

MULPHA INTERNATIONAL BHD^(19764-T)

PART A1 : QUARTERLY REPORT

Quarterly report on consolidated results for the third financial quarter ended 30 September 2011

The figures have not been audited

I(A) CONDENSED CONSOLIDATED INCOME STATEMENT

	CURRENT QUARTER ENDED 30.09.2011 RM'000	COMPARATIVE QUARTER ENDED 30.09.2010 RM'000 (restated)	9 MONTHS CUMULATIVE TO 30.09.2011 RM'000	9 MONTHS CUMULATIVE TO 30.09.2010 RM'000 (restated)
Continuing operations				
Revenue	172,751	180,755	493,880	516,153
Operating expenses	(191,477)	(202,803)	(586,222)	(585,044)
Other operating income	18,821	34,894	320,288	94,300
Profit from operations	<u>95</u>	<u>12,846</u>	<u>227,946</u>	<u>25,409</u>
Finance costs	(22,187)	(24,713)	(68,866)	(67,822)
Share of profit of associates	33,200	28,036	73,679	61,078
Share of profit/(loss) of jointly-controlled entities	(882)	565	2,561	18,653
Profit before tax	<u>10,226</u>	<u>16,734</u>	<u>235,320</u>	<u>37,318</u>
Taxation	(9,324)	3,240	(59,337)	12,441
Profit for the period from continuing operations	<u>902</u>	<u>19,974</u>	<u>175,983</u>	<u>49,759</u>
Attributable to:				
Equity holders of the parent	1,457	21,125	178,284	50,395
Minority interests	(555)	(1,151)	(2,301)	(636)
Profit for the period	<u>902</u>	<u>19,974</u>	<u>175,983</u>	<u>49,759</u>
Earnings per share (sen):-				
- Basic/Diluted	<u>0.06</u>	<u>1.05</u>	<u>7.62</u>	<u>2.50</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

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Quarterly report on consolidated results for the third financial quarter ended 30 September 2011

The figures have not been audited

I(B) CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Note</i>	CURRENT QUARTER ENDED 30.09.2011 RM'000	COMPARATIVE QUARTER ENDED 30.09.2010 RM'000 (restated)	9 MONTHS CUMULATIVE TO 30.09.2011 RM'000	9 MONTHS CUMULATIVE TO 30.09.2010 RM'000 (restated)
Profit for the period	902	19,974	175,983	49,759
Foreign currency translation differences for foreign operations	(71,637)	121,807	(13,857)	(42,348)
Fair value movement of available- for-sale financial assets	(65)	227	(7)	3,309
Equity component of convertible notes of a subsidiary	-	-	-	(10,014)
Revaluation of land and building	-	-	7	-
Share of other comprehensive income of associates	3,313	4,411	(917)	4,411
Other comprehensive income for the period, net of tax	<u>(68,389)</u>	<u>126,445</u>	<u>(14,774)</u>	<u>(44,642)</u>
Total comprehensive income for the period	<u>(67,487)</u>	<u>146,419</u>	<u>161,209</u>	<u>5,117</u>
Attributable to :				
Equity holders of the parent	(65,768)	148,250	159,729	6,433
Minority interests	<u>(1,719)</u>	<u>(1,831)</u>	<u>1,480</u>	<u>(1,316)</u>
Total comprehensive income for the period	<u>(67,487)</u>	<u>146,419</u>	<u>161,209</u>	<u>5,117</u>

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II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	UNAUDITED AS AT 30.09.2011 RM'000	AS AT 31.12.2010 RM'000 (restated)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	A9	1,386,217	1,323,334
Investment properties		21,426	21,419
Prepaid lease payments		3,948	4,004
Investments in associates		1,172,424	1,124,845
Investments in jointly-controlled entity		165,154	179,975
Trade and other receivables		7,004	7,071
Other non-current assets		5,088	5,141
Investment securities		33,507	2,195
Other investments		1,160	1,160
Land held for property development		751,100	755,035
Goodwill		15,012	15,071
		<u>3,562,040</u>	<u>3,439,250</u>
CURRENT ASSETS			
Inventories		299,535	308,924
Trade and other receivables		251,044	195,315
Other current assets		20,750	38,655
Investment securities		10,199	9,236
Tax recoverable		764	1,897
Cash and bank balances		314,297	373,434
Assets classified as held for sale		137,658	164,352
		<u>1,034,247</u>	<u>1,091,813</u>
TOTAL ASSETS		<u><u>4,596,287</u></u>	<u><u>4,531,063</u></u>

