



FACB INDUSTRIES INCORPORATED BERHAD (48850-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
OTHER COMPREHENSIVE INCOME For The Second Quarter Ended 31 December 2013**
(The figures have not been audited)

	Current Quarter Ended 31/12/2013 RM'000	Comparative Quarter Ended 31/12/2012 RM'000	6 Months Cumulative To Date 31/12/2013 RM'000	6 Months Cumulative To Date 31/12/2012 RM'000
Continuing Operations				
Revenue	18,379	11,079	33,620	18,467
Direct operating costs	(13,002)	(6,796)	(23,808)	(11,601)
Gross profit	5,377	4,283	9,812	6,866
Other income	2,432	2,296	65,281	3,248
Operating expenses	(4,745)	(3,993)	(9,381)	(7,365)
Finance costs	-	(1)	-	(8)
Share of results of associates	1,400	1,210	2,391	2,216
Profit before taxation	4,464	3,795	68,103	4,957
Taxation	(798)	(753)	157	(4,811)
Net profit for the period from continuing operations	3,666	3,042	68,260	146
Discontinued Operations				
(Loss)/Profit from discontinued operations, net of tax (Note A12)	(73)	(3,650)	130	(4,855)
Net profit/(loss) for the period	3,593	(608)	68,390	(4,709)
Other comprehensive income				
Changes in fair value of available-for-sale ("AFS") investments	(10,549)	-	(10,549)	-
Exchange differences on translation of foreign operations	1	-	3	(5)
Total comprehensive income for the period	(6,955)	(608)	57,844	(4,714)
Profit/(Loss) attributable to:				
Owners of the parent	2,758	(1,216)	67,042	(5,591)
Non-controlling interests	835	608	1,348	882
	3,593	(608)	68,390	(4,709)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
OTHER COMPREHENSIVE INCOME For The Second Quarter Ended 31 December 2013 (Cont'd)**
(The figures have not been audited)

	Current Quarter Ended 31/12/2013 RM'000	Comparative Quarter Ended 31/12/2012 RM'000	6 Months Cumulative To Date 31/12/2013 RM'000	6 Months Cumulative To Date 31/12/2012 RM'000
Total comprehensive income attributable to:				
Owners of the parent	(7,790)	(1,216)	56,496	(5,596)
Non-controlling interests	835	608	1,348	882
	<u>(6,955)</u>	<u>(608)</u>	<u>57,844</u>	<u>(4,714)</u>
Earnings/(Loss) per share for profit/(loss) attributable to owners of the parent (sen):				
From continuing operations	3.34	2.53	79.77	(1.37)
From discontinued operations	(0.05)	(3.98)	0.15	(5.30)
	<u>3.29</u>	<u>(1.45)</u>	<u>79.92</u>	<u>(6.67)</u>
Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As At 31 December 2013**

	Unaudited	Audited
	As At 31/12/2013 RM'000	As At 30/06/2013 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	6,046	6,725
Capital work-in-progress	-	1,133
Associates	22,285	19,894
Available-for-sale investments	27,175	41
Deferred tax assets	1,000	1,000
	56,506	28,793
Current Assets		
Inventories	15,980	17,611
Trade and other receivables	17,238	54,801
Deposits, cash and bank balances	147,908	59,931
	181,126	132,343
Asset classified as held for sale	-	35,029
	181,126	167,372
Total Assets	237,632	196,165
EQUITY AND LIABILITIES		
Equity		
Share capital	85,163	85,163
Share premium	28,989	28,989
Treasury shares	(1,225)	(1,225)
Other reserves	(6,019)	5,510
Retained earnings	100,954	35,841
Equity attributable to owners of the parent	207,862	154,278
Non-controlling interests	16,606	15,181
Total equity	224,468	169,459
Non-Current Liability		
Deferred tax liabilities	192	1,601
	192	1,601
Current Liabilities		
Trade and other payables	11,749	24,129
Tax liabilities	1,223	976
	12,972	25,105
Total liabilities	13,164	26,706
Total Equity and Liabilities	237,632	196,165
Net Assets per share (RM)	2.48	1.84

