

Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Four Quarter Ended 30 June 2014

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	30 June 2014 Unaudited RM'000	30 June 2013 Unaudited RM'000	30 June 2014 Unaudited RM'000	30 June 2013 Audited RM'000
1 Continuing Operations				
Revenue	41,781	41,163	171,580	178,686
Operating expenses	(40,202)	(9,468)	(148,005)	(143,095)
Other income	1,961	3,430	25,167	17,889
Other expenses	(7,700)	(51,980)	(28,966)	(108,511)
Operating profit/(loss)	(4,160)	(16,855)	19,776	(55,031)
Finance costs	(5,452)	(2,058)	(19,245)	(18,115)
Profit/(loss) before tax	(9,612)	(18,913)	531	(73,146)
Income tax expense	(1,337)	(3,753)	(4,182)	(8,304)
Profit/(loss) net of tax	(10,949)	(22,666)	(3,651)	(81,450)
Other comprehensive income/(loss)				
Foreign currency translation	(109)	46	97	21
Total comprehensive income/ (loss) for the period	(11,058)	(22,620)	(3,554)	(81,429)
Profit/(loss) attributable to:				
Owners of the parent	(10,617)	(22,358)	(3,059)	(79,234)
Non-controlling interests	(332)	(308)	(592)	(2,216)
	(10,949)	(22,666)	(3,651)	(81,450)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(10,726)	(22,312)	(2,962)	(79,213)
Non-controlling interests	(332)	(308)	(592)	(2,216)
	(11,058)	(22,620)	(3,554)	(81,429)
2 Earnings/(loss) per share attributable to owners of the parent (sen)				
Basic/diluted	(1.0)	(2.7)	(0.3)	(9.7)

The Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the Interim Financial Statements .

Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2014

	30 June 2014 Unaudited RM'000	30 June 2013 Audited RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	18,272	4,935
Land held for property development	201,375	217,739
Investment properties	260,280	255,350
Investment in associates	-	-
	479,927	478,024
Current Assets		
Property development costs	37,482	37,470
Inventories	10,939	10,852
Amount due from associates, net	231	227
Amount due from affiliated companies, net	-	788
Trade and other receivables	121,188	149,772
Investment in securities	11,177	17,658
Cash and bank balances	38,143	34,236
	219,160	251,003
TOTAL ASSETS	699,087	729,027
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	1,023,432	1,023,432
Other Reserves	(219,453)	(219,550)
Accumulated losses	(477,393)	(474,334)
	326,586	329,548
Non-controlling interests	37,620	38,212
TOTAL EQUITY	364,206	367,760
Non-Current Liabilities		
Loans and borrowings	109,451	177,994
Deferred tax liabilities	485	358
	109,936	178,352
Current Liabilities		
Trade and other payables	93,971	110,138
Amount due to affiliated companies, net	4,636	922
Loans and borrowings	121,030	63,672
Tax payable	5,308	8,183
	224,945	182,915
TOTAL LIABILITIES	334,881	361,267
TOTAL EQUITY AND LIABILITIES	699,087	729,027
Net assets per share attributable to owners of the parent (RM)	0.32	0.32

The Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 June 2014

	12 Months Ended	
	30 June 2014 Unaudited RM'000	30 June 2013 Audited RM'000
Operating Activities		
Profit/(Loss) before tax	531	(73,146)
Adjustments for :-		
Interest income from:		
- fixed deposits	(1,976)	(2,174)
- unwinding of discount on long term receivables	(5,832)	(9,988)
Unrealised (gain)/ loss on foreign exchange	22	(65)
Reversal of impairment loss on receivables	(481)	(1,111)
Fair value gain on investment properties	(430)	-
Gain on disposal of property, plant & equipment, net	(1)	(1,138)
Dividend income	(397)	(444)
Net loss/(gain) on fair value changes on investment securities	(9)	(3)
Impairment loss on receivables	2,323	759
Bad debts written off	6	32
Depreciation on property, plant and equipment	2,107	1,118
Property, plant and equipment written off	3	2
Impairment loss on land held for property development	-	17,522
Impairment loss on investment in associates	-	233
Loss on disposal of investment securities	-	30,888
Gain on disposal of investment in a subsidiary	(5,806)	-
Amortisation of transaction costs on borrowings	1,936	2,952
Write back of payables	-	(243)
Finance costs	19,245	18,115
Loss on disposal of land held for property development	-	23,283
	10,710	79,738
Operating cash flows before changes in working capital	11,241	6,592
Changes in working capital		
Increase in property development costs	(50)	(512)
Increase in land held for property development	(12)	-
(Increase)/decrease in inventories	(89)	925
Net changes in affiliated companies balances	4,503	321
(Increase)/decrease in receivables	25,404	39,346
Net changes in associated companies balances	(4)	(11)
Increase/(decrease) in payables	(2,387)	(122)
Total changes in working capital	27,365	39,947
Cash flows from operating activities	38,606	46,539
Interest paid	(19,245)	(18,115)
Income taxes paid	(6,919)	(6,534)
Net cash flows (used in)/from operating activities	12,442	21,890
Investing Activities		
Purchase of property, plant and equipment	(15,436)	(1,244)
Purchase of investment properties	(4,500)	-
Proceeds from disposal of investment securities	56,162	8,677
Proceeds from disposal of land held for property development	-	8,850
Proceeds from disposal of property, plant & equipment	1	1,503
Purchase of investment securities	(49,673)	(3,654)
Proceeds from disposal of subsidiary company	15,647	-
Interest received	1,976	2,174
Dividend received	397	444
Net cash flows from investing activities	4,574	16,750
Financing Activities		
Proceeds from borrowings	34,209	36,766
Repayment of borrowings	(47,044)	(276)
Redemption of debt instruments	-	(77,701)
Net movement in trust monies for dealers' representatives	340	(83)
Net movement in fixed deposits with licensed banks	(7,014)	1,000
Repayment of hire purchase payables	(303)	(358)
Net cash flows from/(used in) financing activities	(19,812)	(40,652)
Net (decrease)/increase in Cash and Cash Equivalents	(2,796)	(2,012)
Cash and Cash Equivalents at beginning of year	32,403	34,415
Effect of changes in exchange rate	29	-
Cash and Cash Equivalents at end of the year	29,636	32,403
Cash and cash equivalents at the end of the financial period comprise the following:		
	RM'000	RM'000
Deposits with financial institutions	19,413	22,783
Cash and bank balances	10,223	9,620
	29,636	32,403

The Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 and the accompanying explanatory notes attached to the Interim Financial Statements .

Unaudited Condensed Consolidated Statement of Changes in Equity
For the Period Ended 30 June 2014

	Attributable to owners of the parent				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	*Other Reserves RM'000	Merger Deficit RM'000	Accumulated Losses RM'000			
Balance at 1 July 2013	1,023,432	14,334	(233,884)	(474,334)	329,548	38,212	367,760
Total comprehensive income/(loss)	-	97	-	(3,059)	(2,962)	(592)	(3,554)
Balance at 30 June 2014	1,023,432	14,431	(233,884)	(477,393)	326,586	37,620	364,206

*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 2013	84	11,018	1,632	1,600
Total comprehensive income/(loss)	-	-	97	-	97
Balance at 30 June 2014	84	11,018	1,729	1,600	14,431

Audited Condensed Consolidated Statement of Changes in Equity
For the Corresponding Period Ended 30 June 2013

	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 income/(loss)	-	21	-	-	-	(79,234)	(79,213)	(2,216)	(81,429)
Transaction with owners									
Conversion of ICULS	268,939	5,068	(280,580)	-	-	6,573	-	-	-
Cancellation of ICULS	-	-	(32,779)	-	-	(4,363)	(37,142)	-	(37,142)
Conversion of ICB	8	-	-	(7)	-	(1)	-	-	-
Reversal of deferred tax assets	-	-	(261)	-	-	-	(261)	-	(261)
ICULS held by a subsidiary now disposed to third party	-	-	32,796	-	-	-	32,796	-	32,796
	268,947	5,068	(280,824)	(7)	-	2,209	(4,607)	-	(4,607)
Balance at 30 June 2013	1,023,432	14,334	-	-	(233,884)	(474,334)	329,548	38,212	367,760

*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
Total comprehensive income/(loss)	-	-	21	-	21
Transaction with owners					
Conversion of ICULS	-	5,068	-	-	5,068
Balance at 30 June 2013	84	11,018	1,632	1,600	14,334

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

* Other reserves represent non-distributable reserves

OLYMPIA INDUSTRIES BERHAD

(Company no. 63026-U)

Notes To The Unaudited Interim Financial Statements For The Year Ended 30 June 2014

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 MFRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market 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 2013. 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 2013.