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II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	UNAUDITED AS AT 30.09.2011 RM'000	AS AT 31.12.2010 RM'000 (restated)
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		1,177,957	1,177,957
Share premium		579,863	579,863
Treasury shares	A6	(15,275)	(5,442)
Reserves		422,542	441,123
Retained earnings		804,784	626,474
		<u>2,969,871</u>	<u>2,819,975</u>
Minority interests		97,871	97,516
Total equity		<u>3,067,742</u>	<u>2,917,491</u>
Non-current liabilities			
Trade and other payables		5,673	5,727
Provision for liabilities		3,569	3,525
Loans and borrowings	B9	789,105	1,079,701
Deferred tax liabilities		137,724	77,734
		<u>936,071</u>	<u>1,166,687</u>
Current liabilities			
Trade and other payables		235,711	213,081
Provisions for liabilities		11,857	11,078
Loans and borrowings	B9	338,070	202,241
Tax payable		6,836	8,756
Liabilities classified as held for sale		-	11,729
		<u>592,474</u>	<u>446,885</u>
Total Liabilities		<u>1,528,545</u>	<u>1,613,572</u>
TOTAL EQUITY AND LIABILITIES		<u>4,596,287</u>	<u>4,531,063</u>
Net assets per share (RM)		<u>1.28</u>	<u>1.20</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	Attributable to Equity Holders of the Parent										Total Shareholders Equity RM'000	Minority Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Share Revaluation Reserve RM'000	Exchange Reserve RM'000	Non-distributable Capital Reserve RM'000	Other Reserve RM'000	Treasury Shares RM'000	<Distributable> Retained Earnings RM'000	Shareholders Equity RM'000	Minority Interests RM'000				
Period ended 30 September 2011														
Balance at beginning of year, as previously stated	1,177,957	579,863	6,799	330,237	110,205	(6,118)	(5,442)	627,130	2,820,631	97,797	2,918,428			
Effects of adopting IC Interpretation 15	-	-	-	-	-	-	-	(656)	(656)	(281)	(937)			
At beginning of year (restated)	1,177,957	579,863	6,799	330,237	110,205	(6,118)	(5,442)	626,474	2,819,975	97,516	2,917,491			
Total comprehensive income for the period	-	-	7	(18,558)	-	(4)	-	178,284	159,729	1,480	161,209			
Purchase of treasury shares	-	-	-	-	-	-	(9,833)	-	(9,833)	-	(9,833)			
Transfer within reserves	-	-	(26)	-	-	-	-	26	-	-	-			
Dividend paid to minority interests	-	-	-	-	-	-	-	-	-	(1,125)	(1,125)			
Balance as at 30 September 2011	1,177,957	579,863	6,780	311,679	110,205	(6,122)	(15,275)	804,784	2,969,871	97,871	3,067,742			
Period ended 30 September 2010														
Balance at beginning of year, as previously stated	588,978	699,091	2,062	290,358	110,205	474	-	500,979	2,192,147	48,134	2,240,281			
Effects of adopting IC Interpretation 15	-	-	-	-	-	-	-	171	171	73	244			
At beginning of year (restated)	588,978	699,091	2,062	290,358	110,205	474	-	501,150	2,192,318	48,207	2,240,525			
Total comprehensive income for the period	-	-	-	(37,257)	-	(6,705)	-	50,395	6,433	(1,316)	5,117			
Issue of ordinary shares	588,979	(119,228)	-	-	-	-	-	-	469,751	-	469,751			
Purchase of treasury shares	-	-	-	-	-	-	(1,444)	-	(1,444)	-	(1,444)			
Conversion of convertible notes of a subsidiary	-	-	-	-	-	-	-	-	-	73,799	73,799			
Acquisition of minority interests	-	-	-	-	-	-	-	-	-	(4,677)	(4,677)			
Accretion of subsidiaries	-	-	-	-	-	-	-	9,541	9,541	(9,541)	-			
Dilution of subsidiaries	-	-	-	-	-	-	-	-	-	16,859	16,859			
Transfer within reserves	-	-	(535)	-	-	-	-	535	-	-	-			
Deferred taxation	-	-	22	-	-	-	-	-	22	-	22			
Balance as at 30 September 2010	1,177,957	579,863	1,549	253,101	110,205	(6,231)	(1,444)	561,621	2,676,621	123,331	2,799,952			

