



# **LION CORPORATION BERHAD**

(Incorporated in Malaysia)

(12890-A)

## **Interim Financial Report for the Fourth Quarter Ended 30 June 2013**

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# LION CORPORATION BERHAD (12890-A)

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2013

(The figures have not been audited)

### CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
<b>Revenue</b>		<b>738,784</b>	<b>949,047</b>	<b>2,597,792</b>	<b>3,235,355</b>
Operating expenses		<b>(755,041)</b>	(1,029,213)	<b>(2,805,391)</b>	(3,462,799)
Other operating income		<b>1,851</b>	22,926	<b>30,169</b>	47,953
<b>Loss from operations</b>		<b>(14,406)</b>	<b>(57,240)</b>	<b>(177,430)</b>	<b>(179,491)</b>
Gain on debts settlement, net of divestment and impairment losses	23(k)	<b>97,207</b>	(140,000)	<b>97,207</b>	(140,000)
Finance costs		<b>(55,169)</b>	(51,818)	<b>(276,254)</b>	(273,580)
Share in results of associates		<b>(6)</b>	(25,865)	<b>3,936</b>	(4,545)
<b>Profit/(Loss) before taxation</b>	23	<b>27,626</b>	<b>(274,923)</b>	<b>(352,541)</b>	<b>(597,616)</b>
Taxation	16	<b>(43,008)</b>	23,284	<b>21,763</b>	72,879
Net loss for the financial period		<b>(15,382)</b>	(251,639)	<b>(330,778)</b>	(524,737)
Attributable to:					
- Owners of the Company		<b>9,907</b>	(235,273)	<b>(247,939)</b>	(461,207)
- Non-controlling interests		<b>(25,289)</b>	(16,366)	<b>(82,839)</b>	(63,530)
Net loss for the financial period		<b>(15,382)</b>	(251,639)	<b>(330,778)</b>	(524,737)
Earnings/(Loss) per share attributable to owners of the Company:					
- Basic (sen)	21	<b>0.75</b>	(17.88)	<b>(18.84)</b>	(67.63)
- Diluted (sen)	21	<b>N/A</b>	N/A	<b>N/A</b>	N/A

(The Condensed Consolidated Income Statement 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)

# LION CORPORATION BERHAD (12890-A)

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2013

(The figures have not been audited)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
<b>Net loss for the financial period</b>	<b>(15,382)</b>	<b>(251,639)</b>	<b>(330,778)</b>	<b>(524,737)</b>
<u>Other Comprehensive Income/(Loss)</u>				
- Translation difference on net equity of foreign subsidiaries and other movements	(1,612)	(1,246)	(1,555)	(5,306)
- Net loss on fair value changes on available-for-sale financial assets	(98)	(82)	(86)	(151)
- Share of other comprehensive (loss)/income of associates	(30,059)	34,983	(29,080)	4,308
Other comprehensive (loss)/income for the financial period, net of tax	(31,769)	33,655	(30,721)	(1,149)
<b>Total comprehensive loss for the financial period</b>	<b>(47,151)</b>	<b>(217,984)</b>	<b>(361,499)</b>	<b>(525,886)</b>
Attributable to:				
- Owners of the Company	(20,291)	(201,618)	(277,089)	(462,356)
- Non-controlling interests	(26,860)	(16,366)	(84,410)	(63,530)
	<b>(47,151)</b>	<b>(217,984)</b>	<b>(361,499)</b>	<b>(525,886)</b>

