General Announcement::Announcement by subsidiary, GuocoLand (Malaysia) Berhad

Issuer & Securities

Issuer/ Manager	GUOCOLAND LIMITED
Securities	GUOCOLAND LIMITED - SG1R95002270 - F17
Stapled Security	No

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	07-Apr-2015 19:58:20
Status	New
Announcement Sub Title	Announcement by subsidiary, GuocoLand (Malaysia) Berhad
Announcement Reference	SG150407OTHRO58H
Submitted By (Co./ Ind. Name)	Dawn Pamela Lum
Designation	Group Company Secretary
Effective Date and Time of the event	07/04/2015 19:55:00
Description (Please provide a detailed description of the event in the box below)	Announcement of 3rd Quarter Results by GuocoLand Limited's subsidiary, GuocoLand (Malaysia) Berhad.

Attachments	GLM3rdQtrResults07Apr15.pdf Total size =1219K

Like 0 Tweet 0 g+1 0

Quarterly rpt on consolidated results for the financial period ended 31/3/2015

GUOCOLAND (MALAYSIA) BERHAD

Financial Year End	30/06/2015
Quarter	3
Quarterly report for the financial period ended	31/03/2015
The figures	have not been audited

Attachments

Q3'2015 Results.pdf
940 KB

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31/03/2015

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	$$'000	**$$'000**	**$$'000**	**$$'000**
1 Revenue	52,748	58,440	136,553	178,586
2 Profit/(loss) before tax	16,230	19,136	28,709	52,780
3 Profit/(loss) for the period	12,537	15,501	20,391	43,369
4 Profit/(loss) attributable to ordinary equity holders of the parent	11,629	15,707	17,427	40,908
5 Basic earnings/(loss) per share (Subunit)	1.74	2.35	2.60	6.11
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		**AS AT PRECEDING FINANCIAL YEAR END**	
7 Net assets per share attributable to ordinary equity holders of the parent ($$)	1.4222		1.4220	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	**Base Unit**	**Subunit**
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	GUOCOLAND (MALAYSIA) BERHAD
Stock Name	GUOCO
Date Announced	7 Apr 2015
Category	Financial Results
Reference No	GG-150407-EB651

GuocoLand Malaysia
A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2015

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

	3 months ended		Year-to-date ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Revenue	52,748	58,440	136,553	178,586
Cost of sales	(29,501)	(33,246)	(80,420)	(102,233)
Gross profit	23,247	25,194	56,133	76,353
Selling and marketing expenses	(892)	(1,673)	(3,056)	(5,311)
Administrative expenses	(9,364)	(9,982)	(28,086)	(28,573)
Other net operating income	2,907	2,228	12,856	9,712
Profit from operations	15,898	15,767	37,847	52,181
Finance income	200	295	1,157	513
Finance costs	(6,985)	(5,820)	(20,564)	(17,334)
Share of results of associates and joint ventures	7,117	8,894	10,269	17,420
Profit before tax	16,230	19,136	28,709	52,780
Income tax expense	(3,693)	(3,635)	(8,318)	(9,411)
Profit for the period	**12,537**	**15,501**	**20,391**	**43,369**
Profit attributable to:				
Owners of the parent	11,629	15,707	17,427	40,908
Non-controlling interests	908	(206)	2,964	2,461
Profit for the period	**12,537**	**15,501**	**20,391**	**43,369**
Earnings per share attributable to owners of the parent:				
a) Basic (sen)	1.736	2.345	2.602	6.107
b) Diluted (sen)	1.733	2.342	2.597	6.098

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

GuocoLand (Malaysia) Berhad (300-K)
Level 19, Block B, HP Towers, 12, Jalan Gelenggang, Bukit Damansara, 50490 Kuala Lumpur, Malaysia.
Tel: 603-2726 1000 Fax: 603-2726 1001 www.guocoland.com.my

Certified to ISO 9001:2008
Cert. No. : AR 1625

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2015

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

	3 months ended		Year-to-date ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Profit for the period	**12,537**	**15,501**	**20,391**	**43,369**
Other comprehensive income/(loss):				
Fair value gain/(loss) on available-for-sale investments	594	1,092	(1,646)	1,340
Foreign currency translation	30	4	(2,421)	10
Other comprehensive profit/(loss) for the period	624	1,096	(4,067)	1,350
Total comprehensive income for the period	**13,161**	**16,597**	**16,324**	**44,719**
Total comprehensive income attributable to:				
Owners of the parent	12,253	16,803	13,360	42,258
Non-controlling interests	908	(206)	2,964	2,461
Total comprehensive income for the period	**13,161**	**16,597**	**16,324**	**44,719**

