

Interim Financial Report for the three months ended 31 December 2013

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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)

	Current Year Quarter 31.12.2013 RM' 000	Preceding Year Quarter 31.12.2012 RM' 000	Current Year To Date 31.12.2013 RM' 000	<i>Audited</i> Preceding Year To Date 31.12.2012 RM' 000
Revenue	314,457	268,937	1,091,131	993,851
Cost of sales	(132,085)	(120,755)	(446,231)	(372,534)
Gross profit	182,372	148,182	644,900	621,317
Other operating income	849	7,972	28,161	39,075
Administrative expenses	(74,965)	(63,873)	(240,503)	(263,006)
Other operating expenses	(10,410)	(6,292)	(18,578)	(3,737)
Profit from operations	97,846	85,989	413,980	393,649
Finance income	11,701	15,884	45,357	31,719
Finance costs	(18,524)	(19,802)	(73,984)	(69,588)
Share of after-tax results of associates	(1,667)	(1,444)	19,206	10,418
Profit before tax	89,356	80,627	404,559	366,198
Less tax:				
Company and subsidiaries	(22,086)	(31,196)	(97,019)	(144,154)
Profit for the period	67,270	49,431	307,540	222,044
Attributable to:				
Equity holders of the Company	43,828	29,270	210,079	180,190
Non-controlling interests	23,442	20,161	97,461	41,854
	67,270	49,431	307,540	222,044
Earnings per share (sen)				
- basic	3.15	2.03	15.08	12.47
- diluted ^{note 1}	na	na	na	na
Dividends per ordinary share (sen)	2.5	7.5	7.5	7.5

Note 1:

Computation of diluted earnings per share was not applicable as there were no outstanding shares to be issued.

Condensed Consolidated Statements of Comprehensive Income

(The figures have not been audited)

	Current Year Quarter 31.12.2013 RM' 000	Preceding Year Quarter 31.12.2012 RM' 000	Current Year To Date 31.12.2013 RM' 000	<i>Audited</i> Preceding Year To Date 31.12.2012 RM' 000
Profit for the period	67,270	49,431	307,540	222,044
Other comprehensive income:				
Exchange differences on translating foreign operations:				
Equity holders	16,460	2,176	14,983	2,709
Non-controlling interests	(17)	2	(201)	149
Surplus on revaluation of hotel properties	321,105	-	321,105	-
Deferred tax on revaluation surplus on hotel properties	(80,276)	-	(80,276)	-
Total comprehensive income for the period, net of tax	<u>324,542</u>	<u>51,609</u>	<u>563,151</u>	<u>224,902</u>
Total comprehensive income attributable to:				
Equity holders of the Company	301,116	31,445	465,891	182,899
Non-controlling interests	23,426	20,164	97,260	42,003
	<u>324,542</u>	<u>51,609</u>	<u>563,151</u>	<u>224,902</u>

Condensed Consolidated Statements of Financial Position
(The figures have not been audited)

	31.12.2013 RM '000	Audited 31.12.2012 RM '000
Capital and reserves attributable to the Company's equity holders		
Share capital	682,399	745,148
Share premium	112,641	404,112
Treasury shares	(17,439)	(157,015)
Revaluation and other reserves	648,927	515,929
Retained earnings	2,988,803	2,632,468
	4,415,331	4,140,642
Non-controlling interests	77,322	599,801
TOTAL EQUITY	4,492,653	4,740,443
Represented by:		
Non current assets		
Property, plant and equipment	2,347,320	1,829,596
Long term prepaid lease	3,697	3,703
Investment properties	2,140,182	1,965,079
Land held for property development	238,549	248,059
Investments in associates	390,598	355,784
Deferred tax assets	1,649	5,893
Goodwill	19,164	19,164
Cash and bank balances	95,000	95,000
	5,236,159	4,522,278
Current assets		
Property development costs	230,532	229,131
Inventories	82,710	62,461
Financial assets at fair value through profit or loss	394	504
Trade and other receivables	271,171	209,600
Amounts owing by associates	76,708	59,080
Amount owing by related companies	22	-
Tax recoverable	3,053	3,522
Cash held in Housing Development Accounts	32,984	5,259
Cash and bank balances	942,569	2,022,372
	1,640,143	2,591,929
Less: Current liabilities		
Trade and other payables	477,009	352,531
Amounts owing to associates	4,107	22,487
Borrowings	156,772	263,312
Current tax payable	67,690	59,148
	705,578	697,478
Net current assets	934,565	1,894,451
Less: Non current liabilities		
Trade and other payables	6,049	55,178
Borrowings	1,400,000	1,433,382
Deferred tax liabilities	272,022	187,726
	1,678,071	1,676,286
	4,492,653	4,740,443

Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 December 2013

(The figures have not been audited)

	Attributable to equity holders						Non-controlling Interests	Total RM '000		
	Issued and fully paid ordinary shares of RM0.50 each	Nominal value RM '000	Number of shares	Number of shares '000	Nominal value RM '000	Treasury Shares ordinary shares of RM0.50 each			Non-distributable	Distributable
						Share premium RM '000	Revaluation and other reserves RM '000	Retained earnings RM '000	RM '000	RM '000
At 1 January 2013	1,490,296	745,148	(71,831)	(157,015)	404,112	515,929	2,632,468	599,801	4,740,443	
Total comprehensive income for the period	-	-	-	-	-	70,249	395,642	97,260	563,151	
Share buy-back	-	-	(60,103)	(151,895)	-	-	-	-	(151,895)	
Cancellation of treasury shares	(125,498)	(62,749)	125,498	291,471	(291,471)	62,749	-	-	-	
Capital reduction in a subsidiary	-	-	-	-	-	-	92,028	(596,728)	(504,700)	
Other transactions with subsidiaries	-	-	-	-	-	-	(927)	98,933	98,006	
Dividends paid	-	-	-	-	-	-	(130,408)	(121,944)	(252,352)	
At 31 December 2013	1,364,798	682,399	(6,436)	(17,439)	112,641	648,927	2,988,803	77,322	4,492,653	

Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 December 2012
(The figures have 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			Total RM '000
	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	
At 1 January 2012	1,490,296	745,148	(29,307)	(49,021)	404,112	618,537	404,112	1,705,224	-	1,705,224	220,577	3,644,577
Total comprehensive income for the period	-	-	-	-	-	(102,608)	-	285,507	-	285,507	42,003	224,902
Share buy-back	-	-	(42,524)	(107,994)	-	-	-	-	-	-	-	(107,994)
Dividends on ordinary shares	-	-	-	-	-	-	-	(27,385)	-	(27,385)	-	(27,385)
Issuance of new ordinary shares in a subsidiary due to conversion of redeemable convertible secured bonds and its dilution effect	-	-	-	-	-	-	-	54,500	-	54,500	223,411	277,911
Effects arising from the listing of IGB REIT	-	-	-	-	-	-	-	614,522	-	614,522	222,978	837,500
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(94,540)	(94,540)
Cancellation of equity portion of convertible bonds of a subsidiary, net of tax	-	-	-	-	-	-	-	-	-	-	(14,628)	(14,628)
Cancellation of treasury shares by a subsidiary	-	-	-	-	-	-	-	100	-	100	-	100
At 31 December 2012	1,490,296	745,148	(71,831)	(157,015)	404,112	515,929	404,112	2,632,468	599,801	2,632,468	599,801	4,740,443

