are applicable and effective for the Groupøs financial year beginning on 1 January 2016:

(a) Annual Improvements to MFRSs 2012 ï 2014 Cycle that aim to enhance the quality of standards, to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights.

(b) Amendment to MFRS 11 óJoint Arrangementsô requires an investor to apply the principles of MFRS 3 óBusiness Combinationô when it acquires an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not remeasured when the acquisition of an additional interest in the same joint operation results in retaining joint control.

(c) Amendments to MFRS 101 'Presentation of Financial Statements' aim to improve the effectiveness of disclosures in the financial statements and are designed to encourage an entity to apply professional judgement in determining the information to be disclosed in the financial statements.

(d) Amendments to MFRS 116 óProperty, Plant and Equipmentô and MFRS 138 óIntangible Assetsô (effective from 1 January 2016) clarify that the use of revenue-based methods to calculate the depreciation of an item of property, plant and equipment is not appropriate. This is because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

Similarly, the amendments to MFRS 138 also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption can be overcome only in the limited circumstances where the intangible asset is expressed as a measure of revenue or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

A1. Basis of preparation (Cont'd)

For the current year to date, the Group adopted the following standards, amendments to published standards and interpretations that are applicable and effective for the Groupǿs financial year beginning on 1 January 2016: (Cont'd)

(e) Amendments to MFRS 116 'Property, Plant and Equipment' and MFRS 141 'Agriculture' amended the scope of MFRS 116 to include bearer plants related to agricutural activity. However, MFRS 141 applies to the produce growing on those bearer plants.

A bearer plant is defined as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Bearer plants are measured either at cost or revalued amounts, less accumulated depreciation and impairment losses. Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell, with fair value changes recognised in profit or loss as the produce grows.

(f) Amendments to MFRS 127 'Separate Financial Statements' allow an entity to use the equity method in its separate financial statements to account for investments in subsidiary companies, joint ventures and associated companies, in addition to the existing cost method.

The adoption of these amendments to published standards and interpretations did not have any material impact to the Group.

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year:

(a) For financial year beginning on/after 1 January 2017

Amendment to MFRS 107 'Statement of Cash Flows' requires an entity provide addition disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. It requires the disclosure of a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities.

Amendment to MFRS 112 'Income Taxes' clarifies the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendment introduces to compare the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.

A1. Basis of preparation (Cont'd)

The following are standards, amendments to published standards and interpretations to existing MFRSs issued by the MASB that are applicable to the Group but not yet effective for current financial year: (Cont'd)

(b) <u>For financial year beginning on/after 1 January 2018</u>

MFRS 9 óFinancial Instrumentsô (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement".

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entityøs own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model on impairment that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The financial effects of adoption of MFRS 9 are still being assessed by the Group due to the complexity and significant changes in its requirements.

(c) <u>For financial year beginning on/after 1 January 2019</u>

MFRS 16 ' Leases' will replace the existing standard on Leases, MFRS 117.

MFRS 16 eliminates the distinction between finance and operating leases for lessees. MFRS 16 requires lessees to recognise assets and liabilities for all leases with a term of more than 12 months and for which the underlying asset is not of low value. For lessors, MFRS 16 requires enhanced disclosure on the information about their risk exposure.

A2. Seasonality or cyclicality of interim operations

Other than the Hospitality division which is affected by holiday seasons, the other business operations of the Group for the current year to date were not materially affected by any seasonal or cyclical factors.

A3. Unusual items affecting assets, liabilities, equity, net income and cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group because of their nature, size or incidence.

A4. Changes in estimates of amounts reported previously

There were no significant changes in estimates of amounts reported in prior interim periods or prior financial years.

A5. Issues, repurchases and repayments of debts and equity securities

(a) Share buybacks / Treasury shares of the Company

There were no issuances, repurchases and repayments of debt and equity securities of the Company for the current year to date. The shares repurchased previously are being held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965. Summary of treasury shares is as follows:

	Number of shares	Highest price RM	Lowest price RM	Average cost (included transaction costs) RM	Total amount paid RM
As at 1.1.2016 / 31.3.2016	18,098,253	2.82	0.90	1.67	30,234,418

(b) Warrant C 2015/2020

On 23 July 2015, the Company issued 237,732,751 Warrants C 2015/2020 pursuant to the Bonus Issue of Warrants, which were listed on the Main Market of Bursa Securities with effect from 9.00 a.m. on 4 August 2015.

