



MULTI-PURPOSE HOLDINGS BERHAD
(24217 - M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
for the 9 months ended 30 September 2011
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		9 months ended	
	30 Sept 2011	30 Sept 2010	30 Sept 2011	30 Sept 2010
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue	822,281	846,139	2,621,950	2,700,207
Cost of sales	(644,076)	(659,526)	(2,026,534)	(2,124,630)
Gross profit	178,205	186,613	595,416	575,577
Other income	7,483	30,508	49,793	75,555
Administrative expenses	(17,061)	(15,841)	(54,871)	(49,632)
Other expenses	(33,263)	(32,819)	(97,087)	(115,644)
Operating profit	135,364	168,461	493,251	485,856
Finance costs	(39,290)	(33,728)	(104,646)	(96,833)
Share of profits of associates	1,623	1,294	4,615	3,095
Profit before tax	97,697	136,027	393,220	392,118
Income tax expense	(34,990)	(11,056)	(96,106)	(70,428)
Profit for the period from continuing operations	62,707	124,971	297,114	321,690
Discontinued operations				
Profit for the period from discontinued operations	1,750	1,527	5,765	6,374
Profit for the period	64,457	126,498	302,879	328,064
Attributable to:				
Owners of the Company	63,241	86,498	221,889	214,828
Minority interests	1,216	40,000	80,990	113,236
Profit for the period	64,457	126,498	302,879	328,064
Earnings per share ("EPS") attributable to owners of the Company (sen):				
Basic, for profit from continuing operations	5.0	7.9	17.7	19.4
Basic, for profit from discontinued operations	0.1	0.1	0.5	0.6
Basic EPS	5.1	8.0	18.2	20.0
Profit for the period	64,457	126,498	302,879	328,064
Other comprehensive income				
Foreign currency translation	-	2	2	2
Change in fair value of available-for-sale ("AFS") assets	(4,624)	3,878	663	6,929
Total comprehensive income for the period	59,833	130,378	303,544	334,995
Total comprehensive income attributable to:				
Owners of the Company	58,617	90,378	222,583	221,821
Minority interests	1,216	40,000	80,961	113,174
Total comprehensive income for the period	59,833	130,378	303,544	334,995

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011

	(UNAUDITED) AS AT 30 Sept 2011 RM'000	(AUDITED) AS AT 31 Dec 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	163,079	195,489
Investment properties	506,353	643,091
Associated companies	106,136	106,621
Investment securities	1,076,253	205,575
Receivables	14,966	14,966
Intangible assets	2,892,385	2,892,964
Reinsurance assets	354,333	352,148
Deferred tax assets	97,530	111,683
	<u>5,211,035</u>	<u>4,522,537</u>
Current assets		
Inventories	4,140	5,189
Receivables	416,392	432,425
Tax recoverable	97,875	164,603
Investment securities	484,033	520,446
Short term deposits	813,734	541,256
Cash and bank balances	76,257	121,339
	<u>1,892,431</u>	<u>1,785,258</u>
Asset held for sale	173,757	-
TOTAL ASSETS	<u>7,277,223</u>	<u>6,307,795</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	1,437,749	1,077,749
Treasury shares	(17,657)	(17,657)
Reserves	1,469,103	1,307,363
Shareholders' equity	<u>2,889,195</u>	<u>2,367,455</u>
Minority interests	303,267	556,628
Total equity	<u>3,192,462</u>	<u>2,924,083</u>
Non-current liabilities		
Borrowings	2,190,016	1,715,453
Redeemable Convertible Unsecured Loan Stocks	398,614	437,276
Deferred tax liabilities	17,165	22,962
Provision for retirement benefits	663	679
Derivative financial instruments	8,667	16,885
Insurance contract liabilities	644,768	619,948
	<u>3,259,893</u>	<u>2,813,203</u>
Current liabilities		
Payables	730,043	542,387
Borrowings	58,446	5,773
Tax payable	36,379	22,349
	<u>824,868</u>	<u>570,509</u>
Total liabilities	<u>4,084,761</u>	<u>3,383,712</u>
TOTAL EQUITY AND LIABILITIES	<u>7,277,223</u>	<u>6,307,795</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>2.02</u>	<u>2.22</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2011