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

	31.12.2013 RM '000	<i>Audited</i> 31.12.2012 RM '000
Operating activities		
Receipts from customers	1,039,465	948,017
Payments to contractors, suppliers and employees	(617,789)	(579,221)
Cash flow from operations	421,676	368,796
Interest paid	(72,458)	(51,406)
Income taxes paid	(85,855)	(104,848)
Deposits held with trustee	(995)	(8,651)
Net cash generated from operating activities	262,368	203,891
Investing activities		
Interest received	43,559	33,874
Proceeds from disposal of an associate	-	114,325
Cash arising from dilution of equity in a subsidiary	-	837,500
Acquisition of a subsidiary	(33,000)	(101,849)
Proceeds from disposal of financial assets	-	23,444
Proceeds from sale of property, plant and equipment	42,498	275
Additions in property, plant and equipment, investment properties and land held for property development	(350,486)	(176,891)
Dividends received from associates	4,186	16,465
Dividends paid to non-controlling interests of a subsidiary	(88,222)	(76,993)
Capital repayment to non-controlling interests of a subsidiary	(505,757)	-
Repayments/(advances) from/(to) associates	(18,292)	-
Net cash used in investing activities	(905,514)	670,150
Financing activities		
Purchase of treasury shares	(153,251)	(104,245)
Settlement of shareholders advances arising from acquisition of subsidiaries	-	(176,151)
Advances to associates	-	(7,855)
Net repayment of advances from jointly controlled entity	-	249
Repayment of borrowings, net of receipts	(132,500)	713,059
Dividends paid	(130,408)	(27,385)
Deposits pledged with licensed banks	-	26,593
Net cash used in financing activities	(416,159)	424,265
Foreign currencies exchange difference	6,232	(2,337)
Net decrease in cash and cash equivalents	(1,053,073)	1,295,969
Cash and cash equivalents at beginning of financial year	2,001,190	705,221
Cash and cash equivalents at end of period	948,117	2,001,190

**Explanatory notes to the Interim Financial Statements
for the three months ended 31 December 2013**

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 2012.

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 2012 except for the adoption of the following Financial Reporting Standards (“FRSs”), revised FRSs and Amendments to FRSs that are applicable for the current financial year:

(Effective for annual periods beginning on or after 1 January 2013)

- Amendment to FRS 7 Financial instruments: Disclosures
- FRS 10 Consolidated Financial Statements
- FRS 11 Joint Arrangements
- FRS 12 Disclosures of Interests in Other Entities
- FRS 13 Fair Value Measurement
- Revised FRS 127 Separate Financial Statements
- Revised FRS 128 Investments in Associates and Joint Ventures
- Amendment to FRS 101 Presentation of Items of Other Comprehensive Income
- Amendment to FRS 119 Employee Benefits

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 2012 was not subject to any audit qualification.

M3 Seasonality or cyclical

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 2012	71,830,767			157,014,548
Purchased in 2013:				
January	2,520,700	2.31	2.40	5,921,792
February	5,147,100	2.25	2.34	11,809,728
March	3,743,900	2.19	2.34	8,407,732
As at 31 March 2013	83,242,467			183,153,800
April	2,490,800	2.24	2.39	5,833,286
May	1,740,000	2.32	2.37	4,090,254
June	5,534,700	2.36	2.59	13,409,206
As at 30 June	93,007,967			206,486,546
July	2,524,500	2.44	2.55	6,370,029
August	7,089,900	2.41	2.63	18,090,933
September	9,721,900	2.50	2.63	25,286,142
As at 30 September	112,344,267			256,233,650
October	7,005,000	2.60	2.68	18,639,411
November	6,533,900	2.66	2.72	17,646,654
December	6,050,600	2.66	2.72	16,390,447
	131,933,767			308,910,162
Cancelled on 28 November 2013	(125,497,667)			(291,471,362)
As at 31 December 2013	6,436,100	2.66	2.72	17,438,800
Purchased in 2014:				
January	9,119,800	2.67	2.72	24,813,708
February 1 to 26	1,107,100	2.61	2.65	2,924,484
As at 26 February 2014	16,663,000			45,176,992

The number of treasury shares held as at 31 December 2013 was 6,436,100 ordinary shares of RM0.50 each.

The number of treasury shares held as at 26 February 2014 was 16,663,000 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 15% less tax at 25% for the financial year ended 31 December 2012 was paid on 8 April 2013.