*(The Condensed 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)*

**LION CORPORATION BERHAD** (12890-A)  
(Incorporated in Malaysia)

**Interim financial report for the fourth quarter ended 30 June 2013**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 30.6.2013</b>	<b>AS AT 30.6.2012</b>
		RM'000	RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		2,517,292	2,657,556
Land held for property development		1,560	5,988
Goodwill		188,978	298,978
Investment in associates		52,610	963,540
Investment securities		4,376	10,425
Deferred tax assets		326,082	301,319
		<b>3,090,898</b>	<b>4,237,806</b>
<b>Current Assets</b>			
Property development costs		5,930	3,702
Inventories		853,188	949,245
Investment securities		25,225	45,111
Receivables and tax recoverable		186,207	292,804
Deposits, cash and bank balances		151,537	129,839
		<b>1,222,087</b>	<b>1,420,701</b>
Non-current assets classified as held for sale		9,829	-
		<b>1,231,916</b>	<b>1,420,701</b>
<b>TOTAL ASSETS</b>		<b>4,322,814</b>	<b>5,658,507</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		1,316,199	1,316,199
Reserves		(1,102,491)	(825,402)
Equity attributable to owners of the Company		<b>213,708</b>	<b>490,797</b>
Non-controlling interests		(42,453)	41,957
Total equity		<b>171,255</b>	<b>532,754</b>
<b>Non-Current Liabilities</b>			
Preference shares		111,000	111,000
Loans and borrowings	18	176,060	279,647
Bonds and debts	18	744,385	1,172,076
Deferred tax liabilities		1,965	3,674
Deferred liabilities		2,739	2,587
		<b>1,036,149</b>	<b>1,568,984</b>
<b>Current Liabilities</b>			
Payables		2,243,277	2,221,622
Loans and borrowings	18	871,842	1,030,977
Bonds and debts	18	-	304,066
Tax payable		291	104
		<b>3,115,410</b>	<b>3,556,769</b>
<b>Total Liabilities</b>		<b>4,151,559</b>	<b>5,125,753</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,322,814</b>	<b>5,658,507</b>
Net assets per share attributable to owners of the Company (RM) (Excluding equity component and warrants reserve)		<b>0.15</b>	<b>0.35</b>

*(The Condensed 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)*

# LION CORPORATION BERHAD (12890-A)

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2013

(The figures have not been audited)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Accumulated Losses RM'000			
<b>30 June 2013</b>							
At 1 July 2012	1,316,199	97,685	191,067	(1,114,154)	490,797	41,957	532,754
Total comprehensive loss for the financial year	-	-	(29,150)	(247,939)	(277,089)	(84,410)	(361,499)
Realisation of equity component of RCSLS *	-	-	(21,442)	21,442	-	-	-
<b>At 30 June 2013</b>	<b>1,316,199</b>	<b>97,685</b>	<b>140,475</b>	<b>(1,340,651)</b>	<b>213,708</b>	<b>(42,453)</b>	<b>171,255</b>
<b>30 June 2012</b>							
At 1 July 2011	1,900,950	97,685	374,719	(2,169,008)	204,346	105,616	309,962
Total comprehensive income/ (loss) for the financial year	-	-	3,550	(465,906)	(462,356)	(63,530)	(525,886)
Capital reconstruction	(1,520,760)	-	-	1,520,760	-	-	-
Shares issued pursuant to settlement of scheme creditors	936,009	-	(187,202)	-	748,807	-	748,807
Dividend paid to non-controlling interest	-	-	-	-	-	(129)	(129)
<b>At 30 June 2012</b>	<b>1,316,199</b>	<b>97,685</b>	<b>191,067</b>	<b>(1,114,154)</b>	<b>490,797</b>	<b>41,957</b>	<b>532,754</b>

\* RCSLS : Redeemable Convertible Secured Loan Stocks

(The Condensed Consolidated Statement of Changes in Equity 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)

# LION CORPORATION BERHAD (12890-A)

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## Interim financial report for the fourth quarter ended 30 June 2013

(The figures have not been audited)

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.6.2013 RM'000	30.6.2012 RM'000
<b>OPERATING ACTIVITIES</b>		
Loss before taxation	(352,541)	(597,616)
Adjustments for:		
Non-cash items	68,640	335,581
Non-operating items	265,341	269,493
Operating (loss)/profit before working capital changes	(18,560)	7,458
Changes in working capital:		
Net changes in assets	189,951	(125,060)
Net changes in liabilities	(86,169)	382,030
Tax paid and others	818	(5,314)
	<b>86,040</b>	<b>259,114</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(13,026)	(14,646)
Proceeds from redemption of investments	4,359	12,134
Proceeds from disposal of an associate	79,500	-
Dividend received	2,637	8,691
Others	(11)	1,941
	<b>73,459</b>	<b>8,120</b>
<b>FINANCING ACTIVITIES</b>		
Redemption of bonds and debts	(56,166)	(35,567)
Loans and borrowings	(52,615)	(131,523)
Others (mainly interest paid)	(31,304)	(92,302)
	<b>(140,085)</b>	<b>(259,392)</b>
Net changes in cash & cash equivalents	19,414	7,842
Effects of changes in exchange rates	(3)	206
Cash & cash equivalents at beginning of the financial year	117,882	109,834
Cash & cash equivalents at end of the financial year	<b>137,293</b>	<b>117,882</b>

(The Condensed 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)

# LION CORPORATION BERHAD (12890-A)

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2013

(The figures have not been audited)

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS

#### 1. Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with the Financial Reporting Standard ("FRS") 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 2012. These explanatory notes 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 financial year ended 30 June 2012.