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	OTHER RESERVES RM'000	TREASURY SHARES RM'000	RETAINED PROFITS RM'000	MINORITY INTERESTS RM'000	TOTAL RM'000
At 1 January 2010	1,077,749	681,390	45,521	(12,117)	373,549	439,366	2,605,458
Effect arising from adoption of FRS 139	-	-	-	-	(23,621)	(19,331)	(42,952)
Profit for the period	-	-	-	-	214,828	113,236	328,064
Other comprehensive income	-	-	6,931	-	-	(86)	6,845
Dividends paid	-	-	-	-	(72,095)	(6,237)	(78,332)
Purchase of treasury shares	-	-	-	(5,539)	-	-	(5,539)
Acquisition of additional shares in a subsidiary	-	-	-	-	-	(138)	(138)
Disposal of a subsidiary	-	-	-	-	-	(860)	(860)
At 30 September 2010	1,077,749	681,390	52,452	(17,656)	492,661	525,950	2,812,546
At 1 January 2011	1,077,749	681,390	48,102	(17,657)	577,871	556,628	2,924,083
Profit for the period	-	-	-	-	221,889	80,990	302,879
Other comprehensive income	-	-	278	-	-	(29)	249
Dividends paid	-	-	-	-	(93,549)	(685)	(94,234)
Acquisition of additional shares in subsidiaries	-	-	(424,472)	-	-	(331,733)	(756,205)
Issuance of ordinary shares	360,000	731,718	(273,600)	-	-	-	818,118
Redemption of loan stock	-	-	(524)	-	-	(1,904)	(2,428)
At 30 September 2011	1,437,749	1,413,108	(650,216)	(17,657)	706,211	303,267	3,192,462

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2011

	9 months ended	
	30 Sept 2011 RM'000	30 Sept 2010 RM'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		
Continuing operations	393,220	392,118
Discontinued operations	7,687	7,880
	<u>400,907</u>	<u>399,998</u>
Adjustments for:		
Non-cash items	35,302	16,758
Non-operating items	68,066	47,090
	<u>504,275</u>	<u>463,846</u>
Operating profit before changes in working capital	504,275	463,846
Changes in working capital:		
Net change in current assets	26,015	(10,325)
Net change in current liabilities	142,194	71,633
	<u>672,484</u>	<u>525,154</u>
Cash generated from operations	672,484	525,154
Income tax paid	(8,913)	(102,346)
Retirement benefit paid	(554)	-
	<u>663,017</u>	<u>422,808</u>
Net cash generated from operating activities	663,017	422,808
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(7,992)	(7,564)
Investment properties	(12,996)	-
Other and short term investments	(756,610)	(220,582)
Interest paid	(104,646)	(96,833)
Interest income	24,882	34,343
	<u>(857,362)</u>	<u>(290,636)</u>
Net cash used in investing activities	(857,362)	(290,636)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders	(93,549)	(72,095)
Dividends paid to minority interests	(685)	(6,237)
Repurchase of treasury shares	-	(5,539)
Borrowings	512,255	(143,000)
	<u>418,021</u>	<u>(226,871)</u>
Net cash generated from / (used in) financing activities	418,021	(226,871)
NET CHANGE IN CASH AND CASH EQUIVALENTS	223,676	(94,699)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	580,941	757,909
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>804,617</u></u>	<u><u>663,210</u></u>
Cash and cash equivalents consist of :		
Deposits, cash and bank balances	889,991	764,815
Bank overdrafts	(1,780)	(4,302)
Cash deposits pledged	(27,313)	(33,131)
Clients' money held in trust	(51,259)	(60,316)
Remisiers' deposits held in trust	(5,022)	(3,856)
	<u><u>804,617</u></u>	<u><u>663,210</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010.)

A EXPLANATORY NOTES PURSUANT TO FRS134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and Chapter 9 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 31 December 2010.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2010 except for the mandatory adoption of the following new FRS, Amendments to FRS and Interpretations with effect from 1 January 2011.

Adoption of New and Revised FRS, IC Interpretations and Amendments

Amendments to FRS 1 First-time Adoption of Financial Reporting Standards
Amendments to FRS 3 Business Combinations
Amendments to FRS 7 Financial Instruments: Disclosures
Amendments to FRS 101 Presentations of Financial Statements
Amendments to FRS 121 The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128 Investments in Associates
Amendments to FRS 132 Financial Instruments: Presentation
Amendments to FRS 134 Interim Financial Reporting
Amendments to FRS 139 Financial Instruments: Recognition and Measurement
Improvements to FRS issued in 2010
IC Interpretation 4 Determining Whether an Arrangement Contains a Lease

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

A2 Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 31 December 2010 was not qualified.

A3 Seasonal or Cyclical Factors

The business operations of the Group are generally dependent on the state of the overall economic environment.

