Quarterly rpt on consolidated results for the financial period ended 31/12/2013

GUOCOLAND (MALAYSIA) BERHAD

Financial Year End	30/06/2014
Quarter	2
Quarterly report for the financial period ended	31/12/2013
The figures	have not been audited

Attachments

Q2'14 Results.pdf
951 KB

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31/12/2013

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2013 $$'000	31/12/2012 $$'000	31/12/2013 $$'000	31/12/2012 $$'000
1Revenue	59,103	44,446	120,146	82,436
2Profit/(loss) before tax	16,190	18,396	33,644	23,345
3Profit/(loss) for the period	13,883	17,283	27,868	21,726
4Profit/(loss) attributable to ordinary equity holders of the parent	12,262	15,132	25,201	19,032
5Basic earnings/(loss) per share (Subunit)	1.83	2.26	3.76	2.84
6Proposed/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
7Net assets per share attributable to ordinary equity holders of the parent ($$)	1.2274	1.2043

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	21 Jan 2014
Category	Financial Results
Reference No	GG-140121-53571

GuocoLand Malaysia
A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

	3 months ended		Year-to-date ended	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Revenue	59,103	44,446	120,146	82,436
Cost of sales	(34,899)	(24,130)	(68,987)	(51,197)
Gross profit	24,204	20,316	51,159	31,239
Selling and marketing expenses	(2,119)	(1,232)	(3,638)	(1,917)
Administrative expenses	(9,786)	(9,604)	(18,591)	(18,311)
Other net operating income	3,700	1,814	7,484	3,942
Profit from operations	15,999	11,294	36,414	14,953
Finance income	146	417	218	495
Finance costs	(5,753)	(7,708)	(11,514)	(15,623)
Share of results of associates and jointly controlled entities	5,798	14,393	8,526	23,520
Profit before tax	16,190	18,396	33,644	23,345
Taxation	(2,307)	(1,113)	(5,776)	(1,619)
Profit for the period	**13,883**	**17,283**	**27,868**	**21,726**
Profit attributable to:				
Owners of the Company	12,262	15,132	25,201	19,032
Non-controlling interests	1,621	2,151	2,667	2,694
Profit for the period	**13,883**	**17,283**	**27,868**	**21,726**
Earnings per share attributable to owners of the Company:				
a) Basic (sen)	1.830	2.259	3.762	2.841
b) Diluted (sen)	1.828	2.259	3.756	2.841

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

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Cert. No.: AR 1625

GUOCOLAND (MALAYSIA) BERHAD (300-K)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

	3 months ended		Year-to-date ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Profit for the period	**13,883**	**17,283**	**27,868**	**21,726**
Other comprehensive income:				
Fair value gain on available-for-sale investments	298	4,266	248	10,882
Foreign currency translation	(5)	(603)	6	(3,552)
Other comprehensive income for the period	293	3,663	254	7,330
Total comprehensive income for the period	**14,176**	**20,946**	**28,122**	**29,056**
Total comprehensive income attributable to:				
Owners of the Company	12,555	18,795	25,455	26,362
Non-controlling interests	1,621	2,151	2,667	2,694
Total comprehensive income for the period	**14,176**	**20,946**	**28,122**	**29,056**

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	As at 31.12.2013 RM'000	As at 30.06.2013 RM'000
Non-current assets		
Property, plant and equipment	228,687	228,602
Investment properties	297,839	279,823
Land held for property development	189,202	187,071
Investments in associates	111,147	111,103
Investments in jointly controlled entities	318,165	329,467
Available-for-sale investments	4,221	3,973
Goodwill	13,865	14,205
Deferred tax assets	3,536	3,483
Derivative financial assets	2,417	1,518
	1,169,079	1,159,245
Current assets		
Inventories	461,170	433,485
Property development costs	229,933	252,738
Trade and other receivables	38,184	44,132
Other current assets	678	4,532
Tax recoverable	8,798	8,232
Cash and cash equivalents	45,954	45,609
	784,717	788,728
TOTAL ASSETS	1,953,796	1,947,973
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	350,229	350,229
Reserves	495,889	480,362
Equity funds	846,118	830,591
Shares held by ESOS Trust	(23,883)	(23,883)
	822,235	806,708
Non-controlling interests	87,967	85,300
TOTAL EQUITY	910,202	892,008