A2 Changes in Accounting Policies

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 2013 except for the following standards and interpretations that are applicable to the Group's operations with effective from 1 July 2013:

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

MFRS 3: Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)

MFRS 10: Consolidated Financial Statements

MFRS 11: Joint Arrangements

MFRS 12: Disclosures of Interests in Other Entities

MFRS 13: Fair Value Measurement

MFRS 119: Employee Benefits (revised)

MFRS 127: Separate Financial Statements

MFRS 128: Investments in Associates and Joint Ventures

Amendments to IC Interpretation 2: Members' shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)

IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine

Amendments to MFRS 7: Financial Instruments: Disclosure-Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards-Government Standards-Government Loans

Amendments to MFRS 116: Property, Plant and (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

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

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2013 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 Dividend Paid

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

A8 Segmental Information

Results for 12 months ended 30 June 2014

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External customers	8,177	-	137,141	26,262	-	171,580
Inter-segment	-	-	8,528	8,705	(17,233)	-
Total revenue	8,177	-	145,669	34,967	(17,233)	171,580
Results						
Segment results	(2,306)	(5,638)	7,354	16,934	3,432	19,776
Finance costs	-	(13,738)	(4)	(16,134)	10,631	(19,245)
Profit/(loss) before tax	(2,306)	(19,376)	7,350	800	14,063	531
Income tax expense	-	255	(2,005)	(2,432)	-	(4,182)
Profit/(loss) for the year	(2,306)	(19,121)	5,345	(1,632)	14,063	(3,651)

Comparative results for 12 months ended 30 June 2013

	Financial Services	Property Development	Gaming	Investment Holding and others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External customers	6,568	998	147,240	23,880	-	178,686
Inter-segment	-	-	9,134	7,282	(16,416)	-
Total revenue	6,568	998	156,374	31,162	(16,416)	178,686
Results						
Segment results	(7,512)	(47,071)	13,921	(30,484)	16,115	(55,031)
Finance costs	-	(11,666)	(8)	(16,375)	9,934	(18,115)
Profit/(loss) before tax	(7,512)	(58,737)	13,913	(46,859)	26,049	(73,146)
Income tax expense	(186)	(106)	(3,527)	(4,510)	25	(8,304)
Profit/(loss) for the year	(7,698)	(58,843)	10,386	(51,369)	26,074	(81,450)

A9 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 2013.

A10 Subsequent Events

There were no material events subsequent to the end of the quarter ended 30 June 2014.

A11 Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter ended 30 June 2014.

A12 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 2013.

A13 Capital Commitments

There is no Capital Commitments contracted but not provided for in the interim financial statements as at 30 June 2014.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Bhd

B1 Performance Review

For the Current Quarter

The Group's revenue increased by RM0.6 million to RM41.8 million from RM41.2 million in the previous year's corresponding quarter and this was mainly due to higher revenue from the investment holdings division and trading division as compared to previous year. Gaming division remain the main contributor to the Group, which contributed RM30.8 million or 74% revenue to the Group for the quarter.

The Group reported a loss before tax of RM9.6 million as compared to a loss before tax of RM18.9 million in the previous year corresponding quarter, this was mainly due to decrease of impairment loss on land held for property development division and reduction of losses for financial services division and trading division.

For 12 months ended 30 June 2014

The Group's revenue declined by RM7.1 million to RM171.6 million from RM178.7 million in the previous year and this was mainly due to lower revenue recorded by gaming division.

The Group recorded a profit before tax of RM0.5 million compared with a loss before tax of RM73.1 million in the previous year which was mainly due to the followings:

- gain on disposal of a wholly-owned sub-subsidiary, namely Miles And Miles Leisure Sdn Bhd by RM5.9 million in current year;
- absence of loss on disposal of land held for property development amounting to RM23.3 million and impairment loss on land held for property development amounting to RM17.5 million under property development division which were incurred in the previous financial year; and
- absence of loss of RM30.9 million due to scheduled mandatory disposal of investment securities by financial services division pursuant to the Modified Workout Proposal ("MWP") in the previous financial year.

B2 Comparison with Preceding Quarter's Results

The Group's current quarter loss before tax was recorded at RM9.6 million as compared to an operating profit of RM10.5 million in the preceding quarter. The loss is mainly due to financial year end adjustments to operating expenses, increase in provision for doubtful debts and additional depreciation and interest expenses for the year.

