

**OLYMPIA INDUSTRIES BERHAD**

(Company no. 63026-U)

**Unaudited Condensed Consolidated Statement Of Comprehensive Income  
For the First Quarter Ended 30 September 2012**

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30 Sep 2012 Unaudited RM'000	30 Sep 2011 Unaudited RM'000	30 Sep 2012 Unaudited RM'000	30 Sep 2011 Audited RM'000
<b>1 Continuing Operations</b>				
Revenue	43,340	46,680	43,340	46,680
Operating expenses	(40,577)	(51,782)	(40,577)	(51,782)
Other income	3,339	6,000	3,339	6,000
Other expenses	(20,047)	(29,373)	(20,047)	(29,373)
<b>Operating loss</b>	<b>(13,945)</b>	<b>(28,475)</b>	<b>(13,945)</b>	<b>(28,475)</b>
Finance costs	(4,387)	(3,666)	(4,387)	(3,666)
<b>Loss before tax</b>	<b>(18,332)</b>	<b>(32,141)</b>	<b>(18,332)</b>	<b>(32,141)</b>
Income tax expense	(1,962)	597	(1,962)	597
<b>Loss net of tax</b>	<b>(20,294)</b>	<b>(31,544)</b>	<b>(20,294)</b>	<b>(31,544)</b>
<b>Other Comprehensive loss</b>				
Foreign currency translation	(3)	(7)	(3)	(7)
<b>Total Comprehensive Loss for the period</b>	<b>(20,297)</b>	<b>(31,551)</b>	<b>(20,297)</b>	<b>(31,551)</b>
<b>Loss attributable to:</b>				
Owners of the parent	(19,835)	(29,578)	(19,835)	(29,578)
Non-controlling interests	(459)	(1,966)	(459)	(1,966)
	(20,294)	(31,544)	(20,294)	(31,544)
<b>Total Comprehensive Loss attributable to:</b>				
Owners of the parent	(19,838)	(29,585)	(19,838)	(29,585)
Non-controlling interests	(459)	(1,966)	(459)	(1,966)
	(20,297)	(31,551)	(20,297)	(31,551)
<b>2 Loss per share attributable to owners of the parent (sen)</b>				
Basic/diluted	(2.6)	(3.8)	(2.6)	(3.8)

The Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the Interim Financial Statements .

**Unaudited Condensed Consolidated Statement Of Financial Position**  
**As at 30 September 2012**

	<b>30 September 2012</b> <b>Unaudited</b> <b>RM'000</b>	<b>30 June 2012</b> <b>Audited</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	5,330	5,171
Land held for property development	87,833	106,728
Investment properties	255,350	255,350
Investment in associates	-	233
Long term receivables	111,090	109,180
Deferred tax assets	2,389	2,404
	<b>461,992</b>	<b>479,066</b>
<b>Current Assets</b>		
Property development costs	197,878	197,624
Inventories	11,911	11,777
Amount due from associates, net	225	216
Amount due from affiliated companies, net	566	187
Trade and other receivables	54,999	69,630
Investment in securities	16,434	18,500
Trust monies	117,221	122,678
Cash and bank balances	26,323	33,497
	<b>425,557</b>	<b>454,109</b>
<b>TOTAL ASSETS</b>	<b>887,549</b>	<b>933,175</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	754,485	754,485
Irredeemable Convertible Bonds ("ICB")	7	7
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	280,824	280,824
Other Reserves	(224,642)	(224,639)
Accumulated losses	(417,144)	(397,309)
	<b>393,530</b>	<b>413,368</b>
<b>Non-controlling interests</b>	<b>39,969</b>	<b>40,428</b>
<b>TOTAL EQUITY</b>	<b>433,499</b>	<b>453,796</b>
<b>Non-Current Liabilities</b>		
Loans and borrowings	152,635	151,483
Deferred tax liabilities	350	386
	<b>152,985</b>	<b>151,869</b>
<b>Current Liabilities</b>		
Trade and other payables	200,743	229,573
Loans and borrowings	90,786	89,335
Tax payable	9,536	8,602
	<b>301,065</b>	<b>327,510</b>
<b>TOTAL LIABILITIES</b>	<b>454,050</b>	<b>479,379</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>887,549</b>	<b>933,175</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>0.52</b>	<b>0.55</b>

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the Interim Financial Statements .