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (cont'd)

	As at 31.12.2013 RM'000	As at 30.06.2013 RM'000
Non-current liabilities		
Loans and borrowings	771,862	792,015
Deferred tax liabilities	13,945	14,294
	785,807	806,309
Current liabilities		
Trade and other payables	83,580	78,031
Progress billings in respect of property development costs	17,405	32,745
Loans and borrowings	152,388	137,216
Tax payable	4,414	1,664
	257,787	249,656
TOTAL LIABILITIES	1,043,594	1,055,965
TOTAL EQUITY AND LIABILITIES	1,953,796	1,947,973
Net assets per share attributable to ordinary owners of the Company (RM)	1.2274	1.2043

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

GUOCOLAND (MALAYSIA) BERHAD (300-K)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

	Attributable to owners of the Company											
	Non-Distributable								Distributable			
	Share capital RM'000	Share premium RM'000	Shares held by ESOS 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 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	-	-	-	-	-	-	6	248	25,201	25,455	2,667	28,122
Transactions with owners:												
Share-based payments	-	-	-	120	-	-	-	-	-	120	-	120
Dividend paid	-	-	-	-	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 31 December 2013	350,229	35,089	(23,883)	564	(24,028)	17	1,863	1,092	481,292	822,235	87,967	910,202

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (cont'd)

	← Attributable to owners of the Company →										
	← Non-Distributable →							Distributable			
	Share capital RM'000	Share premium RM'000	Shares held by ESOS Trust RM'000	Share option reserve RM'000	Merger 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 2012	350,229	35,089	(23,883)	1,250	(24,028)	1,428	(11,514)	434,235	762,806	79,983	842,789
Total comprehensive (loss)/income for the period	-	-	-	-	-	(3,552)	10,882	19,032	26,362	2,694	29,056
Transactions with owners:											
Share-based payments	-	-	-	(25)	-	-	-	-	(25)	-	(25)
Dividend paid	-	-	-	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 31 December 2012	350,229	35,089	(23,883)	1,225	(24,028)	(2,124)	(632)	443,219	779,095	82,677	861,772

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 2013 and the accompanying explanatory notes attached to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

	6 months ended	
	31.12.2013	31.12.2012
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	33,644	23,345
Adjustments for:		
Mark-to-market (gain)/loss on derivatives	(899)	347
Property, plant and equipment:		
- depreciation	2,880	3,057
- gain on disposal	(57)	-
Gain on disposal of non-current asset held for sale	-	(194)
Reversal of allowance for impairment on trade and other receivables	(106)	-
Realisation of goodwill	340	343
Share-based payments	120	(25)
Dividend income	-	(1,135)
Interest expense	11,514	15,623
Interest income	(218)	(495)
Elimination of unrealised profit arising from transactions with jointly controlled entities	498	894
Share of results of associates and jointly controlled entities	(8,526)	(23,520)
Operating profit before working capital changes	39,190	18,240
Working capital changes:		
Inventories	(27,685)	6,008
Receivables	6,123	(16,152)
Property development costs	26,602	(14,489)
Payables	(10,400)	45,613
Jointly controlled entities balances	3,644	1,272
Related company balances	749	527
Cash generated from operations	38,223	41,019
Interest received	19	268
Interest paid	(17,351)	(24,065)
Tax paid	(3,994)	(1,719)
Net cash generated from operating activities	16,897	15,503

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (cont'd)