The Stock Short Name, Stock Number and ISIN Code of the Warrant C 2015/2020 are "OSK-WC", "5053WC" and "MYL5053WCU71ò respectively. The main features of Warrant C 2015/2020 are as follows:

(i) Each Warrant C 2015/2020 entitles the holder to subscribe for 1 new ordinary share of RM1.00 each in the Company at a exercise price of RM1.80 per share by cash at any time during normal business hours up to 5.00 pm on or before 22 July 2020; and

(ii) Full provisions regarding the transferability of Warrant C 2015/2020 to new ordinary shares, which will thereafter rank pari passu with the existing ordinary shares of the Company, adjustment of the Exercise Price in certain circumstances, quotation on Bursa Securities and other terms and conditions pertaining to the Warrant C 2015/2020 are set out in detail in a Deed Poll executed by the Company on 7 July 2015, which is available for inspection at the registered office of the Company.

As at 31 March 2016, all 237,732,751 Warrant C 2015/2020 remained unexercised.

A5. Issues, repurchases and repayments of debts and equity securities (Cont'd)

(c) Medium Term Note Programme for the issuance of medium term notes of up to RM990.00 million in nominal value ("MTN Programme")

On 15 October 2015, the Company lodged with the Securities Commission Malaysia ("SC") all the required information and relevant documents relating to the MTN Programme pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by SC. The MTN Programme provides the Company the flexibility to raise funds via the issuance of MTNs which can be utilised to refinance its existing borrowings and to fund its working capital requirements. The MTN Programme is unrated and has a tenure of fifteen (15) years from the date of its first issuance.

On 30 October 2015, the Company issued MTNs of RM750.00 million to refinance its existing borrowings. The MTNs were issued in 12 tranches with maturities commencing from 2017 to 2022. The MTNs are redeemable every 6 months commencing 18 months after the first issuance date. The MTNs issued bear interest rate of 4.93% per annum.

The terms of the MTN Programme contain various covenants, including the following:-

(i) The Company shall maintain a Gearing Ratio of not exceeding 1.50 times throughout the tenure of the MTN Programme.

(ii) The Company shall maintain a Security Cover Ratio of not less than 1.50 times throughout the tenure of the MTN Programme.

(iii) The Company shall maintain a Debt Service Reserve Account ("DSRA") of an amount equivalent to one interest payment, which is pre-funded from the Company's internal fund and shall ensure that there are sufficient funds in the DSRA.

The amount can be utilised for the payment of interest of MTNs in the event of a default in interest payment obligations. Any utilised funds shall be replenished within 14 days from the date of withdrawal/shortfall.

The MTN Programme are secured by the following:

(i) First party legal charge by way of Memorandum of Deposit with Power of Attorney over shares and warrants in certain subsidiary companies; and

(ii) First party assignment and charge over the Company's right (including right to sue), title, interest and benefit in and under the DSRA and Disbursement Account and all monies standing to the credit thereto.

There were no issuance and repayment of MTN during the current year to date. As at 31 March 2016, the total outstanding MTN remained at RM750.00 million.

Apart from disclosed above there were no issuances, repurchases and repayments of debt and equity securities of the Company for the current year to date.

A6. Dividends paid

There were no dividend paid during the current year to date.

A7. Segmental information

The Group is organised into four major business segments based on products and services, which are regularly provided to and reviewed by the chief operating decision makers comprising of the Board of Directors and senior management of the Group:

(a) Financial services & Investment Holdings

(i)	Investment Holdings	-	Investing activities and other insignificant business segment, where investments contribute dividend income and interest income as well as sharing of results of the investee companies.
(ii)	Capital Financing	-	Capital financing activities, generating interest, fee and related income.

(b) Properties & Construction

(i)	Property Development	-	Property development of residential and commercial properties for sale as well as provision of project management services.
(ii)	Property Investment & Management	-	Management and letting of properties, contributing rental yield and appreciation of properties.
(iii)	Construction	-	Building construction works.

(c) Industries

(i)	Cables & Wires	-	Manufacturing and trading of cable and wire products.
(ii)	Building Materials	-	Manufacturing and sale of concrete wall panels, an Industrialised Building System (IBS) materials; and trading of building materials.

(d) Hospitality

(i)	Hotels and Resorts	-	Management of hotels, resorts including golf course operations.
(ii)	Vacation club	-	Management of timeshare membership scheme through vacation club.

Business segment revenue and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The inter-segment transactions have been entered into at terms mutually agreed between the segments concerned and have been eliminated to arrive at the Group's results.

Basis of segmentation and related measurement have no material change from the amounts disclosed in the audited financial statements of the Group for the year ended 31 December 2015.

