

## Interim Financial Report for the three months ended 30 June 2012

<b>Contents</b>	<b>Page</b>
Condensed Consolidated Income Statements	1
Condensed Consolidated Statements of Comprehensive Income	2
Condensed Consolidated Statements of Financial Position	3
Condensed Consolidated Statements of Changes in Equity	4-5
Condensed Consolidated Cash Flow Statements	6
Explanatory Notes to the Interim Financial Report:	
M1 – Basis of preparation	7
M2 - Qualification	7
M3 – Seasonality or cyclicity	7
M4 – Significant unusual items	7
M5 – Material changes in estimates	7
M6 – Debt and equity securities	8
M7 – Dividends paid	8
M8 – Segment reporting	9
M9 – Valuations	10
M10 – Material events subsequent to the end of the interim period	10
M11 – Changes in the composition of the Group	11
M12 – Contingent liabilities and contingent assets	11
K1 – Review of performance	11
K2 – Comparison with immediate preceding quarter	11
K3 – Prospects for 2012	12
K4 – Profit forecast/profit guarantee	12
K5 – Tax	12
K6 – Unquoted investments	13
K7 – Financial assets at fair value	13
K8 – Corporate proposals	13
K9 – Group borrowings and debt securities	14
K10 – Financial instruments	14
K11 – Material litigation	14
K12 – Proposed dividend	15
K13 – Earnings per share	15
K14 – Realised and unrealized retained earnings	15
K15 – Authorisation for issue	15

**Note:**

M1 to M12 are explanatory notes in accordance with FRS134.

K1 to K15 are explanatory notes in accordance with paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

**Condensed Consolidated Income Statements**

*(The figures have not been audited)*

	<b>Current Year Quarter 30.06.2012 RM' 000</b>	Preceding Year Quarter 30.06.2011 RM' 000	<b>Current Year To Date 30.06.2012 RM' 000</b>	Preceding Year To Date 30.06.2011 RM' 000
Revenue	<b>260,830</b>	180,969	<b>483,724</b>	361,040
Cost of sales	<b>(99,745)</b>	(61,120)	<b>(179,488)</b>	(124,382)
Gross profit	<b>161,085</b>	119,849	<b>304,236</b>	236,658
Other operating income	<b>12,805</b>	14,163	<b>33,347</b>	24,211
Administrative expenses	<b>(51,889)</b>	(39,728)	<b>(94,638)</b>	(81,117)
Other operating expenses	<b>(10,009)</b>	(6,629)	<b>(15,610)</b>	(13,666)
Profit from operations	<b>111,992</b>	87,655	<b>227,335</b>	166,086
Finance costs	<b>(16,039)</b>	(16,940)	<b>(30,063)</b>	(27,739)
Share of after-tax results of associates	<b>4,778</b>	4,613	<b>3,000</b>	6,253
Profit before tax	<b>100,731</b>	75,328	<b>200,272</b>	144,600
Less tax:				
Company and subsidiaries	<b>(33,809)</b>	(21,111)	<b>(61,880)</b>	(42,918)
Profit for the period	<b>66,922</b>	54,217	<b>138,392</b>	101,682
Attributable to:				
Equity holders of the Company	<b>55,983</b>	47,466	<b>113,420</b>	86,285
Non-controlling interests	<b>10,939</b>	6,751	<b>24,972</b>	15,397
	<b>66,922</b>	54,217	<b>138,392</b>	101,682
Earnings per share (sen)				
- basic	<b>3.84</b>	3.25	<b>7.78</b>	5.91
- diluted <sup>note 1</sup>	<b>na</b>	na	<b>na</b>	na
Dividends per ordinary share (sen)	<b>-</b>	5.0	<b>-</b>	5.0

*Note 1:*

*Computation of diluted earnings per share is not applicable as there are no outstanding shares to be issued.*