	6 months ended	
	31.12.2013 RM'000	31.12.2012 RM'000
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(2,899)	(1,594)
Additions in:		
- land held for property development	(185)	-
- investment properties under construction	(18,016)	(22,507)
Dividend income from:		
- associate	3,093	3,330
- jointly controlled entities	16,194	-
- investment securities	-	1,135
Proceeds from disposals of:		
- property, plant and equipment	85	-
- non-current asset classified as held for sale	-	37,194
Interest received	199	227
Net cash (used in)/generated from investing activities	(1,529)	17,785
Cash flows from financing activities		
Bank borrowings drawdown	47,861	80,526
Repayment of bank borrowings	(52,260)	(70,452)
Dividend paid	(10,048)	(10,048)
Net cash (used in)/generated from financing activities	(14,447)	26
Net increase in cash and cash equivalents	921	33,314
Effect of exchange rate changes on cash and cash equivalents	6	(715)
Cash and cash equivalents at beginning of the financial period	43,772	24,891
Cash and cash equivalents at end of the financial period	44,699	57,490

Cash and cash equivalents comprise the following:

	31.12.2013 RM'000	31.12.2012 RM'000
Deposits, cash and bank balances	45,954	67,489
Investment in short term funds	-	1,008
Bank overdrafts	(1,255)	(11,007)
	44,699	57,490

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013 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 2013. 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 2013.

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 2013 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 2013 and 1 July 2013 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 2013.

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 for additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the definition of "Transitioning Entities" and accordingly, will adopt the MFRS Framework for the financial year beginning on 1 July 2015.

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 December 2013.

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 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 Option Scheme ("ESOS Trust") during the current quarter under review. As at 31 December 2013, a total of 30,578,100 shares of GuocoLand (Malaysia) Berhad ("GLM") were held by the ESOS Trust.

During the financial year ended 30 June 2012, GLM has 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 will be satisfied through the transfer of existing GLM shares held under the ESOS 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 December 2013, no VCIP option has been vested and 4,500,000 VCIP options granted are outstanding.

There were no share options granted during the current financial period ended 31 December 2013.

There were no issues, repurchases and repayments of debt and equity securities during the current financial period ended 31 December 2013.

8. **Dividend paid**

During the financial period ended 31 December 2013, a final dividend of 2 sen per ordinary shares less tax at 25% amounted RM10.048 million in respect of the financial year ended 30 June 2013 was paid on 12 November 2013.

9. Segmental reporting

The Group's segmental report for the current financial period ended 31 December 2013 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	81,830	1,953	33,636	-	2,727	-	120,146
Inter-segment sales	-	-	-	-	2,909	(2,909)	-
Total revenue	81,830	1,953	33,636	-	5,636	(2,909)	120,146
Results							
Segment results	31,588	1,789	6,530	-	(3,076)	-	36,831
Unallocated corporate expenses							(417)
Profit from operations							36,414
Finance income	188	-	10	-	20	-	218
Finance costs							(11,514)
Share of results of associates and jointly controlled entities	3,996	3,137	-	1,393	-	-	8,526
Income tax expense	(5,663)	-	-	-	(113)	-	(5,776)
Profit for the financial year							27,868

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.

11. Material events not reflected in the financial statements

There were no material subsequent events.

12. Capital commitments

	As at 31.12.2013 RM'000
Capital expenditure approved and contracted for:	
- Property, plant and equipment	218,066
- Investment properties	394,762
	612,828

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.

14. **Review of performance**

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

The Group recorded a revenue of RM59.1 million for the current quarter under review as compared to RM44.4 million in the preceding year corresponding quarter. The increase in revenue was principally due to increased revenue from the property development division, contributed mainly from revenue recognised from the on-going project in PJ City and the newly launched development project in Damansara City. The other on-going development projects in Old Klang Road and Kajang had also contributed to the revenue achieved during the current quarter. Revenue from the hotels operations, property investment segment and other businesses were fairly in line with the preceding year corresponding quarter.

The Group recorded a profit before tax of RM16.2 million for the current quarter as compared to RM18.4 million in the preceding year corresponding quarter. The lower profit before tax was principally due to lower contribution from the share of results of associates for the current quarter because the preceding year corresponding quarter had the benefit of share of revaluation gain of RM7.7 million arising from the revaluation carried out by an associate on its investment properties portfolio.

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

The Group recorded a revenue and profit before tax of RM120.1 million and RM33.6 million respectively for the current financial period as compared to RM82.4 million and RM23.3 million respectively in the preceding year corresponding financial period. The increase in revenue and profit were mainly contributed by 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 RM17.5 million as reported in the immediate preceding quarter. The profit for the current quarter was lower mainly due to slightly lower contribution from the development activities.