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2015

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	As at 31.03.2015 RM'000	As at 30.06.2014 RM'000
Non-current assets		
Property, plant and equipment	251,920	233,767
Investment properties	580,459	453,500
Land held for property development	490,533	190,639
Investments in associates	194,816	311,073
Investments in joint ventures	116,138	116,711
Available-for-sale investments	2,470	4,431
Goodwill	13,638	13,638
Deferred tax assets	3,954	3,701
Derivative financial assets	1,496	2,517
	1,655,424	1,329,977
Current assets		
Inventories	446,873	458,602
Property development costs	352,698	267,100
Trade and other receivables	47,553	33,057
Other current assets	9,814	8,851
Tax recoverable	2,473	4,588
Cash and cash equivalents	45,524	60,967
	904,935	833,165
TOTAL ASSETS	2,560,359	2,163,142
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	350,229	350,229
Reserves	626,355	626,213
Equity funds	976,584	976,442
Shares held by ESS Trust	(23,883)	(23,883)
	952,701	952,559
Non-controlling interests	111,367	88,495
TOTAL EQUITY	1,064,068	1,041,054

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015 (cont'd)

	As at 31.03.2015 RM'000	As at 30.06.2014 RM'000
Non-current liabilities		
Loans and borrowings	992,672	828,219
Deferred tax liabilities	32,390	18,115
	1,025,062	846,334
Current liabilities		
Trade and other payables	129,830	100,391
Progress billings in respect of property development costs	3,982	-
Derivative financial liabilities	190	-
Loans and borrowings	332,963	172,297
Tax payable	4,264	3,066
	471,229	275,754
TOTAL LIABILITIES	1,496,291	1,122,088
TOTAL EQUITY AND LIABILITIES	2,560,359	2,163,142
Net assets per share attributable to ordinary owners of the parent (RM)	1.4222	1.4220

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2015

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

	← Attributable to owners of the parent →											
	← Non-Distributable →								Distributable			
	Share capital RM'000	Share premium RM'000	Shares held by ESS Trust RM'000	Share option reserve RM'000	Merger reserve RM'000	Capital redemption reserve RM'000	Exchange reserve RM'000	Fair value reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Current year-to-date												
At 1 July 2014	350,229	35,089	(23,883)	684	(24,028)	17	2,457	2,675	609,319	952,559	88,495	1,041,054
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	(2,421)	(1,646)	17,427	13,360	2,964	16,324
Transactions with owners:												
Share-based payments	-	-	-	180	-	-	-	-	-	180	-	180
Non-controlling interests arising on a business combination	-	-	-	-	-	-	-	-	-	-	19,908	19,908
Dividend paid	-	-	-	-	-	-	-	-	(13,398)	(13,398)	-	(13,398)
At 31 March 2015	350,229	35,089	(23,883)	864	(24,028)	17	36	1,029	613,348	952,701	111,367	1,064,068

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015 (cont'd)

	← Attributable to owners of the parent →											
	← Non-Distributable →								Distributable			
	Share capital RM'000	Share premium RM'000	Shares held by ESS Trust RM'000	Share option reserve RM'000	Merger reserve RM'000	Capital redemption reserve RM'000	Exchange reserve RM'000	Fair value reserve RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Preceding year corresponding period												
At 1 July 2013	350,229	35,089	(23,883)	444	(24,028)	17	1,857	844	466,139	806,708	85,300	892,008
Total comprehensive income for the period	-	-	-	-	-	-	10	1,340	40,908	42,258	2,461	44,719
Transactions with owners:												
Share-based payments	-	-	-	180	-	-	-	-	-	180	-	180
Dividend paid	-	-	-	-	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 31 March 2014	350,229	35,089	(23,883)	624	(24,028)	17	1,867	2,184	496,999	839,098	87,761	926,859