**Condensed Consolidated Statements of Comprehensive Income**  
*(The figures have not been audited)*

	<b>Current Year Quarter 30.06.2012 RM' 000</b>	Preceding Year Quarter 30.06.2011 RM' 000	<b>Current Year To Date 30.06.2012 RM' 000</b>	Preceding Year To Date 30.06.2011 RM' 000
Profit for the period	<b>66,922</b>	54,217	<b>138,392</b>	101,682
Other comprehensive income:				
Exchange differences on translating foreign operations:				
Equity holders	<b>420</b>	281	<b>371</b>	468
Non-controlling interests	<b>(226)</b>	4	<b>(48)</b>	144
Share of an associate's realisation of reevaluation surplus on property, plant and equipment, net of tax	-	-	-	(59)
Realisation of deferred tax on property, plant and equipment		4,900		4,900
Total comprehensive income for the period, net of tax	<b>67,116</b>	59,402	<b>138,715</b>	107,135
Total comprehensive income attributable to:				
Equity holders of the Company	<b>56,403</b>	52,647	<b>113,792</b>	91,594
Non-controlling interests	<b>10,713</b>	6,755	<b>24,923</b>	15,541
	<b>67,116</b>	59,402	<b>138,715</b>	107,135

**Condensed Consolidated Statements of Financial Position**

*(The figures have not been audited)*

	<b>30.06.2012</b>	Audited 31.12.2011
	<b>RM '000</b>	<b>RM '000</b>
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	745,148	745,148
Share premium	404,112	404,112
Treasury shares	(77,992)	(49,021)
Revaluation and other reserves	513,589	618,537
Retained earnings	1,896,578	1,705,224
	<b>3,481,435</b>	<b>3,424,000</b>
Non-controlling interests	237,288	220,577
<b>TOTAL EQUITY</b>	<b>3,718,723</b>	<b>3,644,577</b>
Represented by:		
<b>Non current assets</b>		
Property, plant and equipment	1,825,243	1,139,546
Long term prepaid lease	3,957	4,049
Investment properties	1,933,464	1,913,422
Land held for property development	248,132	242,942
Investments in associates	347,229	538,438
Goodwill	19,164	-
Deferred tax assets	6,664	6,664
Cash and bank balances	-	1,983
	<b>4,383,853</b>	<b>3,847,044</b>
<b>Current assets</b>		
Property development costs	179,392	203,177
Inventories	67,516	67,320
Financial assets at fair value through profit or loss	422	23,771
Trade and other receivables	138,683	219,044
Amounts owing by associates	51,720	135,941
Amount owing by a jointly controlled entity	-	249
Tax recoverable	2,741	3,737
Cash held in Housing Development Accounts	20,550	22,271
Cash and bank balances	677,494	820,350
	<b>1,138,518</b>	<b>1,495,860</b>
<b>Less: Current liabilities</b>		
Trade and other payables	247,544	319,234
Amounts owing to associates	22,716	25,518
Amount owing to a jointly controlled entity	4,486	-
Borrowings	405,035	282,627
Current tax payable	49,129	40,279
	<b>728,910</b>	<b>667,658</b>
<b>Net current assets</b>	<b>409,608</b>	<b>828,202</b>
<b>Less: Non current liabilities</b>		
Trade and other payables	51,779	39,381
Borrowings	796,210	823,013
Deferred tax liabilities	226,749	168,275
	<b>1,074,738</b>	<b>1,030,669</b>
	<b>3,718,723</b>	<b>3,644,577</b>

**Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2012**

*(The figures have not been audited)*

	Attributable to equity holders										Non-controlling Interests	
	Issued and fully paid ordinary shares of RM0.50 each		Treasury Shares ordinary shares of RM0.50 each		Non-distributable		Distributable		Retained earnings			
	Number of shares '000	Nominal value RM '000	Number of shares '000	Nominal value RM '000	Share premium RM '000	Revaluation and other reserves RM '000	Share premium RM '000	Retained earnings RM '000	Share premium RM '000	Retained earnings RM '000	RM '000	RM '000
<b>At 1 January 2012</b>	1,490,296	745,148	(29,307)	(49,021)	404,112	618,537	1,705,224	220,577	220,577	3,644,577		
Total comprehensive income for the period	-	-	-	-	-	(104,948)	218,739	24,923	24,923	138,714		
Share buy-back	-	-	(10,544)	(28,971)	-	-	-	-	-	(28,971)		
Dividends	-	-	-	-	-	-	(27,385)	(8,212)	(8,212)	(35,597)		
<b>At 30 June 2012</b>	1,490,296	745,148	(39,851)	(77,992)	404,112	513,589	1,896,578	237,288	237,288	3,718,723		

**Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2011**

*(The figures have not been audited)*

	Attributable to equity holders										Minority Interests
	Issued and fully paid ordinary shares of RM0.50 each		Treasury Shares ordinary shares of RM0.50 each		Non-distributable			Distributable			
	Number of shares '000	Nominal value RM '000	Number of shares '000	Nominal value RM '000	Share premium RM '000	Revaluation and other reserves RM '000	Retained earnings RM '000	Share premium RM '000	Retained earnings RM '000	Total RM '000	
<b>At 1 January 2011</b>	1,490,296	745,148	(37,283)	(59,301)	427,221	437,827	1,554,694	149,613	3,255,202		
Total comprehensive income for the period	-	-	-	-	-	4,811	86,723	15,541	107,075		
Purchase of treasury shares	-	-	(10)	(22)	-	-	-	-	(22)		
Distribution of treasury shares as dividend	-	-	14,528	23,109	(23,109)	-	-	-	-		
Conversion of warrants to ordinary shares of a subsidiary	-	-	-	-	-	-	-	17,815	17,815		
Equity portion of convertible bonds of a subsidiary	-	-	-	-	-	-	-	14,628	14,628		
Dividends	-	-	-	-	-	-	(27,244)	(7,943)	(35,187)		
<b>At 30 June 2011</b>	<b>1,490,296</b>	<b>745,148</b>	<b>(22,765)</b>	<b>(36,214)</b>	<b>404,112</b>	<b>442,638</b>	<b>1,614,173</b>	<b>189,654</b>	<b>3,359,511</b>		

**Condensed Consolidated Cash Flow Statements**  
(The figures have not been audited)

	<b>30.06.2012</b> <b>RM '000</b>	30.06.2011 RM '000
<b>Operating activities</b>		
Receipts from customers	<b>524,527</b>	367,771
Payments to contractors, suppliers and employees	<b>(388,055)</b>	(237,222)
Cash flow from operations	<b>136,472</b>	130,549
Interest paid	<b>(21,694)</b>	(25,342)
Income taxes paid	<b>(35,511)</b>	(17,417)
<b>Net cash generated from operating activities</b>	<b>79,267</b>	87,790
<b>Investing activities</b>		
Dividends received from associates	<b>14,250</b>	31,675
Dividends received from investments	-	203
Interest received	<b>7,993</b>	10,135
Proceeds from disposal of an associate	<b>114,325</b>	-
Acquisition of a subsidiary	<b>(101,349)</b>	-
Proceeds from disposal of property, plant and equipment	-	137
Proceeds from disposal of financial assets	<b>23,444</b>	33,932
Purchase of property, plant and equipment	<b>(57,415)</b>	(65,429)
Repayments/(advances) from/(to) associates	<b>(171,853)</b>	6,058
<b>Net cash used in investing activities</b>	<b>(170,605)</b>	16,711
<b>Financing activities</b>		
Purchase of treasury shares	<b>(28,971)</b>	(21)
Repayment of bank borrowings, net of receipts	<b>(28,500)</b>	510,488
Dividends paid	-	(27,244)
<b>Net cash used in financing activities</b>	<b>(57,471)</b>	483,223
Foreign currencies exchange difference	<b>2,249</b>	(2,883)
<b>Net decrease in cash and cash equivalents</b>	<b>(146,560)</b>	584,841
Cash and cash equivalents at beginning of financial year	<b>844,604</b>	628,757
<b>Cash and cash equivalents at end of period</b>	<b>698,044</b>	1,213,598

**Explanatory notes to the Interim Financial Statements  
for the three months ended 30 June 2012**

**M1 Basis of preparation**

This Interim Financial Report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard 134 – “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements, and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2011.