# OLYMPIA INDUSTRIES BERHAD

(Company no. 63026-U)

## Unaudited Condensed Consolidated Statement Of Cash Flows For the Period Ended 30 September 2012

	3 Months Ended	
	30 Sep 2012 Unaudited RM'000	30 Sep 2011 Unaudited RM'000
<b>Operating Activities</b>		
Loss before tax	(18,332)	(32,141)
<u>Adjustments for :-</u>		
Interest income from:		
- fixed deposits	(451)	(879)
- unwinding of discount on long term receivables	(1,911)	(2,395)
Dividend income	(120)	(58)
Net loss on fair value changes on investment securities	2	8
Net changes in impairment on receivables	34	(1,260)
Net changes in impairment on investment in associates	233	(653)
Loss on disposal of investment securities	-	29,351
Depreciation on property, plant and equipment	326	399
Impairment loss on land held for property development	18,988	-
Amortisation of transaction costs on borrowings	827	-
Finance costs	4,387	3,666
Other non-cash items	(1)	1
	22,314	28,180
Operating cash flows before changes in working capital	3,982	(3,961)
<u>Changes in working capital</u>		
Increase in property development costs	(254)	(368)
Increase in land held for property development	(94)	-
(Increase)/decrease in inventories	(135)	1,256
Decrease in receivables	19,667	35,604
(Decrease)/increase in payables	(28,832)	34,282
Total changes in working capital	(9,648)	70,774
Cash flows (used in)/from operating activities	(5,666)	66,813
Interest paid	(3,269)	(75)
Income taxes paid	(1,048)	(2,303)
Net cash flows (used in)/from operating activities	(9,983)	64,435
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(484)	(300)
Purchase of investment securities	-	(3,500)
Proceeds from disposal of property, plant and equipment	-	64
Proceeds from disposal of investment securities	2,064	7,088
Interest received	451	879
Dividend income	120	58
Net cash flows from investing activities	2,151	4,289
<b>Financing Activities</b>		
Proceeds from borrowings	751	-
Redemption of debt instruments	-	(75,539)
Repayment of hire purchase payables	(93)	(55)
Net cash flows from/(used in) financing activities	658	(75,594)
Net decrease in Cash and Cash Equivalents	(7,174)	(6,870)
Cash and Cash Equivalents at beginning of period	33,497	38,780
Cash and Cash Equivalents at end of the period	26,323	31,910
Cash and cash equivalents at the end of the financial period comprise the following:		
	RM'000	RM'000
Deposits with financial institutions	17,380	24,838
Cash and bank balances	8,943	7,072
	26,323	31,910

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the Interim Financial Statements .

**OLYMPIA INDUSTRIES BERHAD**

(Company no. 63026-U)

**Unaudited Condensed Consolidated Statement Of Changes In Equity**  
 For the Period Ended 30 September 2012

	Attributable to owners of the parent						Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Non-distributable reserves			Merger Deficit RM'000	Accumulated Losses RM'000			Total RM'000
		*Other Reserves RM'000	Equity Component of						
		ICULS RM'000	ICB RM'000						
Balance at 1 July 2012	754,485	9,245	280,824	7	(233,884)	(397,309)	413,368	40,428	453,796
Total Comprehensive Loss	-	(3)	-	-	-	(19,835)	(19,838)	(459)	(20,297)
Balance at 30 September 2012	754,485	9,242	280,824	7	(233,884)	(417,144)	393,530	39,969	433,499

**\*Other Reserves**

	Asset Revaluation Reserve RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	**Capital Reserve RM'000	Total RM'000
Balance at 1 July 2012	84	5,950	1,611	1,600	9,245
Total Comprehensive Loss	-	-	(3)	-	(3)
Balance at 30 September 2012	84	5,950	1,608	1,600	9,242

**Unaudited Condensed Consolidated Statement Of Changes In Equity**  
 For the Corresponding Period Ended 30 September 2011