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For The Period Ended 31 December 2013***(The figures have not been audited)*

	← Attributable to Owners of the Parent →					Total	Non-controlling Interests	Total Equity
	Share Capital	Treasury Shares	Share Premium	Other Reserves	Retained Earnings			
In RM'000								
Balance at 30 June 2013	85,163	(1,225)	28,989	5,510	35,841	154,278	15,181	169,459
Net profit for the period	-	-	-	-	67,042	67,042	1,348	68,390
Other comprehensive income								
- Changes in fair value of AFS investments	-	-	-	(10,549)	-	(10,549)	-	(10,549)
- Exchange differences on translation of foreign operations	-	-	-	3	-	3	-	3
Total comprehensive income for the period	-	-	-	(10,546)	67,042	56,496	1,348	57,844
Dividends paid	-	-	-	-	(2,013)	(2,013)	-	(2,013)
Dividend to non-controlling interest of a subsidiary	-	-	-	(16)	-	(16)	(169)	(185)
Derecognition of a subsidiary	-	-	-	(967)	84	(883)	246	(637)
Balance at 31 December 2013	85,163	(1,225)	28,989	(6,019)	100,954	207,862	16,606	224,468
Balance at 30 June 2012	85,163	(1,225)	28,989	4,831	43,813	161,571	22,657	184,228
Net (loss)/profit for the period	-	-	-	-	(5,591)	(5,591)	882	(4,709)
Other comprehensive income	-	-	-	(5)	-	(5)	-	(5)
Total comprehensive income for the period	-	-	-	(5)	(5,591)	(5,596)	882	(4,714)
Dividend to non-controlling interests of subsidiaries	-	-	-	-	-	-	(1,578)	(1,578)
Acquisition of non-controlling interest	-	-	-	-	-	-	(6,990)	(6,990)
Discount on acquisition of non-controlling interest	-	-	-	280	-	280	-	280
Balance at 31 December 2012	85,163	(1,225)	28,989	5,106	38,222	156,255	14,971	171,226

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Period Ended 31 December 2013

(The figures have not been audited)

	Current Period Ended 31/12/2013 RM'000	Comparative Period Ended 31/12/2012 RM'000
Cash Flows from Operating Activities		
Profit/(Loss) before taxation from - continuing operations	68,103	4,957
- discontinued operations	130	(4,724)
Adjustments for :-		
Share of results of associates	(2,391)	(2,216)
Depreciation of property, plant and equipment	321	2,221
Interest expense	-	574
Interest income	(2,618)	(1,622)
Gain on disposal of property, plant and equipment	(60,961)	-
Other non-cash items	(1,266)	851
Operating profit before working capital changes	1,318	41
Net changes in current assets	(778)	18,050
Net changes in current liabilities	(10,111)	7,843
Cash generated (used in)/from operations	(9,571)	25,934
Interest received	1,934	270
Income tax paid	(816)	(104)
Interest paid	-	(574)
Net cash (used in)/from operating activities	(8,453)	25,526
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(413)	(26)
Proceeds from disposal of property, plant and equipment	96,249	1
Acquisition of shares from non-controlling interest	-	(6,710)
Dividend received from associates	2,587	3,141
Net cash outflows on derecognition of a subsidiary	(8)	-
Net cash from/(used in) investing activities	98,415	(3,594)
Cash Flows from Financing Activities		
Repayment of borrowings	-	(13,188)
Dividends paid	(2,013)	-
Dividends paid to non-controlling interests by subsidiaries	(169)	(1,578)
Net cash used in financing activities	(2,182)	(14,766)
Net increase in cash and cash equivalents	87,780	7,166
Effects of exchange rate changes	197	(229)
Cash and cash equivalents at beginning of the period	59,931	25,113
Cash and cash equivalents at end of the period	147,908	32,050
Cash and cash equivalents comprise :-		
Cash and bank balances	6,979	4,581
Deposits with licensed financial institutions	140,929	25,275
Cash and cash equivalents classified as held for sale	-	2,194
	147,908	32,050

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013)

NOTES (IN COMPLIANCE WITH MFRS 134)**A1 Basis of Preparation**

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 on Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The unaudited condensed consolidated interim financial statements also comply with IAS 34 on Interim Financial Reporting issued by International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2013.