The significant accounting policies adopted in the interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2012 except for the adoption of the following FRSs effective for the financial period beginning 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*

The adoption of the above mentioned FRSs did not have any significant effect on the financial performance, position or presentation of financials of the Group.

#### 2. Comments about seasonal or cyclical factors

Apart from the steel industry, which may be subject to severe fluctuation in steel prices, the Group's performance is generally not materially affected by any seasonal or cyclical factors.

#### 3. Unusual items due to their nature, size or incidence

Other than as disclosed in Note 23, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year-to-date.

#### 4. Changes in estimates

There were no changes in estimates that have had a material effect on the current quarter and financial year-to-date results.

## 5. Debt and equity securities

During the financial year, the Company has:

- (i) redeemed part of its LCB Bonds amounting to RM806.2 million;
- (ii) repaid part of its LCB Debt amounting to USD1.4 million; and
- (iii) repaid part of its LCB RCCLS amounting to RM291.2 million,

at approximately RM0.23/USD0.23 for every RM1.00/USD1.00 present value LCB Bonds/LCB Debt/LCB RCCLS held by the lenders.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date.

## 6. Dividends paid

There were no dividends paid during the current quarter and financial year-to-date.

## 7. Segmental information

The Group's segmental information for the financial year-to-date was as follows:

	<u>Steel</u>	<u>Property</u>	<u>Furniture</u>	<u>Others</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
Total sales	2,527,771	50,935	27,685	206	<b>2,606,597</b>
Inter-segment sales	(8,767)	-	(21)	(17)	<b>(8,805)</b>
External sales	<u>2,519,004</u>	<u>50,935</u>	<u>27,664</u>	<u>189</u>	<b><u>2,597,792</u></b>
<u>Results</u>					
Segment (loss)/profit	(201,552)	21,419	(1,451)	(2,824)	<b>(184,408)</b>
Interest and investment income					<b>6,978</b>
Loss from operations					<b>(177,430)</b>
Gain on debts settlement, net of divestment and impairment losses					<b>97,207</b>
Finance costs					<b>(276,254)</b>
Share in results of associates					<b>3,936</b>
Loss before taxation					<b><u>(352,541)</u></b>
<u>Total Assets</u>					
Segment assets	3,731,869	123,296	27,283	47,253	<b>3,929,701</b>
Investment in associates					<b>52,610</b>
Non-current assets classified as held for sale					<b>9,829</b>
Unallocated corporate assets					<b>330,674</b>
Consolidated total assets					<b><u>4,322,814</u></b>



**8. Subsequent events**

Other than as disclosed in Note 17(a), there were no material events subsequent to the end of the current quarter.

**9. Changes in composition of the Group**

During the financial year, the Group has completed the disposal of its 26.4% equity interest in Lion Industries Corporation Berhad ("LICB"), an associated company and as a result, LICB is no longer an associated company of the Group.

Other than the above, there were no material changes in the composition of the Group during the financial year-to-date.

**10. Changes in contingent liabilities and contingent assets**

- a) On 22 April 2010, a Writ of Summons was filed against Megasteel Sdn Bhd ("Megasteel") and the marketing general manager of Megasteel, in respect of a claim for RM20 million for defamation. The court had on 16 October 2012, after a final hearing, dismissed the defamation suit.
- b) On 26 July 2011, a Writ of Summons was filed against Megasteel on a declaration that Megasteel is the alter ego to Lion Blast Furnace Sdn Bhd, a related party in respect of a claim of RM19.4 million, inclusive of loss and expenses. The High Court had on 13 December 2012 struck off the case. The Court of Appeal had on 30 July 2013, after a final hearing, dismissed the appeal filed by Mutiara Etnik Sdn Bhd against the grant of the striking out application at the High Court.

Other than the above, there were no material changes in contingent liabilities or contingent assets since 30 June 2012.

**11. Performance review**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
<b>Revenue</b>				
Steel	708,794	937,013	2,519,004	3,163,616
Property	23,432	3,911	50,935	38,669
Furniture	6,551	8,122	27,664	32,871
Others	7	1	189	199
	<b>738,784</b>	<b>949,047</b>	<b>2,597,792</b>	<b>3,235,355</b>
<b>Segment Profit/(Loss)</b>				
Steel	(22,994)	(65,029)	(201,552)	(208,846)
Property	7,308	1,648	21,419	17,002
Furniture	(486)	(384)	(1,451)	57
Others	(943)	2,257	(2,824)	3,664
	<b>(17,115)</b>	<b>(61,508)</b>	<b>(184,408)</b>	<b>(188,123)</b>

For the financial year under review, the Group posted a 20% lower revenue of RM2.60 billion as compared to RM3.24 billion a year ago. This was mainly attributed to the lower sales volume for flat **steel** products in both the domestic and overseas markets for the larger part of the financial year under review. However, a lower operating loss was reported in the current financial year mainly due to a RM7 million foreign exchange gain as against RM14 million foreign exchange loss in the previous year.