An interim dividend of 10% less tax at 25% for the financial year ended 31 December 2013 was paid on 24 December 2013.

M8 Segment Reporting

Business segments	Property development RM '000	Property investment RM '000	Hotel RM '000	Construction RM '000	Others RM '000	Group RM '000
2013						
Revenue						
Total revenue	148,959	585,948	377,668	205,159	58,786	1,376,520
Intersegment revenue	-	(44,434)	(7,799)	(197,972)	(35,184)	(285,389)
External revenue	<u>148,959</u>	<u>541,514</u>	<u>369,869</u>	<u>7,187</u>	<u>23,602</u>	<u>1,091,131</u>
Results						
Segment results (external)	77,476	291,404	92,723	2,346	(4,707)	459,242
Finance income						45,357
Unallocated expense						(45,262)
Profit from operations						459,337
Finance costs						(73,984)
Share of after-tax results of associates	7,742	34	11,098	-	332	19,206
Profit from ordinary activities before tax						404,559
Tax-Company and subsidiaries						(97,019)
Profit for the period						<u>307,540</u>
Attributable to:						
Equity holders of the Company						210,079
Non-controlling interests						97,461
						<u>307,540</u>

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..)

Business segments	Property development RM '000	Property investment RM '000	Hotel RM '000	Construction RM '000	Others RM '000	Group RM '000
2012						
Revenue						
Total revenue	114,327	526,887	331,389	187,931	38,058	1,198,592
Intersegment revenue	-	(28,453)	(6,698)	(144,876)	(24,714)	(204,741)
External revenue	<u>114,327</u>	<u>498,434</u>	<u>324,691</u>	<u>43,055</u>	<u>13,344</u>	<u>993,851</u>
Results						
Segment results (external)	62,570	265,457	90,833	2,516	1,304	422,680
Unallocated income						31,719
Unallocated expense						(38,211)
Profit from operations						416,188
Finance costs						(69,588)
Share of after-tax results						
of associates	3,361	559	7,808	-	(1,310)	10,418
Gain on disposal of an associate	<u>-</u>	<u>-</u>	<u>9,180</u>	<u>-</u>	<u>-</u>	<u>9,180</u>
Profit from ordinary activities before tax						366,198
Tax-Company and subsidiaries						(144,154)
Profit for the period						<u>222,044</u>
Attributable to:						
Equity holders of the Company						180,190
Non-controlling interests						<u>41,854</u>
						<u>222,044</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

In accordance with the Group's accounting policy on property, plant and equipment, The Gardens Hotel & Residences was revalued during the financial year ended 31 December 2013 to RM515 million from RM198 million by an independent qualified valuer.

Other than the above, 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 5 March 2013, the Company announced to Bursa Malaysia the acquisition of the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in a company incorporated in Malaysia known as The Gardens Theatre Sdn Bhd ("TGT") for cash consideration of RM2.00. The intended principal activities of TGT are to engage in organizing and coordinating the production, management and performance of plays, dramas, stage, theatre and other amusements and entertainment of every kind.

On 15 March 2013, the Company announced to Bursa Malaysia that the Company had on 15 March 2013 entered into 2 Share Sale Agreements with KrisAssets Holdings Berhad for the acquisitions of the entire issued and paid-up share capital of Mid Valley City Sdn Bhd ("MVC") and Mid Valley City Gardens Sdn Bhd ("MVCG") for cash consideration of RM100,000.00 each. MVC and MVCG are service providers for IGB Real Estate Investment Trust.

On 10 April 2013, the Company announced to Bursa Malaysia the acquisition of the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in a company incorporated in Malaysia known as Megan Prestasi Sdn Bhd ("MPSB") for cash consideration of RM2.00. The intended principal activities of MPSB are property development and property investment.