A7. Segmental information (Cont'd)

Business segment analysis

The following table provides an analysis of the Group's revenue and results by business segment:

(RM'000)	Financial Services & Investment Holdings	Properties & Construction	Industries	Hospitality	Inter-segments Eliminations	Total
Current year to date ended 31.3.2016						
Revenue						
External parties	**11,092**	**236,428**	**69,481**	**31,286**	**-**	**348,287**
Inter-segment	**11,028**	**55,045**	**235**	**41**	**(66,349)**	**-**
Total	**22,120**	**291,473**	**69,716**	**31,327**	**(66,349)**	**348,287**
Results						
Segment profits	**(12,672)**	**43,813**	**9,457**	**(4,371)**	**(1,094)**	**35,133**
Share of results of associated companies and a joint venture	**50,207**	**-**	**-**	**-**	**-**	**50,207**
Profit before tax	**37,535**	**43,813**	**9,457**	**(4,371)**	**(1,094)**	**85,340**
Tax expense						**(13,269)**
Profit after tax						**72,071**
Preceding year to date ended 31.3.2015						
Revenue						
External parties	9,426	4,356	-	-	-	13,782
Inter-segment	122	407	-	-	(529)	-
Total	9,548	4,763	-	-	(529)	13,782
Results						
Segment profits	3,102	3,256	-	-	(155)	6,203
Share of profits of an associated company	41,143	-	-	-	155	41,298
Profit before tax	44,245	3,256	-	-	-	47,501
Tax expense						(1,949)
Profit after tax						45,552

A7. Segmental information (Cont'd)

Geographical segments analysis

The Group's operations are mainly based in Malaysia and Australia. Other geographical segments include Singapore, Thailand, Vietnam and British Virgin Islands. In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers and non-current assets are based on the geographical location of the assets.

	Malaysia RM'000	Australia RM'000	Others RM'000	Total RM'000
Current year to date ended 31.3.2016				
Revenue	**343,175**	**909**	**4,203**	**348,287**
Profit/(Loss) before tax	**87,169**	**(1,535)**	**(294)**	**85,340**
Capital expenditure	**22,999**	**23**	**-**	**23,022**
Preceding year to date ended 31.3.2015				
Revenue	13,782	-	-	13,782
Profit before tax	47,501	-	-	47,501
Capital expenditure	482	-	-	482

A8. Effects of changes in the composition of the Group for the current year to date

Dissolution of Swiss-Garden International Limited ("SGIL")

On 22 March 2016, SGIL, a dormant wholly-owned subsidiary company of Swiss-Garden International Sdn. Bhd. which in turn is a wholly-owned subsidiary company of PJ Development Holdings Berhad, made with the Companies House, United Kingdom on 24 December 2015 was dissolved pursuant to the Notice of Dissolution.

The dissolution have no material effect on the earning and net assets of the Group for the current year to date.

A9. Events after the end of the current quarter that have not been reflected in this quarterly report

There were no material events announced after the end of the quarter.

A10. Significant unrecognised contractual commitments

	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
Contracted but not provided for:		
- Acquisition of office equipment and software	**8,779**	9,325
- Development of an investment property under construction	**23,508**	38,817
- Acquisition of land held for property development	**130,500**	8,535
	162,787	56,677

A11. Significant related party transactions

		Income / (Expense) Current year to date ended 31.3.2016 RM'000
(a) Significant transactions with an associated group of companies:		
RHB Investment Bank Berhad	- Office rental income	2,109
RHB Asset Management Sdn Bhd	- Office rental income	414
RHB Bank Berhad	- Interest expense	(10,678)
	- Commitment fee	(386)
(b) Significant transactions with other related parties:		
Dindings Construction Sdn Bhd	- Construction works	(6,145)
DC Services Sdn Bhd	- Insurance premium expense	(435)
Dindings Life Agency Sdn Bhd	- Insurance premium expense	(265)
Cheang & Ariff	- Legal fee	(201)

A12. Fair value measurement

Determination of fair value

The carrying amounts of trade and other receivables/payables, cash and cash equivalents and short term borrowings approximated their fair values due to the relatively short term maturity in nature of these financial instruments. The Group's capital financing are mostly fixed rate loans with short term maturities of less than one year and the carrying amounts of capital financing are approximate their fair values. The fair values of impaired fixed rate capital financing are represented by their carrying value, net of individual impairment allowance, being the expected recoverable amount.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair values are observable for the assets or liabilities, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data for the assets or liabilities.