The explanatory notes to the interim financial statements 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.

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2013 except for the following:-

(i) Adoption of New and Revised MFRSs, Amendments to MFRSs and IC Interpretations which are effective for financial period beginning 1 January 2013

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119 (2011)	Employee Benefits
MFRS 127 (2011)	Separate Financial Statements
MFRS 128 (2011)	Investments in Associates and Joint Ventures
MFRS 3	Business Combinations (IFRS 3 issued by IASB in March 2004)
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)
Amendments to MFRS 1	Government Loans
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

Amendments to MFRSs and IC Interpretation contained in the document entitled “Annual Improvements 2009-2011 Cycle”

NOTES (IN COMPLIANCE WITH MFRS 134)**A1 Basis of Preparation (cont'd)****(ii) MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective**

The following are the MFRSs, Amendments to MFRSs and IC Interpretation that have been issued by the MASB but are not yet effective, and have yet to be adopted by the Group:-

		Effective for annual periods beginning on or after
Amendments to MFRS 10, 12 and 127	Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014
MFRS 9 (IFRS 9 (2009))	Financial Instruments (IFRS 9 issued by IASB in November 2009)	1 January 2015
MFRS 9 (IFRS 9 (2010))	Financial Instruments (IFRS 9 issued by IASB in October 2010)	1 January 2015

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretation is not expected to have any significant impact on the interim financial report in the period of initial application.

A2 Qualification of Financial Statements

The Group's most recent annual audited financial statements for the year ended 30 June 2013 was not qualified.

A3 Seasonal or Cyclical Factors

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

A4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year-to-date.

A5 Nature and Amount of Changes in Estimates

There were no changes in estimates of amounts reported in the previous interim period of the current financial year or changes in estimate of amounts reported in the previous financial years which have a material effect in the current quarter or the current financial year-to-date.

A6 Debt and Equity Securities

There were no issuance, repurchase and repayment of debts and equity securities during the current quarter. As at 31 December 2013, total shares repurchased were 1,279,700 and all the shares repurchased were held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

NOTES (IN COMPLIANCE WITH MFRS 134)**A7 Dividend Paid**

During the quarter ended 31 December 2013, a final dividend of 3.2% per ordinary share less 25% tax amounting to RM2,013,186 in respect of financial year ended 30 June 2013 was paid on 30 December 2013.

A8 Reportable Segments

	<u>Steel</u>	<u>Bedding</u>	<u>All Other Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
For Current Period					
Ended 31 December 2013					
Revenue from					
continuing operations:					
External revenue	11,561	22,059	-	-	33,620
Inter-segment revenue	-	-	22	(22)	-
	<u>11,561</u>	<u>22,059</u>	<u>22</u>	<u>(22)</u>	<u>33,620</u>
Revenue from					
discontinued operations	-	-	1,155	-	1,155
Total	<u>11,561</u>	<u>22,059</u>	<u>1,177</u>	<u>(22)</u>	<u>34,775</u>
Results from continuing operations:					
Interest income	24	38	2,554	-	2,616
Depreciation	135	178	1	-	314
Reportable segment (loss)/profit					
before taxation	(733)	2,235	64,210	-	65,712
Share of results of associates	-	151	2,240	-	2,391
(Loss)/Profit before taxation	<u>(733)</u>	<u>2,386</u>	<u>66,450</u>	<u>-</u>	<u>68,103</u>
Profit before taxation from					
discontinued operation	-	-	130	-	130
Total	<u>(733)</u>	<u>2,386</u>	<u>66,580</u>	<u>-</u>	<u>68,233</u>
For Comparative Period					
Ended 31 December 2012					
Revenue from					
continuing operations:					
External revenue	-	18,467	-	-	18,467
Inter-segment revenue	-	-	41	(41)	-
	<u>-</u>	<u>18,467</u>	<u>41</u>	<u>(41)</u>	<u>18,467</u>
Revenue from					
discontinued operations	56,390	3,496	7,960	-	67,846
Total	<u>56,390</u>	<u>21,963</u>	<u>8,001</u>	<u>(41)</u>	<u>86,313</u>