On 19 June 2013, the Company announced to Bursa Malaysia the acquisition by MPSB of 1,000,001 ordinary shares of RM1.00 each in Distinctive Ace Sdn Bhd ("DASB") representing 50% and 1 share of the issued and paid-up share capital of DASB for a purchase consideration of RM33,000,000.00.

On 25 October 2013, the Company announced to Bursa Malaysia that Pacific Land Sdn Bhd ("PLSB"), a wholly-owned subsidiary of the Company, had on even date acquired the entire issued and paid-up share capital of Eastwind Alliance Sdn Bhd ("EASB") comprising 2 ordinary shares of RM1.00 each fully paid at par, making it a wholly-owned subsidiary of PLSB.

M12 Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since 31 December 2012.

M13 Capital commitment

Capital expenditure not provided for in the financial statements was as follows:

	Group	
	2013	2012
	RM'000	RM'000
Authorised by Directors and contracted:		
Investment property	176,113	19,222
Property, plant and equipment	144,060	2,955
	<u>320,173</u>	<u>22,177</u>
Authorised by Directors but not contracted:		
Investment property	4,918	-
Property, plant and equipment	146,845	82,676
	<u>151,763</u>	<u>82,676</u>

K1 Review of performance

For the three months ended 31 December 2013, Group revenue increased by 17% to RM314.5 million when compared to the corresponding period in 2012 of RM268.9 million arising from higher contributions from the Property Development and Property Investment divisions.

Accordingly, Group pre-tax profit increased by 11% to RM89.4 million when compared to pre-tax profit of RM80.6 million achieved in the corresponding period in 2012.

K2 Comparison with immediate preceding quarter

Group revenue for the three months ended 31 December 2013 increased by 12% to RM314.5 million when compared to Group revenue of RM281.8 million for the three months ended 30 September 2013 due to higher contributions from Property Development and Property Investment divisions.

However, Group pre-tax profit decreased by 24% to RM89.4 million when compared to the RM117.6 million reported in the immediate preceding quarter mainly as a result of higher operating expenses incurred during the period.

K3 Prospects for 2014

Operating results for the Financial Year 2013 were better when compared to Financial Year 2012 with a 10% increase in Group turnover achieved to RM1,091.1 million from RM993.9 million as well as a 10% increase in Pre-tax Profit to RM404.6 million from RM366.2 million.

In the Property Development division, more than 97% of the available 474 units of service apartments at G Residence have been sold as at 31 December 2013 with total sales value of about RM369 million. Over at Sierramas, the Garden Manor development with 41 units of strata villas were completed and handed-over to purchasers in January 2013 and the Seri Ampang Hilir condominiums were completed and handed-over to purchasers in July 2013. In September 2013, the Group launched a new 166-units service apartment project known as Three28 Tun Razak with an expected total Gross Development Value of RM96 million. As at 31 December 2013, 65% of the units have been sold. During the last quarter of 2013, a soft launch was held for another 41 units of strata bungalows at Sierramas called Park Manor with expected total Gross Development Value of RM97 million.

In the Property Investment division, total revenue achieved for the financial year 31 December 2013 was RM542 million compared to RM498 million in 2012, an increase of 9%. The Group's retail division, represented by IGB REIT, the owner of Mid Valley Megamall and The Gardens Mall reported total revenue and net property income of RM431 million and RM286 million respectively and achieved a profit before taxation of RM312 million whilst total rental income from the Group's office buildings have increased by 3% when compared to the same period in 2012.

In the Hotel division, total turnover achieved by the Group's hotels including associates was RM493 million, an increase of 11% when compared to the RM445 million achieved for the same period in 2012. Except for two overseas hotels, all the other hotels in the Group achieved higher average room rates in 2013 when compared to the previous year. The Group's new hotels under construction ie Cititel Express Ipoh, Cititel Express Penang, St Giles Penang and St Giles Sydney are all progressing well and are expected to open by the later part of this year or early 2015.