	Attributable to owners of the parent						Non-Controlling Interests RM'000	Total Equity RM'000		
	Share Capital RM'000	*Other Reserves RM'000	Equity Component of			Merger Deficit RM'000			Accumulated Losses RM'000	Total RM'000
			ICULS RM'000	ICB RM'000	RCCPS-B RM'000					
Balance at 1 July 2011	770,704	8,486	269,923	128,384	22,989	(233,884)	(310,455)	656,147	10,735	666,882
Total Comprehensive Loss	-	(7)	-	-	-	-	(29,578)	(29,585)	(1,966)	(31,551)
Transaction with owners										
Conversion of ICULS	38	1	(45)	-	-	-	1	(5)	-	(5)
Cancellation of ICB	-	-	-	(53,639)	-	-	(14,130)	(67,769)	-	(67,769)
ICULS held by a subsidiary now disposed to third parties	-	-	32,731	-	-	-	-	32,731	-	32,731
	38	1	32,686	(53,639)	-	-	(14,129)	(35,043)	-	(35,043)
Balance at 30 September 2011	770,742	8,480	302,609	74,745	22,989	(233,884)	(354,162)	591,519	8,769	600,288

**\*Other Reserves**

	Asset Revaluation Reserve RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	**Capital Reserve RM'000	Total RM'000
Balance at 1 July 2011	84	5,344	1,458	1,600	8,486
Total Comprehensive Loss	-	-	(7)	-	(7)
Transaction with owners					
Conversion of ICULS	-	1	-	-	1
Balance at 30 September 2011	84	5,345	1,451	1,600	8,480

\*\* The capital reserve arose from the issuance of shares in a subsidiary at a premium to minority shareholders.

# OLYMPIA INDUSTRIES BERHAD

(Company no. 63026-U)

## Notes To The Unaudited Interim Financial Statements For The Period Ended 30 September 2012

### **Part A - Explanatory Notes Pursuant to FRS 134**

#### **A1 Basis of Preparation**

The Interim Financial Statements are unaudited and have been prepared in accordance with the requirement of FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012. These explanatory notes attached 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 since the year ended 30 June 2012.

#### **A2 Changes in Accounting Policies**

- i) The accounting policies and methods of computation for the Interim Financial Statements are consistent with those adopted for the annual audited financial statements ended 30 June 2012 except for the following standards and interpretations that are applicable to the Group's operations with effective from 1 July 2012:

FRS 124:	Related Party Disclosures
Amendments to FRS 1:	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7:	Transfers of Financial Assets
Amendments to FRS 112:	Deferred Tax: Recovery of Underlying Assets
Amendments to FRS 101:	Presentation of Items of Other Comprehensive Income

Adoption of the the above standards and interpretations are expected to have no significant impact on the financial statements of the Group.

- ii) **Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (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 (MFRS 141) and IC Interpretation 15: Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein defined as "Transitioning Entities").

On 4 July 2012, the MASB has allowed Transitioning Entities to defer the adoption of the MFRS Framework to annual period beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its MFRS financial statements for the year ending 30 June 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the period ended 30 September 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 June 2015.

#### **A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 30 June 2012 was not qualified.

#### **A4 Comments about Seasonal or Cyclical Factors**

The Group's business operations are not significantly affected by any seasonal and cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period to date.

**A6 Changes in Estimates**

There were no material changes in estimates of amounts reported in prior quarters of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

**A7 Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current quarter.

**A8 Dividend Paid**

No dividend has been paid and/or recommended for the current financial period to date.

**A9 Segmental Information****Results for 3 months ended 30 September 2012:**

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External customers	1,645	-	35,386	6,309	-	43,340
Inter-segment	-	-	2,198	1,536	(3,734)	-
Total revenue	1,645	-	37,584	7,845	(3,734)	43,340
<b>Results</b>						
Segment results	(1,492)	(20,111)	4,123	5,876	(2,341)	(13,945)
Finance costs	-	(2,487)	(2)	(4,382)	2,484	(4,387)
Profit/(loss) before tax	(1,492)	(22,598)	4,121	1,494	143	(18,332)
Income tax expense	(149)	-	(1,086)	(280)	(447)	(1,962)
Profit/(loss) for the year	(1,641)	(22,598)	3,035	1,214	(304)	(20,294)