This Interim Financial Report has been prepared based on accounting policies and methods of computation which are consistent with those adopted for the annual audited financial statements for the year financial ended 31 December 2011 except for the adoption of the following revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations that are applicable for the current financial year:

*(Effective for annual periods beginning on or after 1 January 2012)*

- Amendment to FRS 112      Income taxes
- Revised FRS 124              Related party disclosures

The adoption of the above revised FRS and Amendment to FRS did not have any material impact on the financial statements of the Group.

**M2 Qualification**

The Audit Report of the Group’s annual financial statements for the financial year ended 31 December 2011 was not subject to any audit qualification.

**M3 Seasonality or cyclicality**

The Group’s operations were not materially affected by seasonal or cyclical factors.

**M4 Significant unusual items**

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than those disclosed elsewhere in these notes.

**M5 Material changes in estimates**

Not applicable.



**M6 Debt and equity securities**

Shares repurchased during the current financial year to-date were as follows:

Date	No. of shares	Lowest Price RM	Highest Price RM	Cost RM
As at 31 December 2011	29,306,467	1.15	2.82	49,020,578
Purchased in February 2012	431,400	2.70	2.70	1,169,024
Purchased in March 2012	1,782,200	2.69	2.77	4,896,261
As at 31 March 2012	31,520,067	1.15	2.82	55,085,863
Purchased in April 2012	2,873,700	2.71	2.77	7,901,148
Purchased in May 2012	3,027,400	2.71	2.76	8,314,114
Purchased in June 2012	3,646,900	2.69	2.78	9,987,301
As at 30 June 2012	41,068,067			81,288,426
Purchased in July 2012	1,087,700	2.70	2.75	2,974,154
Purchased in August 2012	6,144,400	2.42	2.72	15,938,287
As at reporting date	48,300,167			100,200,867

The number of treasury shares held as at the date of this report was 48,300,167 ordinary shares of RM0.50 each.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial period.

**M7 Dividends paid**

An interim dividend of 5% less tax at 25% for the financial year ended 31 December 2011 was paid on 6 April 2012.

**M8 Segment Reporting**

<b>Business segments</b>	<b>Property development RM '000</b>	<b>Property investment RM '000</b>	<b>Hotel RM '000</b>	<b>Construction RM '000</b>	<b>Others RM '000</b>	<b>Group RM '000</b>
<b>6 months ended 30 June 2012</b>						
<b>Revenue</b>						
Total revenue	60,616	255,583	147,987	70,106	18,823	553,115
Intersegment revenue	-	(9,835)	(3,302)	(44,046)	(12,208)	(69,391)
External revenue	<u>60,616</u>	<u>245,748</u>	<u>144,685</u>	<u>26,060</u>	<u>6,615</u>	<u>483,724</u>
<b>Results</b>						
Segment results (external)	28,102	159,325	45,744	1,007	571	234,749
Unallocated income						7,993
Unallocated expense						(15,407)
Profit from operations						227,335
Finance costs						(30,063)
Share of after-tax results of associates	872	323	1,215	-	590	3,000
Profit from ordinary activities before tax						200,272
Tax-Company and subsidiaries						(61,880)
Profit for the period						<u>138,392</u>
Attributable to:						
Equity holders of the Company						113,420
Non-controlling interests						24,972
						<u>138,392</u>

Unallocated income represents interest income while unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