(The Condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

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III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<-----9 MONTHS ENDED----->	
	30.09.2011	30.09.2010
	RM'000	RM'000
		(restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	235,320	37,318
Adjustments for non-cash items	(200,368)	21,541
Operating profit before changes in working capital	34,952	58,859
Changes in working capital		
Net change in current assets	(94,267)	(55,807)
Net change in current liabilities	25,676	(20,769)
Net change in working capital	(68,591)	(76,576)
Cash used in operations	(33,639)	(17,717)
Interest paid	(68,866)	(67,822)
Interest received	6,819	7,014
Income tax paid	(1,323)	(3,141)
Staff benefits paid	(11,824)	(10,360)
Net cash used in operating activities	(108,833)	(92,026)
CASH FLOWS FROM INVESTING ACTIVITIES		
Refurbishment of investment properties	(7)	(28)
Purchase of property, plant and equipment	(109,030)	(45,529)
Proceeds from sale of property, plant and equipment	2,030	10,702
Net proceeds from disposal of assets classified as held for sale	332,701	-
Investment in associate companies	(29,431)	(18,119)
Proceed from disposal of associate companies	8,724	-
Dividend received from associates and jointly-controlled entity	53,063	54,733
Other investments	(31,719)	(1,335)
Net cash generated from investing activities	226,331	424

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III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<—9 MONTHS ENDED—>	
	30.09.2011	30.09.2010
	RM'000	RM'000
		(restated)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of finance lease liabilities	(11,145)	(19,754)
Rights issue proceeds (net of expenses)	-	469,751
IPO proceeds received by a subsidiary (net of expenses)	-	19,083
Purchase of treasury shares by the Company	(9,833)	(1,444)
Net repayment of borrowings	(160,204)	(178,031)
Dividend paid to a minority shareholder	(1,125)	-
Other payables	(54)	-
Other receivables	(274)	(19,279)
Net cash (used in)/generated from financing activities	(182,635)	270,326
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(65,137)	178,724
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	370,385	165,438
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	3,167	(27,960)
CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER	308,415	316,202

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited Annual Financial Statements of the Group for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

PART A

Explanatory Notes Pursuant to Financial Reporting Standard (FRS) 134: Interim Financial Reporting

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the Financial Reporting Standard ("FRS") 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2010.

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2010, except for the adoption of new/revised FRSs that are effective 1 January 2011. These new/revised FRSs does not have any significant impact on the financial position or results of the Group.

FKP Property Group ("FKP"), an Australian-listed associate with its financial year ending in June, releases its financial statements on half-yearly basis i.e. for the periods ending June and December. In accounting for the Group's share of results in FKP for the quarters ending March and September, the Group relies on the full year profit guidance issued by FKP adjusted to its quarterly components. FKP's profit guidance do not include any non-operational exceptional items. Accordingly, the Group's share of results in FKP for March and September quarters are based on FKP's profit guidance while for June and December periods are based on FKP's public released results.

The Group has taken the option to early adopt the Issues Committee ("IC") Interpretation 15: Agreements for the Construction of Real Estate commencing from 1 January 2011 for the financial year ending 31 December 2011. IC Interpretation 15 replaces the existing FRS 201₂₀₀₄, Property Development Activities and provides guidance on how to account for revenue from construction of real estate. The adoption of IC Interpretation 15 results in a change of accounting policy in which the recognition of revenue from all property development activities of the Group change from percentage of completion method to the completed method.