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2015

The figures have not been audited

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

	9 months ended	
	31.03.2015	31.03.2014
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	28,709	52,780
Adjustments for:		
Bad debts written off	28	-
Mark-to-market loss/(gain) on derivatives	1,211	(718)
Property, plant and equipment:		
- depreciation	4,693	4,331
- written off	1	-
- gain on disposal	-	(57)
Net gain from fair value adjustment of investment properties	(2,417)	-
Gain on disposal of available-for-sale investments	(504)	-
Reversal of allowance for impairment on trade and other receivables	-	(106)
Allowance for impairment on trade and other receivables	5	-
Realisation of goodwill	-	567
Share-based payments	180	180
Interest expense	20,564	17,334
Interest income	(1,157)	(513)
Elimination of unrealised profit arising from transactions with joint ventures	222	821
Share of results of associates and joint ventures	(10,269)	(17,420)
Operating profit before working capital changes	41,266	57,199
Working capital changes:		
Inventories	11,881	(18,383)
Receivables	(20,057)	3,701
Property development costs	(81,739)	13,933
Payables	32,754	(17,664)
Associates balances	(11)	-
Joint ventures balances	6,435	5,024
Related company balances	(323)	382
Cash (used in)/generated from operations	(9,794)	44,192
Interest received	211	86
Interest paid	(37,044)	(24,330)
Tax paid	(3,689)	(1,880)
Net cash (used in)/generated from operating activities	(50,316)	18,068

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015 (cont'd)

	9 months ended	
	31.03.2015	**31.03.2014**
	RM'000	**RM'000**
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(17,415)	(6,126)
Acquisitions of equity and non-equity interest in a subsidiary	(33,985)	-
Additions in:		
- land held for property development	(5,862)	(443)
- investment properties under construction	(114,926)	(30,432)
Dividend income from:		
- associates	4,272	6,502
- joint ventures	-	24,041
Proceeds from disposals of:		
- property, plant and equipment	-	85
- investment securities	819	-
Interest received	946	427
Net cash used in investing activities	(166,151)	(5,946)
Cash flows from financing activities		
Bank borrowings drawdown	276,305	69,990
Repayment of bank borrowings	(57,161)	(56,337)
Dividend paid	(13,398)	(10,048)
Net cash generated from financing activities	205,746	3,605
Net (decrease)/increase in cash and cash equivalents	(10,721)	15,727
Effect of exchange rate changes on cash and cash equivalents	(2,421)	10
Cash and cash equivalents at beginning of the financial period	55,793	43,772
Cash and cash equivalents at end of the financial period	42,651	59,509

Cash and cash equivalents comprise the following:

	31.03.2015	**31.03.2014**
	RM'000	**RM'000**
Deposits, cash and bank balances	38,824	63,259
Investment in short term funds	6,700	-
Bank overdrafts	(2,873)	(3,750)
	42,651	59,509

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

NOTES

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2014. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2014.

2. Changes in accounting policies

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the annual financial statements for the financial year ended 30 June 2014 except for the adoption of the relevant new FRSs, amendments to FRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2014 and 1 July 2014 respectively. The Group has not early adopted the standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the annual periods beginning on or after 1 July 2014.

The adoption of the new FRSs, amendments to FRSs and IC Interpretations does not have any material impact on the financial position and results of the Group.

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for Construction of Real Estate", including its parent, significant investor and venturer (herein called "Transitioning Entities").

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

The Group falls within the definition of "Transitioning Entities" and accordingly, will adopt the MFRS Framework for the financial year beginning on 1 July 2017.

3. **Qualification of audit report of the preceding annual financial statements**

The audit report for the preceding annual financial statements was not subject to any qualification.

4. **Seasonality or cyclicality of interim operations**

The Group's interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

5. **Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period ended 31 March 2015.

6. **Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

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

7. **Issues, repurchases and repayments of debt and equity securities**

There were no additional shares purchased by the trust set up for the Executive Share Scheme ("ESS Trust") during the current quarter under review. As at 31 March 2015, a total of 30,578,100 shares of GuocoLand (Malaysia) Berhad ("GLM") were held by the ESS Trust.

During the financial year ended 30 June 2012, GLM had established a Value Creation Incentive Plan ("VCIP") for selected key executives of the Group to incentivise them towards achieving long term performance targets through the grant of options over GLM shares, which options would be satisfied through the transfer of existing GLM shares held under the ESS Trust.

The vesting of the VCIP options is conditional upon the achievement of prescribed financial and performance targets/criteria over a stipulated performance period. As at 31 March 2015, 3,150,000 (30 June 2014: 3,150,000) VCIP options granted were outstanding.

There were no share options granted during the current financial period ended 31 March 2015.

There were no issues, repurchases and repayments of debt and equity securities during the current financial period ended 31 March 2015.