The following table shows an analysis of financial instruments and non-financial assets recorded at fair value within the fair value hierarchy:

	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
As at 31.3.2016				
Non financial assets				
Investment properties	**-**	**230,202**	**347,913**	**578,115**
Financial assets				
Available-for-sale securities	**-**	**-**	**954**	**954**
Securities at fair value through profit or loss	**16,483**	**-**	**-**	**16,483**
Derivative asset	**-**	**19,036**	**-**	**19,036**
	16,483	**249,238**	**348,867**	**614,588**
As at 31.12.2015				
Non financial assets				
Investment properties	-	243,075	327,267	570,342
Financial assets				
Available-for-sale securities	-	-	882	882
Securities at fair value through profit or loss	16,309	-	-	16,309
Derivative asset	-	30,718	-	30,718
	16,309	273,793	328,149	618,251

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the last bid price. There were no transfers between Level 1 and 2 during the current year to date.

PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

B1. Performance analysis of the Group for the current quarter and year to date

The Group's overall financial performance are analysed as below:

(RM'000)	Immediate preceding quarter ended 31.12.2015	**Current quarter ended 31.3.2016**	Comparative quarter ended 31.3.2015	**Current year to date ended 31.3.2016**	Preceding year to date ended 31.3.2015
Revenue	458,571	**348,287**	13,782	**348,287**	13,782
Pre-tax profit from the businesses	80,793	**35,133**	6,203	**35,133**	6,203
Share of results of associated companies and a joint venture	22,787	**50,207**	41,298	**50,207**	41,298
Pre-tax profit	103,580	**85,340**	47,501	**85,340**	47,501

Overall performance comparison between 1Q16 and 1Q15

The Group registered total revenue of RM348.29 million for the current quarter of 2016 ("1Q16"), increased by RM334.51 million or 25 times, compared with RM13.78 million in the comparative quarter of 2015 ("1Q15"). The revenue improvement was mainly due to revenue generated by the newly acquired subsidiary companies, OSK Property Holdings Berhad and PJ Development Holdings Berhad, since August 2015. The 1Q16 revenue consists of new revenue streams from Properties and Construction, Industries and Hospitality segments as well as higher revenue from the existing businesses i.e. Capital Financing and Property Investment segments.

The Group's pre-tax profit for 1Q16 of RM85.34 million was 80% or RM37.84 million higher than 1Q15 of RM47.50 million. The earnings growth was mainly results of higher profit contribution from the Group's businesses of RM35.13 million, up by 467% or RM28.93 million compared with RM6.20 million in 1Q15; coupled with higher share of results of associated companies and a joint venture, up by 22% or RM8.91 million to RM50.21 million from RM41.30 million in 1Q15.

The equity attributable to Owners of the Company as at 31 March 2016 increased to RM4.13 billion, higher by RM40.58 million or 1%, compared with RM4.09 billion as at 31 December 2015. Net assets per share attributable to Owners of the Company improved by 1% or 3 sen to RM2.99 as at 31 March 2016 compared with RM2.96 as at 31 December 2015.

B1. Performance analysis of the Group for the current quarter and year to date (Cont'd)

Performance analysis of the respective business segments is as follow:

Business Segments (RM'000)	Immediate preceding quarter ended 31.12.2015	**Current quarter ended 31.3.2016**	Comparative quarter ended 31.3.2015	**Current year to date ended 31.3.2016**	Preceding year to date ended 31.3.2015
Investment Holdings	*30,311*	*32,062*	*40,754*	*32,062*	*40,754*
Capital Financing	*4,692*	*5,473*	*3,491*	*5,473*	*3,491*
1. Financial Services & Investment Holdings	35,003	**37,535**	44,245	**37,535**	44,245
Property Development	*45,067*	*37,429*	-	*37,429*	-
Construction	*3,983*	*1,307*	-	*1,307*	-
Property Investment & Management	*10,380*	*5,077*	*3,256*	*5,077*	*3,256*
2. Properties & Construction	59,430	**43,813**	3,256	**43,813**	3,256
3. Industries	4,321	**9,457**	-	**9,457**	-
4. Hospitality	6,913	**(4,371)**	-	**(4,371)**	-
Less: Inter-segments eliminations	(2,087)	(1,094)	-	(1,094)	-
Pre-tax profit	103,580	**85,340**	47,501	**85,340**	47,501

Business segments performance comparison between 1Q16 and 1Q15

There are four key business segments in 1Q16 which include Financial Services and Investment Holdings; Properties and Construction; Industries; and Hospitality segments apart from the existing two business segments comprising Financial Services and Investment Holdings; and Property Investment segments in 1Q15.