The **Property** Division reported higher progress billings for the financial year under review whilst the contribution of the **Furniture** Division remains negligible to the Group. The losses reported in the "**Others**" Division arose mainly from the foreign exchange loss and corporate expenses.

**12. Comment on material change in profit**

	<b>Current Year Quarter</b>	<b>Immediate Preceding Quarter</b>
	<b>30.6.2013</b>	<b>31.3.2013</b>
	RM'000	RM'000
Revenue	<b>738,784</b>	727,415
Loss from operations	<b>(14,406)</b>	(44,536)
Profit/(Loss) before taxation	<b>27,626</b>	(106,529)

For the quarter under review, the Group registered a higher revenue of RM739 million and lower loss from operations of RM14 million as compared to the immediate preceding quarter. The improvement was mainly contributed by the brief increase in steel demand following the implementation of measures by the Government in February 2013 prior to the steel market correction towards the end of the quarter under review.

Our property operation continued to report encouraging performance for the quarter under review. Together with the one-off exceptional net gain as detailed in Note 23(k), the Group recorded a profit before taxation of RM28 million.

**13. a) Prospects**

Since the implementation of the new steel policy which was effected on 1 February 2013, the market has improved gradually up to May 2013. However, the market situation deteriorated towards the end of June 2013 and competitive pressure has intensified. As a result, the operating environment is expected to remain challenging in the coming financial year in view of the uncertainties surrounding the recovery of the global economy, continued dumping activities by foreign exporters and the pressure of rising costs. The Group will continue to work with the authorities to plug the loopholes and leakages in order to enable the local steel industry to grow and expand in an orderly manner.

**b) Forecast or target previously announced**

The disclosure requirements are not applicable for the current quarter and financial year-to-date.

**14. Statement of the Board of Directors' opinion on achievement of forecast or target**

The disclosure requirements are not applicable for the current quarter and financial year-to-date.

**15. Profit forecast or profit guarantee**

No profit forecast or profit guarantee was published.

**16. Taxation**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2013</b>	<b>30.6.2012</b>	<b>30.6.2013</b>	<b>30.6.2012</b>
	RM'000	RM'000	RM'000	RM'000
Taxation comprises :				
Income tax	<b>(1,747)</b>	1,082	<b>(4,708)</b>	(2,388)
Deferred tax	<b>(41,261)</b>	22,202	<b>26,471</b>	75,267
	<b>(43,008)</b>	<b>23,284</b>	<b>21,763</b>	<b>72,879</b>

After excluding the share in results of associates, the effective tax rate of the Group for the current quarter and financial year-to-date were different from the Malaysian statutory tax rate mainly due to certain income/expenses which were not taxable/deductible for tax purposes.

**17. Corporate proposals**(a) Status of corporate proposals

There were no corporate proposals for the current quarter under review.

(b) Status of utilisation of proceeds from corporate proposals

Please refer to Appendix 1.

**18. Borrowings and debt securities**

The Group's borrowings as at the end of the reporting period were as follows:

	<b>Short Term</b>	<b>Long Term</b>	<b>Total</b>
	RM'000	RM'000	RM'000
<u>Loans and Borrowings</u>			
Secured	814,481	176,060	<b>990,541</b>
Unsecured	57,361	-	<b>57,361</b>
	<u>871,842</u>	<u>176,060</u>	<b><u>1,047,902</u></b>
<u>Bonds and Debts</u>			
Secured	-	744,385	<b>744,385</b>
Total	<u>871,842</u>	<u>920,445</u>	<b><u>1,792,287</u></b>

The Group's borrowings and debt securities were denominated in the following currencies:

	<b>Foreign Currency</b>	
	'000	RM'000
- Ringgit Malaysia	-	1,474,286
- US Dollar	100,189	<u>318,001</u>
		<b><u>1,792,287</u></b>

**19. Changes in material litigation**

Megasteel Sdn Bhd ("Megasteel"), a subsidiary of the Company, had entered consent judgement with Tenaga Nasional Berhad ("TNB") for Megasteel to pay RM213.3 million to TNB as full and final settlement of the amount due to TNB in nine equal monthly instalments of RM23.7 million each, commencing 31 July 2013.