**Comparative results for 3 months ended 30 September 2011:**

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External customers	1,996	2,807	35,599	6,278	-	46,680
Inter-segment	-	-	2,211	1,558	(3,769)	-
Total revenue	1,996	2,807	37,810	7,836	(3,769)	46,680
<b>Results</b>						
Segment results	(8,666)	112	320	5,514	(25,755)	(28,475)
Finance costs	(403)	(2,325)	(3)	(3,600)	2,665	(3,666)
Profit/(loss) before tax	(9,069)	(2,213)	317	1,914	(23,090)	(32,141)
Income tax expense	-	-	-	682	(85)	597
Profit/(loss) for the year	(9,069)	(2,213)	317	2,596	(23,175)	(31,544)

**A10 Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 30 June 2012.

**A11 Subsequent Events**

There were no material events subsequent to the end of the current financial period to date except for the following:

A wholly-owned subsidiary of the Company, Naturelle Sdn Bhd, had during the period from 22 October 2012 to 30 November 2012, disposed of the following parcels of land for an aggregate cash consideration of RM6,400,000 to Pribumi Kiaramas Sdn Bhd :

Date of SPA	Description of Land	Consideration (RM'000)
22 October 2012	2 parcels of 99 years leasehold land (expiring on 26 June 2091) held under Title Nos. H.S. (D) 3560-3561, PT 634-635, Mukim Kenaboi, Daerah Jelebu, Negeri Sembilan measuring 82.513 hectares (203.894 acres)	2,200
30 November 2012	4 parcels of 99 years leasehold land (expiring on 26 June 2091) held under Title Nos. H.S. (D) 3953-3956, PT 1027-1030, Mukim Kenaboi, Daerah Jelebu, Negeri Sembilan measuring 170.646 hectares (421.675 acres)	4,200

**A12 Changes in Composition of the Group**

There were no changes in the composition of the Group for the current financial period to date.

**A13 Changes in Contingent Liabilities and Contingent Assets**

There were no changes in other contingent liabilities and contingent assets since the last statement of financial position as at 30 June 2012.

**A14 Capital Commitments**

There is no Capital Commitments contracted but not provided for in the interim financial statements as at 30 September 2012.

**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Bhd****B1 Performance Review**For the First 3-months Quarter

The Group's revenue declined by RM3.4 million to RM43.3 million from RM46.7 million in the previous year's corresponding quarter and this was mainly due to lower revenue from the property division as compared to previous year. Gaming division remained the main contributor to the Group, which contributed RM35.4 million or 82% revenue to the Group for the quarter under review.

The Group reported a loss before tax of RM18.3 million as compared to a loss before tax of RM32.1 million in the previous year. The higher loss in previous year quarter was mainly due to the loss of RM29.4 million arising from the scheduled mandatory disposal of investment securities by the financial services division pursuant to the Modified Workout Proposal of Jupiter Securities Sdn Bhd.

The Gaming division has improved the Group's performance by increasing profit before tax of RM3.8 million to RM4.1 million from RM0.3 million reported previously due to much lower prizes payout rate and increase in the number of draws for the current quarter.

**B2 Comparison with Preceding Quarter's Results**

The Group's current quarter loss before tax was recorded at RM18.3 million as compared to operating loss of RM3.6 million in the preceding quarter ended 30 June 2012. The higher loss for the current quarter was mainly due to the impairment loss of RM 19.0 million on land held for property development. However, the gaming division has improved its profit by RM3.7 million to RM4.1 million as compared to RM0.4 million in the preceding quarter.

**B3 Commentary on Prospects**

Taking into consideration of uncertainty of global economy, the Group's result for the financial year ending 30 June 2013 is expected to be impacted materially by the impairment loss on land held for property development. The gaming division is expected to continue improve its profits by maintaining its market share.

**B4 Variance from Profit Forecast/Profit Guarantee**

Not applicable in this quarterly report.

**B5 Income Tax Expense**

Tax charges/credits comprise:

	Current quarter 3 months ended 30 Sep 2012 RM'000	Cumulative quarter 3 months ended 30 Sep 2012 RM'000
Current tax expense	1,910	1,910
Deferred tax expense	52	52
Total income tax expense	<u>1,962</u>	<u>1,962</u>

The Group's effective tax rate for the current quarter and cumulative year-to-date was higher than the statutory tax rate principally due to losses in certain subsidiaries that are not available for set-off against taxable profits in other subsidiaries within the Group and the certain interest expense and other expenses which were not allowed for tax deduction.