The Properties and Construction segment represented the Group's top profit contributor in 1Q16 with pre-tax profit of RM43.81 million, up by RM40.55 million or 13 times, compared with RM3.26 million in 1Q15 which was solely profit contributed from Property Investment business. The 1Q16 profits was mainly contributed by on-going property development projects which include You City in Cheras, Bandar Puteri Jaya in Sungai Petani, Sutera Damansara in Sungai Buloh, Panôgaea in Cyberjaya and You One in USJ Subang.

The Investment Holdings segment contributed pre-tax profit of RM32.06 million in 1Q16 compared with 1Q15 of RM40.75 million, a decrease of RM8.69 million or 21%. Though the share of profit of RHBC group increased by RM9.77 million or 24% to RM51.07 million from RM41.30 million in 1Q15, the reduction in pre-tax profit was due to higher funding costs incurred in 1Q16.

The Capital Financing business posted higher pre-tax profit of RM5.47 million in 1Q16 compared with RM3.49 million in 1Q15, up by 57% or RM1.98 million. The better performance for Capital Financing was mainly due to higher net fee income and lower operating costs in 1Q16 and allowance for impairment loss of RM0.31 million in 1Q15.

The Industries segment comprises Cables and Wires and Industrialised Building System (IBS) Wall Panel manufacturing businesses generated pre-tax profits of RM9.46 million in 1Q16. The Cables and Wires business performed better than expected due to strong demand while IBS Wall Panel business performed satisfactorily despite the softening property market.

The Hospitality segment includes Vacation Club and Hotels and Resorts business reported pre-tax loss of RM1.12 million and RM3.25 million in 1Q16 respectively. The pre-tax loss for Hotels and Resorts business was mainly due to expansionary costs including provision for capital replacement, funding costs and depreciation of Swiss Inn in Johor Bahru; while the pre-tax loss in Vacation Club business was mainly due to adoption of revenue recognition in accordance with MFRS 15.

B2. Commentary on pre-tax profit for current quarter compared with immediate preceding quarter

Overall pre-tax profit comparison between 1Q16 and 4Q15

The Group achieved pre-tax profit of RM85.34 million for 1Q16 compared with immediate preceding quarter ("4Q15") of RM103.58 million which was derived from share of profit of RHBC group of RM51.07 million (4Q15: RM25.00 million); and pre-tax profit from businesses of RM35.13 million compared with the pre-tax profit in 4Q15 of RM80.79 million which included negative goodwill of RM12.09 million and an appreciation in an investment property of RM3.00 million.

Business segments pre-tax profit comparison between 1Q16 and 4Q15

The Properties and Construction segment continued as the Group's top profit contributor in 1Q16 with pre-tax profit of RM43.81 million, lower by 26% or RM15.62 million, compared with RM59.43 million recorded in 4Q15.

The Property Development business reported lower pre-tax profit in 1Q16 was mainly due to one-off gain on sale of land of RM2.75 million reported in 4Q15 and lower construction work carried out for the Bandar Puteri Jaya in Sungai Petani where several phases were completed during 4Q15 and Solstice of Panĝgaea in Cyberjaya project is nearing completion. The Property Investment & Management business reported pre-tax profit of RM5.08 million compared with RM10.38 million posted in 4Q15 which included an appreciation of an investment property of RM3.00 million and one-off property management fee of RM2.60 million in 4Q15. The Construction business reported lower pre-tax profit of RM1.31 million compared with RM3.98 million in 4Q15 mainly due to lower progress billings from its on-going projects.

The Investment Holdings business contributed pre-tax profit of RM32.06 million in 1Q16, up by RM1.75 million or 6%, compared with RM30.31 million in 4Q15. The profit was mainly derived from the share of profit of RHBC group of RM51.07 million (4Q15: RM25.00 million) offset against funding costs incurred in 1Q16 while a negative goodwill arising from additional interests in RHBC of RM12.09 million was recorded in 4Q15.

The Capital Financing business reported pre-tax profit of RM5.47 million, up by RM0.78 million or 17%, from RM4.69 million in 4Q15. The better performance for Capital Financing business was mainly due to net fee income recognised on higher lending achieved in 1Q16.

The Industries segment generated pre-tax profit of RM9.46 million, up by RM5.14 million or 119%, versus RM4.32 million posted in 4Q15. The Cables and Wires business recorded pre-tax profit of RM8.06 million compared with RM2.98 million in 4Q15. The better performance for Cables and Wires business was mainly due to surge in local demand from property development projects which are at theirs mechanical and electrical stages and orders from a power supplier directly. The IBS Wall Panel business remains consistent, reported pre-tax profit of RM1.40 million, up by RM0.06 million or 4%, as compared with RM1.34 million in 4Q15 in view of the continuing delivery of the secured orders on hand.