**M8 Segment Reporting (continued..)**

<b>Business segments</b>	<b>Property development RM '000</b>	<b>Property investment RM '000</b>	<b>Hotel RM '000</b>	<b>Construction RM '000</b>	<b>Others RM '000</b>	<b>Group RM '000</b>
<b>6 months ended 30 June 2011</b>						
<b>Revenue</b>						
Total revenue	14,847	234,641	107,146	25,248	17,364	399,246
Intersegment revenue	-	(9,434)	(2,894)	(14,594)	(11,284)	(38,206)
External revenue	<u>14,847</u>	<u>225,207</u>	<u>104,252</u>	<u>10,654</u>	<u>6,080</u>	<u>361,040</u>
<b>Results</b>						
Segment results (external)	8,172	128,318	30,180	(594)	4,566	170,642
Unallocated income						10,136
Unallocated expense						(14,692)
Profit from operations						166,086
Finance costs						(27,739)
Share of after-tax results of associates	2,236	481	3,712	-	(176)	6,253
Profit from ordinary activities before tax						144,600
Tax-Company and subsidiaries						(42,918)
Profit for the period						<u>101,682</u>
Attributable to:						
Equity holders of the Company						86,285
Minority interests						15,397
						<u>101,682</u>

Unallocated income represents interest income while unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

**M9 Valuations**

Valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

**M10 Material events subsequent to the end of the interim period**

There were no material events subsequent to the end of the interim period up to the date of this report.

## **M11 Changes in the composition of the Group**

On 23 March 2012, the Company announced to Bursa Malaysia that pursuant to the announcement on 19 December 2011 in respect of the proposed acquisition of 50,000,000 ordinary shares of RM1.00 each representing 50% equity interest in Great Union Properties Sdn Bhd ("GUP"), the GUP acquisition was completed on even date and accordingly GUP is 100%-owned by the Company.

On 26 March 2012, the Company announced to Bursa Malaysia the acquisition of the entire issued shares of two new companies incorporated in Malaysia known as Southkey Megamall Sdn Bhd and Dimensi Magnitud Sdn Bhd for cash consideration. The issued and fully paid-up share capital of each of these companies is RM2.00. The acquisition of these companies is to facilitate potential joint ventures.

On 16 April 2012, an announcement was made to Bursa Malaysia that the Company had acquired a newly incorporated subsidiary, IGB REIT Management Sdn Bhd ("IGB REIT Management") to act as the proposed management company for IGB REIT, details of which are in Section K8 below. The issued and fully paid-up share capital of IGB REIT Management is RM2.00.

On 28 May 2012, the Company announced to Bursa Malaysia the acquisition of the entire issued and paid-up shares of IGB International Ventures Sdn Bhd ("IGBIV") whose present issued and paid-up share capital comprises 2 ordinary shares of RM1.00 each.

On 18 June 2012, the Company announced to Bursa Malaysia that IGBIV had on 15 June 2012 entered into a Joint Venture Agreement with Aspire Horizon Ltd for the establishment of a joint venture through an equity participation of 58% in Wilmer Link Limited.

## **M12 Contingent liabilities and contingent assets**

There were no contingent liabilities or contingent assets since 31 December 2011.

## **K1 Review of performance**

For the three months ended 30 June 2012, Group revenue increased by 44% to RM260.8 million when compared to the corresponding period in 2011 of RM181.0 million due to higher contributions from all operating divisions.

Correspondingly, Group pre-tax profit increased by 34% to RM100.7 million when compared to pre-tax profit of RM75.3 million achieved in the corresponding period in 2011 as a result of improved performances by all operating divisions.

## **K2 Comparison with immediate preceding quarter**

Group revenue for the three months ended 30 June 2012 increased by 17% to RM260.8 million when compared to Group revenue of RM222.9 million for the three months ended 31 March 2012 mainly due to higher contributions from the Hotel and Property Investment divisions.

Group pre-tax profit also increased by 1% to RM100.7 million when compared to the RM99.5 million reported in the immediate preceding quarter mainly attributable to higher profits reported by the Hotel division.

**K3 Prospects for 2012**

Operating results for the first six months of 2012 have been encouraging with Group revenue increasing by 34% to RM483.7 million arising from increased contributions from all divisions when compared to the first six months of 2011 of RM361.0 million. Property Development and Construction divisions' turnover both increased by more than 100%, whilst Property Investment and Hotel divisions' turnover have increased by 9% and 39% respectively.