NOTES (IN COMPLIANCE WITH MFRS 134)**A8 Reportable Segments (cont'd)**

	<u>Steel</u>	<u>Bedding</u>	<u>All Other Segments</u>	<u>Eliminations</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
For Comparative Period					
Ended 31 December 2012					
Results from continuing operations:					
Interest income	1	34	1,566	-	1,601
Depreciation	468	228	-	-	696
Reportable segment (loss)/profit before taxation	(875)	1,386	2,230	-	2,741
Share of results of associates	-	231	1,985	-	2,216
(Loss)/Profit before taxation	(875)	1,617	4,215	-	4,957
(Loss)/Profit before taxation from discontinued operations	(4,038)	(1,099)	413	-	(4,724)
Total	(4,913)	518	4,628	-	233

A9 Material Events Subsequent to the End of the Quarter under Review

There was no material event from the end of the quarter under review to 20 February 2014 (the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report) that has not been reflected in the current quarter and financial year-to-date.

A10 Effect of Changes in the Composition of the Group

There was no changes in the composition of the Group during the current quarter and financial year-to-date.

A11 Changes in Contingent Liabilities or Contingent Assets

There was no contingent liabilities or contingent assets as at the date of this report which may have a material impact on the financial position of the Group.

A12 Discontinued Operations

In the previous financial year, the Group completed the disposal of its 100% equity interest in Kanzen Tetsu Sdn Bhd ("KTSB") and 51% equity interest in Dreamland Qingdao Pte Ltd ("DQ"). The comparative results of KTSB and DQ have been re-presented to show the discontinued operations, net of tax separately from continuing operations in the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income.

Nantong Dreamland Steel Products Co Ltd ("NDSP"), a 55%-owned subsidiary of Dreamland Spring Sdn Bhd ("DSS"), had ceased its operation in the previous financial year. The result of NDSP is presented separately in the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income as "Profit/(Loss) from discontinued operation, net of tax".

During the quarter under review, Dreamland Xian Pte Ltd ("DX"), a 52%-owned subsidiary of DSS, had been derecognised as the Group no longer governs the financial and operating policies of DX.

NOTES (IN COMPLIANCE WITH MFRS 134)**A12 Discontinued Operations (cont'd)**

The results of the discontinued operations were as follows:-

	Current Quarter Ended <u>31/12/2013</u> RM'000	Comparative Quarter Ended <u>31/12/2012</u> RM'000	6 Months Cumulative To Date <u>31/12/2013</u> RM'000	6 Months Cumulative To Date <u>31/12/2012</u> RM'000
Revenue	823	32,031	1,155	67,846
(Loss)/Profit before taxation	(73)	(3,545)	130	(4,724)
Taxation	-	(105)	-	(131)
Net (loss)/profit for the period from discontinued operations	(73)	(3,650)	130	(4,855)

The cashflows attributable to the discontinued operations were as follows:-

	Current Period Ended <u>31/12/2013</u> RM'000	Comparative Period Ended <u>31/12/2012</u> RM'000
Net cash from operating activities	946	11,667
Net cash from/(used in) investing activities	97	(23)
Net cash used in financing activities	(169)	(13,286)
Total cash flows	874	(1,642)

The effect of derecognition of DX on the financial position of the Group was as follows:-

	RM'000
Property, plant and equipment	1,645
Inventories	(108)
Trade and other receivables	376
Cash and bank balances	8
Trade and other payables	(2,285)
Tax liabilities	(4)
Net assets and liabilities	(368)
Add : Non-controlling interest	246
Less : Realisation of translation reserve	(883)
Share of net assets and liabilities	(1,005)
Gain on derecognition of a subsidiary	1,005
Less : Cash and bank balances derecognised	(8)
Net cash outflows on derecognition of a subsidiary	(8)

NOTES (IN COMPLIANCE WITH MFRS 134)**A13 Other Events**

On 16 July 2013, Kanzen Kagu Sdn Bhd, a wholly owned subsidiary of FACB Industries Incorporated Berhad ("FACBII") completed the disposal of a parcel of leasehold industrial land erected upon with two detached factories and other supporting structures ("the Property") for a total cash consideration of RM97.00 million.