The Hotels and Resorts business reported pre-tax loss of RM3.25 million in 1Q16 compared with pre-tax profit of RM0.76 million in 4Q15. The lower performance in 1Q16 is expected as the business is cyclical and 4Q15 was higher mainly due to school holidays coupled with higher expenditure incurred in the current quarter including provision for capital replacement, funding costs and depreciation of Swiss Inn in Johor Bahru which commenced operations during the quarter. The Vacation Club business reported pre-tax loss of RM1.12 million after accounting for allowance for impairment of receivables of RM1.37 million, compared with pre-tax profit of RM6.15 million in 4Q15 which included reversal of provision for sales and marketing commission of RM5.56 million no longer required.

B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast

(a) Current year prospects

The markets in which the Group operates are challenging in view of the slower economic growth, weak commodity prices, depreciating Ringgit and subdued consumer sentiment.

As a result of the softening property market and the tight liquidity environment, the take-up rate of property sales has been slow. In spite of this, the Group should still have a healthy earnings contribution from the Property division. The on-going property development projects, namely Bandar Puteri Jaya in Sungai Petani, Emira in Shah Alam, Panógaea in Cyberjaya, Harbour Place in Butterworth and Windmill Upon Hills in Genting Permai are progressing well and are expected to contribute positively to the Groupǿs earnings for the remainder of the year. The Group will also continue to earn recurring income from our portfolio of investment properties, which includes, among others, the Atria Shopping Gallery in Damansara Jaya and Plaza OSK on Jalan Ampang.

The Construction segment is expected to contribute positively in FY2016, albeit at a lower quantum due to a smaller outstanding construction order book compared to last year. The management is making efforts to grow the order book and expects to secure more contracts during the remainder of FY2016.

The Industries division is expected to perform satisfactorily. Even though the IBS Wall Panel business is directly affected by the slowdown in the property market, this impact is partially offset by the positive uplift in earnings from the Power Cables business arising from an increase in market demand due to government infrastructure spending.

The Hospitality division has had a weak first quarter due to seasonal effects, but is expected to improve its performance in the second half of this year. Besides a noticeable increase in tourist arrivals from China, the market is experiencing a mild recovery in overall demand after a very challenging year in FY2015.

The Financial Services division is expected to do well this year. Our Capital Financing business is expected to perform well as we see increased demand for alternative financing from a broad spectrum of customers, while our share of profits from RHB group is expected to remain consistent.

Despite the challenging economic environment, which is expected to persist until the end of the year, the Board is confident that the Group will achieve satisfactory results for the rest of FY2016.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast previously announced by the Company.

B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast previously announced by the Company.

B5. Profit forecast/profit guarantee previously announced

There were no profit forecast or profit guarantee previously issued by the Company.

B6. Tax expense

	Current quarter ended 31.3.2016 RM'000	Current year to date ended 31.3.2016 RM'000
In respect of the current year		
Malaysian income tax	(13,597)	(13,597)
Over provision in respect of prior years		
Malaysian income tax	(20)	(20)
Deferred taxation	348	348
Tax expense	(13,269)	(13,269)

Excluding share of results of associated companies and a joint venture, the effective tax rate for the current year to date is higher than the statutory tax rate of 25% mainly due to non-deductibility of certain expenses.

B7. Status of corporate proposals and utilisation of proceeds

There is no other outstanding corporate proposal as at the date of this report.

B8. Borrowings and debt securities as at the end of the reporting period

The Groupȏs borrowings and debt securities at the end of the current year to date are as follows (denominated in Ringgit Malaysia unless otherwise stated):

			As at 31.3.2016 RM'000
Non-current	*Secured:*	Medium term notes	**746,998**
	Secured:	Bridging loan	**1,297**
		Term loan	**533,260**
		Term loan denominated in United States Dollar	**117,559**
			652,116
			1,399,114
Current	*Secured:*	Revolving credits	**170,300**
		Term loans	**31,714**
		Term loan denominated in Australia Dollar	**186,956**
	Unsecured:	Bank overdrafts	**930**
		Bankers' acceptances	**13,651**
		Revolving credits	**348,492**
		Trust receipts denominated in Vietnamese Dong	**1,051**
			753,094
Total			**2,152,208**

B9. Changes in material litigation

Saved as disclosed below, the Group was not engaged in any material litigation, claims nor arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Group or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

(a) Claims by BUCG (M) Sdn Bhd (ñBUCGò) against Atria Damansara Sdn Bhd ("ADSB")

ADSB, a subsidiary company of OSK Property Holdings Berhad ("OSKP") which in turn is a subsidiary company of the Company, had on 29 June 2012 appointed BUCG for the Main Building Works For The Atria Redevelopment Project (ñthe Contractò).