16. **Prospects**

The various cooling measures announced by the government in the 2014 Budget to curb property speculation have affected market sentiment and are expected to slow down the property sector's growth in 2014. Notwithstanding the challenging environment, properties in good locations will continue to attract interest.

Barring unforeseen circumstances, the Board expects the Group to perform satisfactorily for the current financial year on the back of planned property launches, unbilled property sales, and continued contribution from the operations of associates and jointly controlled entities as well as the hotel segment.

17. **Profit forecast/profit guarantee**

Not applicable.

18. **Profit for the period**

Included in profit for the period are:

	Current Quarter RM'000	Year-to-date RM'000
Depreciation of property, plant and equipment	1,448	2,880
Gain on disposal of property, plant and equipment	(57)	(57)
Reversal of allowance for impairment on other receivables	(1)	(106)
Realisation of goodwill	113	340
Mark-to-market gain on derivatives	(502)	(899)

Other than the above items, there were no allowances for impairment and write off of receivables, allowance for impairment and write off of inventories, quoted or unquoted investments or properties, impairment of assets and other exceptional items for the current quarter and financial period ended 31 December 2013.

The figures have not been audited

19. Taxation

Taxation comprises:	Current Quarter RM'000	Year-to-date RM'000
Current taxation		
- Malaysian income tax	(2,532)	(6,134)
- Deferred taxation	138	393
Prior year		
- Malaysian income tax	-	(122)
- Deferred taxation	87	87
	(2,307)	(5,776)

The Group's effective tax rates (excluding jointly controlled entities and associates) are lower than the statutory tax rate for the current quarter mainly due to utilisation of deferred tax assets previously not recognised.

20. Corporate proposals

There is no 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 December 2013 are as follows:

	RM'000
Short term borrowings	
Secured	10,894
Unsecured	141,494
	152,388
Long term borrowings	
Secured	753,170
Unsecured	18,692
	771,862
Total borrowings	924,250

The above borrowings are all denominated in Ringgit Malaysia.

22. Realised and unrealised profits/losses disclosure

The breakdown of retained profits of the Group

	As at 31.12.2013 RM'000	As at 30.06.2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	227,835	194,678
- Unrealised	(6,566)	(7,474)
	221,269	187,204
Total share of retained profits from associates:		
- Realised	5,149	5,267
- Unrealised	17,194	17,032
	22,343	22,299
Total share of retained profits from jointly controlled entities:		
- Realised	70,733	82,035
- Unrealised	-	-
	70,733	82,035
Add: Consolidation adjustments	166,947	174,601
Total group retained profits as per consolidated accounts	481,292	466,139

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.

As at 31 December 2013, 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 are as follows:

Type of Derivative	Contract/ Notional value RM'000	Net fair value gain RM'000
Interest rate swaps	120,000	2,417

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 December 2013, the Group recognised a gain of approximately RM899,000 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 2013.

24. Changes in material litigation

Not applicable.

25. Dividend

The Board does not recommend any interim dividend for the current financial period ended 31 December 2013.

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

Basic EPS

The basic earnings per share are 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	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Net profit attributable to ordinary shareholders for the period (RM'000)	12,262	15,132	25,201	19,032
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Basic EPS (sen)	1.830	2.259	3.762	2.841

Diluted EPS

The diluted earnings per share are 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	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Net profit attributable to ordinary shareholders for the period (RM'000)	12,262	15,132	25,201	19,032
Weighted average number of shares ('000)	669,880	669,880	669,880	669,880
Effects of dilution of share options^ ('000)	1,039	-	943	-
Weighted average number of shares for diluted earnings per share computation ('000)	670,919	669,880	670,823	669,880
Diluted EPS (sen)	1.828	2.259	3.756	2.841

^ The VCIP options had no dilutive effect in the previous financial year as the average market price of ordinary shares did not exceed the exercise price of the options.

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

Diluted EPS (cont'd)

4,500,000 (2013: 4,500,000) 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
20 January 2014