FACBII had on 30 July 2013 mutually agreed with Karambunai Corp Bhd ("KCB") and Dapan Holdings Sdn Bhd ("DHSB") to extend the cut-off date until 31 January 2014 to fulfil the conditions as set out in the settlement agreement dated 6 December 2012 entered into between FACBII, KCB and DHSB in relation to the Proposed Capitalisation of debt owing by DHSB to FACBII. The Proposed Capitalisation of debt owing by DHSB to FACBII to be fully satisfied via the issuance of new ordinary shares of RM0.10 each in KCB to FACBII was approved by the shareholders by way of poll at the Extraordinary General Meeting held on 27 September 2013.

On 28 October 2013, FACBII announced that the debt settlement of RM37,683,036 owing by DHSB to FACBII has been fully settled via the issuance and allotment of a total of 339,181,242 Settlement Shares by KCB to FACBII, which were listed on the Main Market of Bursa Malaysia Securities Berhad with effect from 28 October 2013, marking the completion of the capitalisation of debt owing by DHSB to FACBII.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**B1 Performance Review for Continuing Operations****(a) Current Quarter vs Preceding Year Comparative Quarter**

For the current quarter, the Group reported a higher profit before taxation of RM4.46 million on the back of RM18.38 million in revenue as compared to a profit before taxation of RM3.80 million and revenue of RM11.08 million in the preceding year comparative quarter.

The bedding operations in Malaysia recorded higher profit before taxation achieved on the back of higher revenue as a result of active consumer promotions and higher institutional sales. The stainless steel fitting operation suffered a loss before taxation due to weak demand. Soft selling price and low volume resulted in marginal gross profit. Higher profit contribution from associates came from power plant operations.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**B1 Performance Review for Continuing Operations (cont'd)****(b) Current Period vs Preceding Year Comparative Period**

For the first half of the financial year, the Group reported a profit before taxation of RM68.10 million compared with RM4.96 million in the comparative first half of the preceding financial year. Revenue increased by 82% to RM33.62 million whilst gross profit margin was reduced to 29% against that of 37% in the comparative period.

The bedding operations in Malaysia achieved better profit before taxation driven by higher revenue with sustained gross profit margin. The stainless steel fitting operation posted a loss before taxation due to sluggish demand and soft selling price. Profit contribution from associates in China continued to be consistent. Higher profit in current period was mainly due to gain from disposal of the Property as disclosed in note A13.

B2 Material Change in the Profit Before Taxation as compared with the Immediate Preceding Quarter

The Group registered higher revenue of RM18.38 million for the current quarter compared with RM15.24 million registered in the immediate preceding quarter ended 30 September 2013 due to growth in bedding revenue. A lower profit before taxation of RM4.46 million versus RM63.64 million in the preceding quarter was recorded. Higher profit in preceding quarter was due to gain from disposal of the Property.

B3 Current Year Prospects

The Group expects to maintain positive results for the remaining quarters of the financial year ending 30 June 2014.

B4 Achievability of Forecast Profit

This note is not applicable.