On 18 August 2015, BUCG determined its own employment under the Contract based on ADSB's failure to pay certain certified payments.

On 2 September 2015 ADSB responded to BUCG stating, among others, that no sums were due to BUCG as ADSB was entitled to withhold and deduct certain outgoings against the said certified payments.

BUCG filed their Payment Claim on 13 October 2015 for the sum of RM73.3 million under the Construction Industry Payment and Adjudication Act 2012 (ñCIPAAò). On 28 October 2015, ADSB disputed the entire Payment Claim vide its Payment Response and replied, among others, that ADSB is entitled to the defence of set-off and/or counter-claim amounting to RM102.8 million.

On 19 November 2015, BUCG issued a Notice of Adjudication under the CIPAA against ADSB.

On 10 December 2015, an Adjudicator was appointed by the Kuala Lumpur Regional Centre for Arbitration to adjudicate the disputes between the parties. The Adjudicator fixed the matter for case management on 25 March 2016. After subsequent verifications, ADSB counterclaims to reduce and/or deduct and/or set off the sum of RM97.7 million from any sum payable to BUCG.

Further to the directions at the case management, parties have filed and exchanged their Witness Statements on 19 April 2016.

On 30 May 2016, BUCG, ADSB and Architect completed their examination.

Upon close of proceedings, the learned Adjudicator directed for parties to file and serve their respective written submissions on 24 June 2016.

According to CIPAA, the learned Adjudicator will deliver his decision within 45 working days from 30 May 2016.

B9. Changes in material litigation (Contd.)

(b) Claims by 14 houseowners / Purchasers against OSK Properties Sdn Bhd ("OSKPSB") (together with architect W.K.Khor Architect and Majlis Perbandaran Sungai Petani ("MPSP"))

Whereas OSKPSB, a subsidiary company of OSK Property Holdings Berhad which in turn is a subsidiary company of the Company had entered into sale and purchase agreements with 14 purchasers (ñthe Purchasersò) at various dates for the purchase of housing units at the Bandar Puteri Jaya project in Sungai Petani for a total purchase price amounting to RM4.2 million which Sale and Purchase Agreement prices ranging from RM271,212 to RM385,022.

On 3 May 2016, OSKPSB was served with Writ of Summons and Statement of Claim by the 14 Purchasers whom have alleged inter-alia that the construction of their properties has defects and also differs from the show house. They have claimed damages amounting to RM2.5 million each against OSKPSB and the architect and RM700,000 from MPSP.

On 11 May 2016, OSKPSB was served a Notice of Application for discovery of documents from OSKPSB (ñDiscovery Applicationò).

At a case management on 11 May 2016, the Court directed for OSKPSB to file its Defence and/or Counterclaim and Affidavit in Reply to the 14 Purchasersô Affidavit in Support for the Discovery Application by 1 June 2016 and the 14 Purchasers to file their Reply to our Affidavit in Reply for opposing the Discovery Application by 22 June 2016. The hearing of the Discovery Application is fixed for 19 July 2016. Skeletal Submissions in relation to the Discovery Application is to be filed by 19 July 2016.

OSKPSBôs solicitors have filed on 25 May 2016, an Affidavit in Reply to oppose the Discovery Application and will be filing its Defence and Counterclaim for defamation.

B10. Dividends

No dividend has been declared or paid for the current year to date ended 31 March 2016 (1Q15: Nil).

B11. Earnings Per Share (“EPS”) attributable to Owners of the Company

	Current quarter ended 31.3.2016	Comparative quarter ended 31.3.2015	**Current year to date ended 31.3.2016**	Preceding year to date ended 31.3.2015
(a) Basic earnings per share				
Profit attributable to Owners of the Company (RM'000)	**69,620**	45,552	**69,620**	45,552
Weighted average number of ordinary shares in issue (’000 shares)	**1,384,793**	950,961	**1,384,793**	950,961
Basic EPS (sen)	**5.03**	4.79	**5.03**	4.79
(b) Diluted earnings per share				
Profit attributable to Owners of the Company (RM'000)	**69,620**	45,552	**69,620**	45,552
Weighted average number of ordinary shares in issue (’000 shares)	**1,384,793**	950,961	**1,384,793**	950,961
Effect of dilution from assumed exercise of Warrant C 2015/2020 ('000 shares)	**- ^**	-	**- ^**	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000 shares)	**1,384,793**	950,961	**1,384,793**	950,961
Diluted EPS (sen)	**5.03**	4.79	**5.03**	4.79

^ The Company’s Warrant 2015/2020 that could potentially dilute basic earnings per share in future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive during the current year to date.