8. **Dividend paid**

During the financial period ended 31 March 2015, a final dividend of 2 sen per ordinary shares amounted to RM13.398 million in respect of the financial year ended 30 June 2014 was paid on 4 November 2014.

9. Segmental reporting

The Group's segmental report for the current financial period ended 31 March 2015 is as follows:

	Property development	Property investment	Hotels	Plantations	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External sales	77,988	341	46,923	7,654	3,647	-	136,553
Inter-segment sales	-	-	-	-	1,770	(1,770)	-
Total revenue	77,988	341	46,923	7,654	5,417	(1,770)	136,553
Results							
Segment results	35,927	(1,860)	5,428	3,912	(4,802)	-	38,605
Unallocated corporate expenses							(758)
Profit from operations							37,847
Finance income	469	81	22	119	466	-	1,157
Finance costs							(20,564)
Share of results of associates and joint ventures	(352)	8,941	-	1,680	-	-	10,269
Income tax expense	(6,366)	71	-	(968)	(1,055)	-	(8,318)
Profit for the financial period							20,391

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

10. Valuations of property, plant and equipment and investment properties

The valuations of property, plant and equipment and investment properties were brought forward without any amendments from the previous annual financial statements except for the following:

A piece of freehold land situated along Old Klang Road with a car park constructed thereon was reclassified from development property to investment property during the period under review. Pursuant to FRS 140 Investment Property, this investment property had been valued at RM4.0 million by CB Richard Ellis (Malaysia) Sdn Bhd, an independent valuer, against the book value of RM1.6 million. Accordingly, a fair value gain of RM2.4 million was recognised. The valuation will not have any material impact on the net assets per share of the Group.

11. **Material subsequent events not reflected in the financial statements**

There were no material subsequent events.

12. **Capital commitments**

	As at 31.03.2015 RM'000
Capital expenditure approved and contracted for:	
- Property, plant and equipment	203,797
- Investment properties	262,644
	466,441

13. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations except for the following:

i) A 70%-owned subsidiary of the Company, Guoman International Sdn Bhd ("GISB"), had been placed under member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965. The voluntary winding-up of GISB will not have material impact on the Group.

ii) A wholly-owned subsidiary of the Company, Prophills Development Sdn Bhd ("PDSB"), had been placed under member's voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965. The voluntary winding-up of PDSB will not have material impact on the Group.

iii) The Company had acquired the entire equity interests comprising 2 ordinary shares of RM1.00 each in Suria Idaman Sdn Bhd and Tujuan Optima Sdn Bhd.

14. **Review of performance**

(a) Performance of the current quarter against the preceding year corresponding quarter

The Group recorded revenue of RM52.7 million for the current quarter under review as compared to RM58.4 million in the preceding year corresponding quarter. The decrease in revenue was mainly due to lower contribution from the Group's commercial development sub-segment. The reduction in the contribution from commercial project was partly mitigated by the increased contribution in the residential development sub-segment.

The Group recorded lower profit before tax of RM16.2 million for the current quarter as compared to RM19.1 million in the preceding year corresponding quarter due principally to the reason mentioned above as well as lower contribution from joint ventures.

(b) Performance of the current period against the preceding year corresponding period

The Group recorded a revenue and profit before tax of RM136.6 million and RM28.7 million respectively for the current financial period as compared to RM178.6 million and RM52.8 million respectively in the preceding year corresponding financial period. The decrease in revenue and profit were mainly due to lower contribution from property development division due to factors as mentioned in Note 14(a) above.

15. **Material change in profit before tax for the current quarter compared with the immediate preceding quarter**

The Group recorded a profit before tax of RM16.2 million for the current quarter as compared to RM8.0 million as reported in the immediate preceding quarter. The increase in current quarter was mainly due to higher profit contributed by the property development segment and higher contribution from associate.

16. **Prospects**

The Group expects the property market outlook and sentiment to remain cautious amid credit tightening rules and uncertain economic environment. The performance of the Group is therefore expected to be challenging for the current financial year.

17. **Profit forecast/profit guarantee**

Not applicable.