The adoption of IC Interpretation 15 had the following impact on the financial results as follows:-

Income Statement

	Individual Period		Cumulative Period	
	Current Year Quarter		Current Year To date	
	Before the adoption of IC 15 RM'000	After the adoption of IC 15 RM'000	Before the adoption of IC 15 RM'000	After the adoption of IC 15 RM'000
Revenue	176,696	172,751	496,955	493,880
Profit from operations	974	95	228,650	227,946
Finance cost	(22,187)	(22,187)	(68,866)	(68,866)
Share of profit of associates	33,200	33,200	73,679	73,679
Share of profit/(loss) of jointly-controlled entities	(882)	(882)	2,561	2,561
Profit before taxation	11,105	10,226	236,024	235,320
Taxation	(9,324)	(9,324)	(59,337)	(59,337)
Profit for the period	1,781	902	176,687	175,983
Attributable to:				
Equity holders of the parent	2,075	1,457	178,780	178,284
Minority Interests	(294)	(555)	(2,093)	(2,301)
	1,781	902	176,687	175,983

A2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

A3. Seasonal or Cyclicity of Operations

Except for the hotel division whose performance is influenced by the festive and holiday periods, the other businesses of the Group are generally not subject to seasonal or cyclical fluctuations.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current period ended 30 September 2011 except for the disposal of a hotel, Hilton Melbourne Airport Hotel by an Australian subsidiary which resulted in a profit of AUD76.74 million (RM242.50 million).

A5. Changes in Estimates

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

A6. Changes in Debt And Equity Securities

During the financial period ended 30 September 2011, the Company has bought back 22,470,100 ordinary shares of RM0.50 each at average cost of RM0.44 per share. As at 30 September 2011, 33,525,800 ordinary shares of RM0.50 each were retained as treasury shares.

A7. Dividend Paid

There was no dividend paid during the current financial quarter.

A8. Segment Information

Segment analysis for the period ended 30 September 2011 is set out below:

	Revenue RM'000	Profit Before Tax RM'000
Business Segment		
Property	139,000	(3,595)
Hospitality	311,288	11,210
General Trading	42,524	1,013
Investment and others	1,068	219,318
External Sales	<u>493,880</u>	<u>227,946</u>
Finance costs		(68,866)
Share of results of associates/ jointly-controlled entities		76,240
	<u><u>493,880</u></u>	<u><u>235,320</u></u>

A9. Valuation Of Property, Plant And Equipment

The carrying value of the property, plant and equipment is stated at cost less depreciation and impairment losses.

A10. Capital Commitments

Capital commitments for the purchase of property, plant and equipment as at 30 September 2011 amounted to RM13.88 million.

A11. Material Events Subsequent To The Reporting Date

There are no material events subsequent to 30 September 2011 to be disclosed.

A12. Changes in The Composition Of the Group

There are no changes in the composition of the Group during the financial period ended 30 September 2011.

A13. Changes in Contingent Liabilities or Contingent Assets

(a) Changes in the contingent liabilities since 31 December 2010 are as follows:-

	Increase RM'000
Guarantees given to third parties	<u>2,925</u>

(b) There are no contingent assets as at the date of this report.

PART B

Explanatory Notes Pursuant to paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance

The Group recorded a revenue of RM493.88 million and a pre-tax profit of RM235.32 million for the period ended 30 September 2011 as compared to a revenue of RM516.15 million and pre-tax profit of RM37.32 million for the corresponding period ended 30 September 2010. The stronger performance for the current period was contributed substantially by the gain on disposal of Hilton Melbourne Airport Hotel amounting to RM242.50 million.

B2. Comparisons With Preceding Quarter's Results

The Group recorded pre-tax profit of RM10.23 million for the 3rd quarter of 2011 as compared to the pre-tax loss of RM13.52 million for the 2nd quarter of 2011. The better results of the current quarter was mainly due to the improved share of profits from the Group's associates.

B3. Current Year Prospects

This is expected to be a challenging year for the Group in spite of the substantial gain realised from the disposal of Hilton Melbourne Airport Hotel.

B4. Variance from Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued.

B5. Taxation

	3rd Quarter Ended		9 Months Period Ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Current year income tax				
- Malaysia	53	2,876	2,222	5,365
Deferred tax				
- Malaysia	(13)	(58)	(42)	(102)
- Foreign	8,991	(5,770)	59,223	(17,411)
	8,978	(5,828)	59,181	(17,513)
Under/(Over) provision of taxation in prior years	293	(288)	(2,066)	(293)
	9,324	(3,240)	59,337	(12,441)

B6. Profit on Sale of Unquoted Investments or Properties

There were no material sale of unquoted investments and properties (not in the ordinary course of business of the Group) for the period ended 30 September 2011 except for the disposal of a hotel property, Hilton Melbourne Airport Hotel, by an Australian subsidiary which resulted in a profit of RM242.50 million.