B12. Auditors' report of preceding annual financial statements

The auditors' report of the Group’s preceding year's financial statements was not qualified.

B13. Items included in the Statements of Profit or Loss and Statements of Other Comprehensive Income

Profit before taxation is arrived at after (charging)/crediting:	Current quarter ended 31.3.2016 RM'000	Comparative quarter ended 31.3.2015 RM'000	Current year to date ended 31.3.2016 RM'000	Preceding year to date ended 31.3.2015 RM'000
(i) Revenue				
- Interest income	8,459	8,251	8,459	8,251
- Rental income	11,402	4,356	11,402	4,356
				-
(ii) Cost of sales				-
- Funding costs	(2,856)	(2,819)	(2,856)	(2,819)
(iii) Other income				
- Bad debts recovered	1	-	1	-
- Fund distribution income	128	441	128	441
- Gain on disposals of securities	-	11,279	-	11,279
- Interest income on deposits and placements with financial institutions	2,533	-	2,533	-
- Gain on disposals of plant and equipment	28	-	28	-
- Gain on disposal of investment property	453	-	453	-
- Fair value gain on agricultural produces	105	-	105	-
- Gain on foreign exchange translations	-	5	-	5
- Gain on revaluation of securities at fair value through profit or loss	46	-	46	-
- Write back of allowance for impairment losses on capital financing:				
- Collective assessment	-	40	-	40
- Individual assessment	10	-	10	-
- Write back of allowance for impairment losses on trade receivables	104	-	104	-
(iv) Administrative expenses				
- Depreciation and amortisation	(7,024)	(305)	(7,024)	(305)

B13. Items included in the Statements of Profit or Loss and Statements of Other Comprehensive Income (Cont'd)

Profit before taxation is arrived at after (charging)/crediting:	**Current quarter ended 31.3.2016 RM'000**	Comparative quarter ended 31.3.2015 RM'000	**Current year to date ended 31.3.2016 RM'000**	Preceding year to date ended 31.3.2015 RM'000
(v) Other items of expense				
- Allowance for impairment losses on capital financing:				
- Individual assessment	-	(341)	-	(341)
- Allowance for impairment losses on trade receivables	(1,556)	-	(1,556)	-
- Bad debts written off	(6)	-	(6)	-
-Write off of plant and equipment	(39)	-	(39)	-
- Fair value loss on bearer plants	(106)	-	(106)	-
- Loss on foreign exchange translations	(166)	-	(166)	-
- Reversal of unrealised gain on fair value of securities at fair value through profit or loss	-	(10,168)	-	(10,168)
(vi) Finance costs				
- Interest expense	(18,225)	(990)	(18,225)	(990)

Items for other comprehensive income are disclosed in the Statement of Comprehensive Income. There were no gain or loss on disposal of unquoted investments, allowance for and write off of inventories for the current year to date. There were no impairment of assets other than items disclosed above.

B14. Realised and Unrealised Profits

The breakdown of realised and unrealised retained profits of the Group disclosed below as at the reporting date pursuant to the directive issued by Bursa Malaysia Securities Berhad which prepared based on the Guidance on Special Matter No. 1 : Determination of Realised and Unrealised Profits or Losses issued by the Malaysian Institute of Accountants is disclosed below:

	As at 31.3.2016 RM'000	As at 31.12.2015 RM'000
Total retained profits of the Company and its subsidiary companies		
- Realised	**2,107,314**	2,190,786
- Unrealised	**414,189**	410,641
	2,521,503	2,601,427
Total share of retained profits from associated companies and a joint venture		
- Realised	**535,406**	499,434
- Unrealised	**1,063**	1,104
	536,469	500,538
Less : Consolidation adjustments	**(766,932)**	(879,894)
Consolidated retained profits	**2,291,040**	2,222,071

The above disclosure is solely for complying with the disclosure requirements stipulated in the directive and should not be applied for any other purposes.

By Order of the Board

Tan Sri Ong Leong Huat
Chief Executive Officer / Group Managing Director
Kuala Lumpur
31 May 2016