B5 Variance of Actual Profit from Forecast Profit or Profit Guarantee

This note is not applicable.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**B6 Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit before taxation is arrived at after charging/(crediting):-

	Current Quarter Ended <u>31/12/2013</u> RM'000	Comparative Quarter Ended <u>31/12/2012</u> RM'000	6 Months Cumulative To Date <u>31/12/2013</u> RM'000	6 Months Cumulative To Date <u>31/12/2012</u> RM'000
<u>Continuing Operations:</u>				
Depreciation of property, plant and equipment	161	347	314	696
Gain on disposal of property, plant and equipment	-	-	(61,123)	-
Gain on derecognition of a subsidiary	(1,005)	-	(1,005)	-
(Gain)/Loss on foreign exchange	(252)	(74)	(440)	142
(Reversal)/Impairment loss On trade receivables	(48)	37	10	106
Interest income	(1,155)	(805)	(2,616)	(1,601)
<u>Discontinued Operations:</u>				
Bad debts written off	-	417	-	417
Depreciation of property, plant and equipment	4	756	7	1,525
(Gain)/Loss on disposal of property, plant and equipment	-	11	162	11
(Gain)/Loss on foreign exchange	2	(38)	3	99
Interest expense	-	257	-	574
Interest income	(1)	(5)	(2)	(21)
Net fair value loss/(gain) on derivatives	-	79	-	(80)

Apart from the above, there was no write off of inventories, impairment of assets and exceptional item for the current quarter and financial year-to-date.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**B7 Taxation**

Taxation comprises the following:-

	Current Quarter Ended 31/12/2013 RM'000	Comparative Quarter Ended 31/12/2012 RM'000	6 Months Cumulative To Date 31/12/2013 RM'000	6 Months Cumulative To Date 31/12/2012 RM'000
<u>Current tax</u>				
Current year - Malaysia	775	581	1,189	806
- Foreign	23	172	63	334
<u>Deferred tax</u>				
Reversal of temporary differences	-	-	(1,409)	3,671
Tax expense/(credit) from continuing operations	798	753	(157)	4,811
Discontinued operations:				
<u>Current tax</u>				
Current year - Malaysia	-	2	-	4
- Foreign	-	103	-	127
	-	105	-	131
Total tax expense/(credit)	798	858	(157)	4,942

The effective tax rate of the Group (excluding the share of results of associates) for the current period to date was lower than the statutory rate due principally to certain income which is not subject to tax.

B8 Status of Corporate Proposals

There was no outstanding corporate proposal that has been announced but not completed as at the date of this quarterly report.

B9 Group Borrowing

There was no borrowing as at 31 December 2013.

B10 Derivative Financial Instruments

The Group has no outstanding derivative financial instruments as at 31 December 2013.

B11 Changes in Material Litigation

The Group is not engaged in any material litigation as at the date of this report which will have a material effect on the financial position of the Group.

B12 Dividend Proposed or Declared

No interim dividend has been recommended by the Board of Directors in respect of the current quarter and financial year-to-date.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BMSB**B13 Earnings/(Loss) per Share**

The earnings/(loss) per share (basic) for the current quarter and financial year-to-date are calculated by dividing the Group's net profit/(loss) for the period attributable to owners of the parent with the weighted average number of shares in issue (excluding treasury shares) of 83,882,800.

	Current Quarter Ended <u>31/12/2013</u> RM'000	Comparative Quarter Ended <u>31/12/2012</u> RM'000	6 Months Cumulative To Date <u>31/12/2013</u> RM'000	6 Months Cumulative To Date <u>31/12/2012</u> RM'000
Net profit/(loss) attributable to owners of the parent				
- continuing operations	2,798	2,124	66,970	(1,146)
- discontinued operations	(40)	(3,340)	72	(4,445)
	<u>2,758</u>	<u>(1,216)</u>	<u>67,042</u>	<u>(5,591)</u>

B14 Realised and Unrealised Profits or Losses

	As at <u>31/12/2013</u> RM'000	As at <u>31/12/2012</u> RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	94,558	35,922
- Unrealised	431	(1,999)
	<u>94,989</u>	<u>33,923</u>
Total share of retained profits from associates		
- Realised	6,005	4,319
- Unrealised	-	-
	<u>100,994</u>	<u>38,242</u>
Consolidation adjustments	(40)	(20)
Total Group retained profits as per unaudited consolidated financial statements	<u>100,954</u>	<u>38,222</u>

By Order of the Board
FACB INDUSTRIES INCORPORATED BERHAD

LEE BOO TIAN (LS 0007987)
Group Company Secretary

Kuala Lumpur
Date : 26 February 2014