B7. Purchase and Disposal of Quoted Securities

(a) Purchase/disposal of quoted securities by the Group in the ordinary course of business are as follows:-

	3rd Quarter Ended 30.9.2011 RM'000	9 Months Period Ended 30.9.2011 RM'000
Total purchases at cost	-	-
Total disposal (at disposal value)	-	689
Total gain on disposal	-	15

(b) Investments in quoted securities as at 30 September 2011 by the Group in the ordinary course of business are as follows:-

	RM'000
Total investment at cost	12,191
Total investment at market value	2,966

B8. Status of Corporate Proposals

(i) Renounceable two-call rights issue

On 25 March 2010, the Company had completed its rights issue exercise with the listing of 1,177,956,579 rights shares on the Main Market of Bursa Malaysia Securities Berhad.

The rights issue exercise has raised gross proceeds of RM471.183 million, which has been utilised as at 30 September 2011 in the following manner:-

Purpose	Proposed	Actual	Intended Timeframe for Utilisation	Deviation		Explanations
	Utilisation	Utilisation		Amount	%	
	RM'000	RM'000		RM'000		
(i) Defray estimated expenses relating to Rights Issue Exercise	1,000	1,431	April 2010	431	43.10%	See Note 1
(ii) Repayment of bank borrowings of the Group	123,000	304,483	June 2010	181,483	>100%	See Notes 2 & 3
(iii) Working capital of the Group	347,183	154,374	March 2012	N/A		

B8. Status of Corporate Proposals (Contd.)

(i) Renounceable two-call rights issue (Contd.)

Note:

- 1 Disbursement expenses exceeded estimated cost.
- 2 As announced by the Company on 26 March 2010 and 29 March 2010, in addition to the RM123 million of the rights issue proceeds earmarked for repayment of the Group bank borrowing, an additional amount of RM70 million was utilised to settle a revolving credit facility of the Company resulting in an interest saving of approximately RM1.3 million per annum. The said RM70 million repayment was reallocated from the RM347.183 million of the rights issue proceeds earmarked for Group working capital. Accordingly the allocation for Group working capital is reduced to RM277.183 million.
- 3 The Company had on 30 April 2010 announced that an amount of RM111.483 million from the rights issue proceeds has been utilized to fully settle an overseas revolving loan of HKD270 million (equivalent to RM111.483 million) of a wholly-owned subsidiary of the Company. The said RM111.483 million was reallocated from the RM347.183 million of the rights issue proceeds earmarked for Group working capital. Accordingly the allocation for Group working capital is reduced to RM165.7 million.

(ii) Proposed Rights Issue by Mulpha Land Berhad

On 4 May 2011, a subsidiary of the Company, Mulpha Land Berhad ("MLB") announced the following proposals:-

- (a) a renounceable rights issue of 456,605,000 rights shares and 273,963,000 free warrants at an indicative issue price of RM0.22 per rights share on the basis of five (5) rights shares and three (3) warrants for every one (1) existing share held in MLB at an entitlement date to be determined by the Board of Directors of MLB and announced later by MLB;
- (b) an increase in authorised share capital of MLB from RM120,000,000 comprising 200,000,000 ordinary shares of RM0.10 each ("Ordinary Shares") and 100,000,000 preference shares of RM1.00 each ("Preference Shares") to RM200,000,000 comprising 1,000,000,000 Ordinary Shares and 100,000,000 Preference Shares; and
- (c) amendments to the memorandum and articles of association of MLB to effect the proposed increase in the authorised share capital.

MLB has procured an unconditional and irrevocable undertaking from the Company ("MIB"), being its major shareholder, to fully subscribe to MIB's own entitlement under the above proposed rights issue as well as an unconditional and irrevocable undertaking from the Company to fully subscribe for all the rights shares not subscribed by the other entitled shareholders and/or their renounee(s).

The proposed rights issue shall raise gross proceeds for MLB of approximately RM100.5 million based on the indicative issue price of RM0.22 per rights share.

B8. Status of Corporate Proposals (Contd.)

(ii) Proposed Right Issue by Mulpha Land Berhad (Contd.)