Other than the above, there was no material litigation since 30 June 2012.

**20. Dividend proposed**

The Board of Directors does not recommend any dividend for the current quarter and financial year-to-date.

**21. Earnings/(Loss) per share****Basic**

Basic earnings/(loss) per share is calculated by dividing the net earnings/(loss) for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in the Company in issue during the financial period.

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
Net earnings/(loss) attributable to owners of the Company (RM'000)	<b>9,907</b>	(235,273)	<b>(247,939)</b>	(461,207)
Weighted average number of ordinary shares in issue: ('000)				
Issued shares at beginning of the period	<b>1,316,199</b>	1,900,950	<b>1,316,199</b>	1,900,950
Effect of capital reconstruction	-	(1,520,760)	-	(1,520,760)
	<b>1,316,199</b>	380,190	<b>1,316,199</b>	380,190
Effect of shares issued pursuant to settlement of creditors	-	936,009	-	301,773
	<b>1,316,199</b>	1,316,199	<b>1,316,199</b>	681,963
Basic earnings/(loss) per share (sen)	<b>0.75</b>	(17.88)	<b>(18.84)</b>	(67.63)

**Diluted**

The diluted earnings/(loss) per share is not presented as the unexercised warrants and redeemable convertible secured loan stocks have no dilutive effect as the exercise and conversion prices are above the average market value of the Company's shares.

**22. Auditors' report on preceding annual financial statements**

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

**23. Profit/(Loss) before taxation**

Profit/(Loss) before taxation is arrived at after crediting/(charging) the following income/(expenses):

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
(a) Interest income	2,693	4,246	6,952	8,610
(b) Other income including investment income but excluding foreign exchange gain	3,402	2,209	15,782	13,477
(c) Interest expense	(55,169)	(51,818)	(276,254)	(273,580)
(d) Depreciation and amortisation	(35,741)	(35,551)	(142,524)	(141,951)
(e) Provision for and write off of receivables	-	(72)	-	(72)
(f) Provision for and write off of inventories	(19,280)	(9,233)	(21,637)	(9,233)
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Impairment of asset (Disclosed in (k))	-	-	-	-
(i) Foreign exchange gain/(loss)	(4,845)	(23,753)	6,834	(14,358)
(j) Gain/(Loss) on derivatives	-	-	-	-
(k) Exceptional items:				
- Gain on debts settlement (Note 5)	847,166	-	847,166	-
- Loss on disposal of an associate (Note 9)	(575,958)	-	(575,958)	-
- Impairment loss on investments	(64,001)	-	(64,001)	-
- Impairment loss on goodwill	(110,000)	(140,000)	(110,000)	(140,000)
	97,207	(140,000)	97,207	(140,000)

**24. Disclosure of realised and unrealised profits/losses**

	AS AT	AS AT
	30.6.2013 RM'000	30.6.2012 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
- Realised	(359,342)	(903,173)
- Unrealised	353,700	323,025
	(5,642)	(580,148)
Total share of (accumulated losses) / retained profits from associates:		
- Realised	(412,472)	242,201
- Unrealised	2,653	(860)
	(415,461)	(338,807)
Less: Consolidation adjustments (Mostly goodwill amortised & impaired)	(925,190)	(775,347)
Total Group accumulated losses	(1,340,651)	(1,114,154)

**LION CORPORATION BERHAD** (12890-A)

(Incorporated in Malaysia)

**Interim financial report for the fourth quarter ended 30 June 2013**

(The figures have not been audited)

**PROPOSED DIVESTMENT PROGRAMME ("PDP")**(i) Status of the assets to be divested

Stages of the Assets to be divested	PDP (Per GWRS)	Divestment Concluded Total	Amount Received (Jan - Dec 2013)		
			Current Quarter	Year- to-date	Projected Full Year
	RM'million	RM'million	RM'million	RM'million	RM'million
<b>By December 2003</b> Shares in listed and unlisted companies	33.3	2.7	-	-	-
<b>By December 2004</b> Shares in unlisted companies	38.6	13.0	-	-	-
	71.9	15.7	-	-	-

(ii) Transactions completed during the quarter

There were no transactions completed during the quarter.

(iii) Utilisation of the divestment proceeds received

This note is not applicable.

(iv) Plans to overcome any projected shortfall

The Group is actively looking for potential buyers for its assets/companies under the PDP. Where necessary, the Group will divest other assets which are not under the PDP to redeem/repay the LCB Bonds/LCB Debt/LCB RCSLS.