In the Property Development division, Opt Ventures Sdn Bhd, a 70%-owned subsidiary launched a condominium development in Kuala Lumpur known as G Residence in February 2012. To-date more than 85% of the available 474 units of service apartments has been sold.

In the Property Investment division, the Group's two major retail malls, Mid Valley Megamall and The Gardens Mall registered turnover growth of 6% and 10% respectively whilst total rental income from the Group's office buildings have increased by 9% when compared to the same period in 2011.

In the Hotel division, total turnover achieved by the Group's hotels including associates was RM207.0 million, an increase of 7% when compared to the same period in 2011.

As a result of the increase in turnover contributions, Group pre-tax profit for the six months to 30 June 2012 has improved significantly by 39% to RM200.3 million when compared to the same period in 2011.

With these improved performances, the Board is confident that the Group's operational results for the current financial year will be better than the previous financial year barring any significant adverse changes in the global and domestic economic conditions.

**K4 Profit forecast/profit guarantee**

The Group did not issue any profit forecast or profit guarantee.

**K5 Tax**

	<b>Current quarter ended 30.06.2012 RM '000</b>	<b>Cumulative current Year-To-Date ended 30.06.2012 RM '000</b>
Malaysian income tax		
- Company and subsidiaries	21,310	43,038
Under provision in previous year	1,690	1,840
Transferred from deferred tax	10,743	16,521
	<u>33,743</u>	<u>61,399</u>
Overseas tax		
- Company and subsidiaries	66	481
	<u>33,809</u>	<u>61,880</u>

The effective tax rate of the Group for the current quarter and for the financial year to-date was higher than the statutory tax rate as certain expenses were not deductible for tax purposes.

## **K6 Unquoted investments**

There was no sale of unquoted investments for the current quarter and financial year to-date.

## **K7 Financial assets at fair value**

Total financial assets at fair value as at 30 June 2012 were as follows:

	<b>RM '000</b>
Total financial assets at cost	<u>1,114</u>
Total financial assets at fair value (after provision for diminution in value)	<u>421</u>
Total financial assets at market value at 30 June 2012	<u>421</u>

## **K8 Corporate proposals**

### **Proposed establishment and listing of a Real Estate Investment Trust on the Main Market of Bursa Malaysia Securities Berhad.**

On 16 April 2012, it was announced to Bursa Malaysia that the Company proposes to establish and list a real estate investment trust ("IGB REIT") on the Main Market of Bursa Securities. The initial investment portfolio of IGB REIT shall comprise an 8-Storey retail mall known as The Gardens Mall and a 5-storey retail mall with 1 mezzanine floor known as Mid Valley Megamall ("Subject Properties"), which are currently owned by wholly-owned subsidiaries of KrisAssets Holdings Berhad, which in turn is a subsidiary of the Company.

On 14 May 2012, it was announced to Bursa Malaysia that an application relating to the proposed IGB REIT Establishment and Listing had been submitted to the Securities Commission ("SC") on even date.

On 26 June 2012, it was announced to Bursa Malaysia that the shareholders of the Company had, in the Extraordinary General Meeting held on even date, approved the proposed listing of IGB REIT on the Main Market of Bursa Malaysia.

On 19 July 2012, it was announced to Bursa Malaysia that the SC had in its letter dated 18 July 2012, approved the Proposed IGB REIT establishment and Listing, which included the following approvals:

- i) Establishment of IGB REIT with a fund size of 3,550 million units in IGB REIT ("Units");
- ii) Listing of and quotation for the entire 3,550 million Units on the Main Market of Bursa Malaysia;
- iii) Appointment of IGB REIT Management Sdn Bhd as the management company of IGB REIT;
- iv) Appointment of AmTrustee Berhad as the trustee for IGB REIT; and
- v) Exemptions/variations from certain clauses in the Guidelines on Real Estate Investment Trusts, Prospectus Guidelines for Collective Investment Schemes and the Asset Valuation Guidelines.