B3 Commentary on Prospects

Taking into consideration the uncertainty of global economy, the Group's result for the financial year ended 30 June 2015 is expected to be better than previous financial year. The gaming division and financial services division are expected to 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 June 2014 RM'000	Cumulative quarter 12 months ended 30 June 2014 RM'000
Current tax expense	1,210	4,055
Deferred tax expense	127	127
Total income tax expense	<u>1,337</u>	<u>4,182</u>

The Group's effective tax rate for the 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 Profit/(loss) before tax

Included in the profit/(loss) before tax is arrived after charging/(crediting) the following items:

	Current Quarter 3 months ended		Cumulative Quarter 12 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Interest income	(1,996)	(2,008)	(7,808)	(12,162)
Unrealised loss on foreign exchange	8	(65)	22	(65)
Interest expense	5,452	2,058	19,245	18,115
Dividend income	(77)	(116)	(397)	(444)
(Gain)/loss on fair value changes on investment securities	4	(4)	(9)	(3)
Depreciation on property, plant and equipment	1,303	252	2,107	1,118
Property, plant and equipment written off	1	3	3	-
Gain on disposal of property, plant & equipment	(1)	(6)	(1)	(1,138)
Impairment loss on receivables	1,995	276	2,323	759
Bad debts written off	6	32	6	-
Amortisation of transaction costs on borrowings	(1,613)	445	1,936	2,952
Impairment loss on investment in associates	-	-	-	233
Gain on disposal of investment in subsidiaries	5,001	-	(5,806)	-
Loss on disposal of investment securities	-	-	-	30,888
Reversal of impairment loss on receivables	619	(110)	(481)	(1,111)
Net changes in impairment on amount due from associates	-	1	-	-
Reversal of write back/(write back) of payables	106	(243)	-	(243)
Fair value gain on investment properties	(430)	-	(430)	-
Loss on disposal of land held for property development	-	23,283	-	23,283
Impairment loss on land held for property development	-	(5,832)	-	17,522

B7 Earnings/(loss) Per Share**Basic**

Basic earnings/(loss) per share amount is calculated by dividing loss for the period, 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 12 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
Earnings/(loss) net of tax attributable to owners of parent (RM'000)	(10,617)	(22,358)	(3,059)	(79,234)
Weighted average number of ordinary shares in issue ('000)	1,023,432	754,485	1,023,432	754,485
Basic earnings/(loss) per share (Sen)	(1.0)	(3.0)	(0.3)	(10.5)

B8 Corporate Proposals

On 10 January 2014, the Company entered into an agreement with City Properties Sdn Bhd ("CPSB") and Rodem Sdn Bhd ("Rodem") for an extension of time for the settlement of RM55.3 million out of the original settlement sum of RM125.0 million ("Settlement Sum") owing by CPSB to the Company and the RM55.3 million to be set-off against the sale of fifteen (15) units of condominium together with forty eight (48) car park bays which are part of the project known as 9 Madge ("Proposed Settlement"), which is owned and being developed by Rodem.

The shareholders of the Company have approved the Proposed Settlement at the Extraordinary General Meeting held on 8 April 2014. Other than the above, there were no corporate proposals announced during the quarter under review.

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 June 2014 (30 June 2013: Nil).

B12 Interest-bearing Loans and Borrowings

As at 30 June 2014, the Group borrowings are as follows :

	Secured Short Term Borrowings	Secured Long Term Borrowings	Total
	RM'000	RM'000	RM'000
Term loans	120,671	109,254	229,925
Bank overdraft	166	-	166
Hire purchase payables	193	197	390
	<u>121,030</u>	<u>109,451</u>	<u>230,481</u>

B13 Breakdown of Realised and Unrealised Accumulated Losses

	Current Quarter Ended 30 June 2014 RM'000	Previous Financial Year Ended 30 June 2013 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(1,883,485)	(1,892,830)
- Unrealised	43,489	43,659
	<u>(1,839,996)</u>	<u>(1,849,171)</u>
Total share of retained earnings from associates:		
- Realised	287	287
	<u>(1,839,709)</u>	<u>(1,848,884)</u>
Add: Consolidation Adjustments	1,362,316	1,374,550
Accumulated losses as per financial statements	<u>(477,393)</u>	<u>(474,334)</u>

On behalf of the Board
OLYMPIA INDUSTRIES BERHAD

Lim Yoke Si
Company Secretary

Kuala Lumpur
27 August 2014