**B6 Loss before tax**

Included in the loss before tax are the following items:

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 Sep 2012	30 Sep 2011	30 Sep 2012	30 Sep 2011
	RM'000	RM'000	RM'000	RM'000
Interest income	(2,362)	(3,274)	(2,362)	(3,274)
Interest expense	4,387	3,666	4,387	3,666
Dividend income	(120)	(58)	(120)	(58)
Net fair value changes on investment securities	2	8	2	8
Net changes in impairment on receivables	34	(1,260)	34	(1,260)
Net changes in impairment on investment in associates	233	(653)	233	(653)
Loss on disposal of investment securities	-	29,351	-	29,351
Depreciation on property, plant and equipment	326	399	326	399
Amortisation of transaction costs on borrowings	827	-	827	-
Impairment loss on land held for property development	18,988	-	18,988	-

**B7 Loss Per Share****(a) Basic**

Basic loss per share amount is calculated by dividing loss for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period.

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 Sep 2012	30 Sep 2011	30 Sep 2012	30 Sep 2011
Loss net of tax attributable to owners of parent (RM'000)	(19,835)	(29,578)	(19,835)	(29,578)
Weighted average number of ordinary shares in issue ('000)	754,485	770,736	754,485	770,736
Basic loss per share (Sen)	<u>(2.6)</u>	<u>(3.8)</u>	<u>(2.6)</u>	<u>(3.8)</u>

**(b) Diluted**

The effects of the dilution per share on the basis of the assumed conversion for ICULS, ICB and Warrants have not been included as the effects are anti-dilutive.

**B8 Corporate Proposals**

On 28 June 2012, the Company had obtained approval from its shareholders for the proposed cancellation of 48,360,000 ordinary shares of RM1.00 each in the Company issued in relation to the acquisition of 78% equity interest in Harta Sekata Sdn Bhd. The Cancellation of Shares has taken effect on 23 October 2012 with the lodgement of the Court Order with the Companies' Commission of Malaysia.

**B9 Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this report.



**B10 Material Litigation**

The list of material litigation is attached as Annexure 1.

**B11 Dividend Payable**

No ordinary dividend has been declared for the financial period ended 30 September 2012 (30 September 2011: Nil).

**B12 Interest-bearing Loans and Borrowings**

As at 30 September 2012, the Group borrowings are as follows :

	Secured Short Term Borrowings	Secured Long Term Borrowings	Total
	RM'000	RM'000	RM'000
Term loans/Restructured term loans	69,241	152,029	221,270
Debts instruments	19,698	-	19,698
Bank overdraft	1,490	-	1,490
Hire purchase payables	357	606	963
	<u>90,786</u>	<u>152,635</u>	<u>243,421</u>

**B13 Breakdown of Realised and Unrealised Accumulated Losses**

	Current Quarter Ended 30 June 2012 RM'000	Previous Financial Year Ended 30 June 2012 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(1,827,520)	(1,740,155)
- Unrealised	38,645	38,621
	<u>(1,788,875)</u>	<u>(1,701,534)</u>
Total share of retained earnings from associates:		
- Realised	287	287
	<u>(1,788,588)</u>	<u>(1,701,247)</u>
Add: Consolidation Adjustments	1,371,444	1,303,938
Accumulated losses as per financial statements	<u>(417,144)</u>	<u>(397,309)</u>

**B14 Status of the Proposed Disposal of Companies**

Other than the disposal of land of MA Realty Sdn Bhd in the previous financial year ended 30 June 2011, and the disposal of certain parcels of land of Naturelle Sdn Bhd in the next quarter, the Company did not enter into any agreement to dispose part or the entire equity interest in MA Realty Sdn Bhd, Naturelle Sdn Bhd and Harta Sekata Sdn Bhd during the quarter.

On behalf of the Board

**OLYMPIA INDUSTRIES BERHAD**

Lim Yoke Si  
Company Secretary

Kuala Lumpur  
30 November 2012