## **K8 Corporate proposals (continued)**

On 26 July 2012, it was announced to Bursa Malaysia that IGB REIT was established on 25 July 2012 upon the registration of the deed of trust executed on 18 July 2012 between IGB REIT Management Sdn Bhd and AM Trustee Berhad, with the SC.

On 3 August 2012, it was announced to Bursa Malaysia that Bursa Malaysia had in its letter dated 3 August 2012 approved (i) the admission of IGB REIT to the Official List of the Main Market of Bursa Malaysia and the listing and quotation of 3,400 million IGB REIT units ("Units") under the "REIT" sector of the Main Market of Bursa Malaysia; (ii) the extension of time of one month from the date of listing of IGB REIT to meet the public shareholding spread under paragraphs 3.06(1), 4.07 and 8.02(1) of the Main Market Listing Requirements of Bursa Malaysia; and (iii) the listing and quotation of up to 150 million Units to be issued on a staggered basis to IGB REIT Management Sdn Bhd as management fees.

On 3 August 2012, it was announced to Bursa Malaysia that the Company's Share Transfer Book and Register of Members will be closed from 15 August 2012 to 17 August 2012 (both dates inclusive) for the purpose of determining the entitlements of up to 120,000,000 Units allocated to Eligible IGB Shareholders pursuant to the IGB REIT Establishment and Listing.

## **K9 Group borrowings and debt securities**

Group borrowings as at 30 June 2012 were as follows:

	<b>RM '000</b>
<b>Long term borrowings:</b>	
<b>Secured</b>	
Term Loan	340,000
Redeemable Bonds	456,210
	<u>796,210</u>
<b>Short term borrowings:</b>	
<b>Secured</b>	
Current portion of term loan	130,000
Short term loan	193,535
<b>Unsecured</b>	
Short term loan	81,500
	<u>405,035</u>
<b>TOTAL</b>	<b><u>1,201,245</u></b>
<b>Capital and reserves attributable to equity holders of the Company</b>	<b><u>3,481,435</u></b>

## **K10 Financial instruments**

The Group does not have any financial instruments with off-balance sheet risk. With the adoption of FRS 139, off-balance sheet financial instruments will be recognized in the balance sheet.

## **K11 Material litigation**

There was no pending material litigation as at the date of this report which exceeds 5% of the net assets of the Group.

## K12 Proposed dividend

No interim dividend is declared or proposed in respect of the financial year ending 31 December 2012.

## K13 Earnings per share

		<b>Current Quarter ended 30.06.2012</b>	Preceding Year Quarter ended 30.06.2011	<b>Current Year To Date ended 30.06.2012</b>	Preceding Year To Date ended 30.06.2011
Profit for the period	RM '000	<u><b>55,983</b></u>	47,466	<u><b>113,420</b></u>	<u>86,285</u>
Weighted average number of ordinary shares in issue	'000	<u><b>1,457,589</b></u>	1,459,821	<u><b>1,457,589</b></u>	<u>1,459,821</u>
<b>Basic earnings per share</b>	sen	<u><b>3.84</b></u>	3.25	<u><b>7.78</b></u>	<u>5.91</u>

Note: Computation of diluted earnings for share is not applicable as there are no outstanding shares to be issued.

## K14 Realised and unrealised retained earnings

	<b>Unaudited As at 30.06.2012 RM '000</b>	Audited As at 31.12.2011 RM '000
Total retained earnings		
i) Company and subsidiaries		
- realised profit	2,187,250	1,958,260
- unrealised loss	(236,886)	(183,556)
	1,950,364	1,774,704
ii) Associates		
- realised profit	227,316	204,062
- unrealised profit	(877)	6,919
	226,439	210,981
iii) Group consolidation adjustments	(280,225)	(280,461)
Total Group retained earnings as per unaudited consolidated statement of financial position	<u><b>1,896,578</b></u>	<u><b>1,705,224</b></u>

## K15 Authorisation for issue

This Interim Financial Report was authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 24 August 2012.