In view of the expected increase in operating costs arising from the increase in utilities bills as well as an increase in the assessment payable to Dewan Bandaraya Kuala Lumpur for the Groups' properties located in Kuala Lumpur, the Board is cautiously optimistic that the Group's financial performance for 2014 should be satisfactory.

K4 Profit forecast/profit guarantee

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

K5 Tax

	Current quarter ended 31.12.2013 RM '000	Cumulative current Year-To-Date ended 31.12.2013 RM '000
Malaysian income tax		
- Company and subsidiaries	27,069	94,366
Under/(Over) provision in previous year	536	(3,197)
Transferred (to)/from deferred tax	(8,449)	1,349
	19,156	92,518
Overseas tax		
- Company and subsidiaries	2,930	4,501
	22,086	97,019

The effective tax rate of the Group for the current quarter was lower than the statutory tax rate as certain income were not subjected to tax.

The effective tax rate of the Group for the financial year to-date approximates the statutory tax rate.

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 31 December 2013 were as follows:

	RM '000
Total financial assets at cost	1,114
Total financial assets at fair value (after provision for diminution in value)	394
Total financial assets at market value at 31 December 2013	394

K8 Corporate proposals

No corporate proposals have been announced during the financial quarter under review.

K9 Group borrowings and debt securities

Group borrowings as at 31 December 2013 were as follows:

	RM '000
Long term borrowings:	
Secured	
Term Loan	1,400,000
Short term borrowings:	
Secured	
Term Loan	101,772
Revolving credit	55,000
TOTAL	<u>1,556,772</u>
Capital and reserves attributable to equity holders of the Company	<u>4,415,331</u>

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

A Second Interim Single Tier Dividend of 2.5 sen per ordinary share is declared for the financial year ended 31 December 2013 and will be paid on 28 March 2014 to every member who is entitled to receive the dividend at 4.00 p.m. on 12 March 2014.

	Second Interim 2013	Interim 2013	Interim 2012
Per ordinary share (sen)	2.5	5.0	7.5
Net dividend (RM'000)	33,712	51,180	79,357
Date payable/paid	28 March 2014	24 December 2013	8 April 2013

K13 Earnings per share

		Current Quarter ended 31.12.2013	Preceding Year Quarter ended 31.12.2012	Current Year To Date ended 31.12.2013	Preceding Year To Date ended 31.12.2012
Profit for the period	RM '000	<u>43,828</u>	<u>29,270</u>	<u>210,079</u>	<u>180,190</u>
Weighted average number of ordinary shares in issue	'000	<u>1,393,432</u>	<u>1,445,180</u>	<u>1,393,432</u>	<u>1,445,180</u>
Basic earnings per share	sen	<u><u>3.15</u></u>	<u><u>2.03</u></u>	<u><u>15.08</u></u>	<u><u>12.47</u></u>

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

K14 Profit from operations

	Current year Quarter ended 31.12.2013 RM '000	Current Year To Date 31.12.2013 RM '000
Profit from operations is stated after charging:		
Depreciation	30,021	127,723
Provision for and write-off of receivables	3,029	5,263
Provision for and write-off of assets	10,307	10,327
Loss on disposal of quoted/unquoted investments or properties	<u>71</u>	<u>93</u>
Profit from operations is stated after crediting:		
Foreign exchange gain	3,950	2,956
Dividend income	-	-
Other income (excluding finance income and dividend income)	<u>6,443</u>	<u>23,695</u>

K15 Realised and unrealised retained earnings

	As at 31.12.2013 RM '000	As at 31.12.2012 RM '000
Total retained earnings		
i) Company and subsidiaries		
- realised profit	3,375,924	2,876,735
- unrealised loss	(278,024)	(197,281)
	3,097,900	2,679,454
ii) Associates		
- realised profit	197,242	230,325
- unrealised profit	4,277	3,339
	201,519	233,664
iii) Group consolidation adjustments	(310,616)	(280,650)
Total Group retained earnings as per unaudited consolidated statement of financial position	2,988,803	2,632,468

K16 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 26 February 2014.