18. Profit for the year

Included in profit for the financial period are:

	Current Quarter RM'000	Year-to-date RM'000
Depreciation of property, plant and equipment	1,647	4,693
Write off of property, plant and equipment	-	1
Allowance for impairment on trade and other receivables	-	5
Mark-to-market loss on derivatives	974	1,211
Gain on disposal of available-for-sale securities	-	(504)

Other than the above items, there were no allowance for impairment and write off of inventories, gain or loss on disposal of property, unquoted investments or properties, impairment of assets and other exceptional items for the current quarter and financial period ended 31 March 2015.

19. Taxation

Taxation comprises:

	Current Quarter RM'000	Year-to-date RM'000
Current taxation		
- Malaysian income tax	(3,705)	(8,535)
- Deferred taxation	(59)	203
Prior year		
- Malaysian income tax	71	26
- Deferred taxation	-	(12)
	(3,693)	(8,318)

The Group's effective tax rates (excluding joint ventures and associates) are higher than the statutory tax rate for the current quarter and financial year to-date mainly due to certain deferred tax assets not recognised.

20. Corporate proposals

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

21. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 31 March 2015 are as follows:

	RM'000
Short term borrowings	
Secured	189,688
Unsecured	143,275
	332,963
Long term borrowings	
Secured	982,288
Unsecured	10,384
	992,672
Total borrowings	1,325,635

The above borrowings are all denominated in Ringgit Malaysia.

22. Realised and unrealised profits disclosure

The breakdown of retained profits of the Group is as follows:

	As at 31.03.2015 RM'000	As at 30.06.2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	233,962	219,782
- Unrealised	99,357	101,557
	333,319	321,339
Total share of retained profits from associates:		
- Realised	33,565	33,524
- Unrealised	16,406	17,185
	49,971	50,709
Total share of retained profits from joint ventures:		
- Realised	40,266	40,839
- Unrealised	-	-
	40,266	40,839
Add: Consolidation adjustments	189,792	196,432
Total Group retained profits as per consolidated accounts	613,348	609,319

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

23. **Derivative financial instruments**

Derivative financial instruments are viewed as risk management tools by the Group and are not used for trading or speculative purposes.

The Group has entered into interest rate swap contracts to hedge cash flow interest rate risk arising from floating rate bank loans and the details as at 31 March 2015 are as follows:

Type of Derivative	Contract/ Notional value RM'000	Net fair value gain RM'000
Interest rate swaps	332,000	1,306

Interest rate swaps are used to reduce exposure to fluctuations in interest rates and are categorised as fair value through profit or loss and measured at their fair value with the changes in fair value being recognised in the profit or loss at each reporting date. During the current financial period ended 31 March 2015, the Group recognised a loss of approximately RM1,211,000 arising from fair value changes of financial derivative. The fair value changes are attributable to changes in floating and fixed interest rates.

There is minimal credit risk because the contracts are executed with established financial institution.

There is no significant change in the policy for mitigating or controlling the interest rate risk, credit risk, liquidity risk and foreign currency risk for the Group or the related accounting policies. Other related information associated with the financial instruments is consistent with the disclosures in the audited financial statements for the financial year ended 30 June 2014.

24. **Changes in material litigation**

Not applicable.

25. **Dividend**

The Board does not recommend any interim dividend for the current financial period ended 31 March 2015.

26. **Earnings per share ("EPS")**

Basic EPS

The basic earnings per share is calculated based on the net profit attributable to ordinary shareholders for the period divided by the weighted average number of ordinary shares:

	3 months ended		Year-to-date ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Net profit attributable to ordinary shareholders for the period (RM'000)	11,629	15,707	17,427	40,908
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Basic EPS (sen)	1.736	2.345	2.602	6.107

Diluted EPS

The diluted earnings per share is calculated based on the net profit attributable to ordinary shareholders for the period divided by the diluted weighted average number of ordinary shares:

	3 months ended		Year-to-date ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Net profit attributable to ordinary shareholders for the period (RM'000)	11,629	15,707	17,427	40,908
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Effects of dilution of share options ('000)	981	849	1,264	965
Weighted average number of shares for diluted earnings per share computation ('000)	670,861	670,729	671,144	670,845
Diluted EPS (sen)	1.733	2.342	2.597	6.098

26. **Earning per share ("EPS") (cont'd)**

Diluted EPS (cont'd)

3,150,000 (2014: 3,150,000) of the outstanding VCIP options granted to the selected key executives of the Group have been included in the calculation of diluted earnings per share.

By Order of the Board
GuocoLand (Malaysia) Berhad

LIM YEW YOKE
CHIN MIN YANN
Secretaries

Kuala Lumpur
7 April 2015