MLB is proposing to implement the proposed rights issue to allow the MLB Group to raise the requisite funds to finance future business investments and/or projects which may include, *inter alia*, acquisition of development lands, property development projects and/or companies. The proposed rights issue will also increase MLB's shareholders' funds and strengthen the MLB Group's financial position to provide the Group with a better platform to accelerate its property development activities as well as to remain competitive in the property development market. Moving forward, MLB intends to develop and expand its presence in the property sector, both locally and overseas. The increase in shareholders' funds and equity base of the MLB Group will also allow the Group to tap on sizable debt financing in the future for future capital requirements.

The above proposals were approved by MLB's shareholders at an Extraordinary General Meeting held on 23 June 2011.

MLB had on 30 September 2011 obtained the approval of Bursa Malaysia Securities Berhad for the extension of time of six (6) months from 19 November 2011 to 19 May 2012 to implement the above mentioned proposed rights issue.

(iii) Proposed Dividend Reinvestment Plan

On 10 May 2011, the Company announced a Dividend Reinvestment Plan ("DRP") that provides shareholders the option to elect to reinvest the dividend in new shares of the Company. This is part of the Company's capital management programme aimed to enhance shareholder value while strengthening the Company's capital position via the reinvestment of the dividend by shareholders.

The proposed DRP was approved by the Company's shareholders at an Extraordinary General Meeting held on 27 June 2011.

B9. Group Loans and Borrowings

The details of the loans and borrowings as at 30 September 2011 are as follows:-

	RM'000	RM'000
Short term - Secured	338,042	
- Unsecured	28	338,070
Long term - Secured		789,105
		1,127,175

Included in the above group loans and borrowings are the following loans and borrowings raised by subsidiaries and denominated in foreign currencies:

		'000	RM'000 equivalent
Australian Dollar	AUD	267,717	835,276
Singapore Dollar	SGD	17,963	44,189
Hong Kong Dollar	HKD	14,012	5,728
US Dollar	USD	54,394	173,517
			1,058,710

B10. Material Litigation

As at the date of this report, there was no pending material litigation which could adversely affect the financial position of the Group.

B11. Dividend

The Board of Directors does not recommend any dividend for the current financial period ended 30 September 2011.

B12. Earnings Per Share

The basic earnings per share of the Group has been computed by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Period Ended 30.09.2011	Period Ended 30.09.2010
	RM'000	RM'000
		(restated)
<u>Continuing operations</u>		
Profit for the period	175,983	49,759
Minority interest	2,301	636
Profit attributable to equity holders of the parent	<u>178,284</u>	<u>50,395</u>
Weighted average number of ordinary shares in issue ('000)		
Ordinary shares at 1 January (net of treasury shares)	2,344,857	1,177,957
Effect of share buy back	(4,688)	(1,095)
Effect of ordinary rights shares issued on 25 March 2010	-	842,783
Weighted average number of ordinary shares at 30 September	<u>2,340,169</u>	<u>2,019,645</u>
Basic earnings per share (sen)	<u>7.62</u>	<u>2.50</u>

There are no potential dilution effects on ordinary shares of the Company for the current financial period. Accordingly, the diluted earnings per share for the current period is equal to basic earnings per share.

PART C

Disclosure of Realised and Unrealised Profits or Losses

The determination of realised and unrealised profits or losses is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits or losses is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

	As at 30.09.2011 RM'000
Total retained earnings/(accumulated losses):	
(i) Company and subsidiaries	
- Realised	1,024,570
- Unrealised	(100,611)
(ii) Associates	
- Realised	132,212
- Unrealised	116
- Breakdown unavailable *	(109,911)
(iii) Jointly-controlled entities	
- Realised	27,886
- Unrealised	1,565
	<u>975,827</u>
Less: Consolidated Adjustments	<u>(171,043)</u>
Total group retained earnings as per consolidated accounts	<u><u>804,784</u></u>

*There is no separate disclosure shown between the realised and unrealised profit/losses components for the Group's associates, FKP Property Group and Roto1 Singapore Ltd. The rationale being that such classification is not governed by the reporting requirements of the said associates.

By Order Of The Board

KOH HUAT LAI
 ANGELINE NG SEK OI
 Company Secretaries
 Petaling Jaya
 24 November 2011