A4 Segmental Information

	3 months ended		9 months ended	
	30 Sept 2011 RM'000	30 Sept 2010 RM'000	30 Sept 2011 RM'000	30 Sept 2010 RM'000
Segmental Revenue				
Gaming	744,248	772,325	2,390,848	2,486,689
Stockbroking	6,503	6,736	22,527	21,337
Financial services	60,289	56,191	178,007	163,618
Corporate & others	12,977	13,469	69,365	34,000
	824,017	848,721	2,660,747	2,705,644
Eliminations	(1,736)	(2,582)	(38,797)	(5,437)
Continuing operations	822,281	846,139	2,621,950	2,700,207
Discontinued operations	5,741	4,564	17,020	14,476
Total	828,022	850,703	2,638,970	2,714,683
Segmental Results				
Gaming	85,564	89,111	311,592	291,406
Stockbroking	1,985	6,235	12,992	7,013
Financial services	17,652	17,728	50,667	41,017
Corporate & others	12,670	40,386	107,094	102,909
	117,871	153,460	482,345	442,345
Eliminations	(20,174)	(17,433)	(89,125)	(50,227)
Continuing operations	97,697	136,027	393,220	392,118
Discontinued operations	2,334	2,037	7,687	7,880
Profit Before Tax	100,031	138,064	400,907	399,998

A5 Accounting Estimates

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

A6 Dividend Paid

During the current financial quarter, the Company had paid a final dividend of 5% less 25 % tax in respect of financial year ended 31 December 2010 on 15 August 2011.

A7 Carrying Amount of Revalued Assets

The valuations of land have been brought forward, without amendment, from the previous annual audited financial statements.

A8 Changes in Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review.

A9 Contingent Liabilities

As at 23 November 2011, the Board is not aware of any other material contingent liabilities which have become enforceable or are likely to become enforceable which will affect the ability of the Company or any of its subsidiaries to meet its obligations as and when they fall due other than in the normal course of business, whereby the insurance and stockbroking subsidiary companies make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

A10 Material Subsequent Events

There were no material subsequent events since the end of the current quarter until a date not earlier than 7 days from the date of issuance of this quarterly report.

A11 Changes in Composition of the Group

There were no significant changes in the composition of the Group during the period under review.

A12 Unusual Items Affecting Interim Financial Report

There were no unusual items affecting the interim financial report of the Group for the current quarter under review.

B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of Performance of the Group

3Q 2011 vs 3Q 2010

The Group's profit before tax and minority interests from continuing operations for the current quarter (3Q 2011) decreased by 28.2 % to RM97.7 million when compared to RM136.0 million achieved in the previous corresponding financial quarter (3Q 2010). The main difference in the other income was caused by fair value adjustments under FRS139. In view of the current economic environment, the net changes in the fair value for the current quarter were lower.

The profit before tax and minority interests of the Gaming Division at RM85.6 million in 3Q 2011 has dropped slightly by RM 3.5 million as compared to the profit before tax of RM89.1 million achieved in 3Q 2010. Less draws and higher payout ratio has adversely affected the 3Q 2011 results.

Stockbroking Division recorded a profit before tax of RM2.0 million in 3Q 2011 which was RM4.2 million lower than RM6.2 million recorded in 3Q 2010. Fair value loss from quoted investments has reduced the profit before tax .

The performance of the Financial Services Division in the current quarter is stable at RM 17.7 million as compared to the previous corresponding quarter.

9M 2011 vs 9M 2010

The Group reported a profit before tax and minority interests from continuing operations for the 9 months ended 30 September 2011 of RM393.2 million which was slightly higher than RM392.1 million recorded in 9M 2010 due to better contributions from all Divisions.

B2 Comment on Material Change in Profit Before Tax

3Q 2011 vs 2Q 2011

The profit before tax and minority interests from continuing operations of the Group at RM97.7 million in the current quarter is lower than the profit before tax of RM133.3 million recorded in the immediate preceding quarter. This is mainly due to less draws conducted, higher prizes payout ratio and increase in the finance expense in the current quarter.

B3 Prospects for 2011

The Group is confident of achieving satisfactory performance for the current year.

B4 Profit Forecast and Profit Guarantee

There were no profits forecast or profit guarantee issued by the Company.

B5 Income Tax Expense

	3 months ended		9 months ended	
	30 Sept 2011 RM'000	30 Sept 2010 RM'000	30 Sept 2011 RM'000	30 Sept 2010 RM'000
Current income tax:				
Malaysian income tax	35,602	5,918	86,413	57,853
Overprovision in prior years	804	1,619	790	1,619
	<u>36,406</u>	<u>7,537</u>	<u>87,203</u>	<u>59,472</u>
Deferred tax	(1,416)	3,519	8,903	10,956
Total income tax expense	<u>34,990</u>	<u>11,056</u>	<u>96,106</u>	<u>70,428</u>

The effective tax rate for the quarter under review is higher than the statutory tax rate due to reduced unabsorbed losses and the timing difference in the recognition of tax recoverable at subsidiaries' level.

The effective tax rate for the 9 months period under review is lower than the statutory tax rate as a certain portion of the income is not subjected to tax as well as the availability of tax recoverable and unabsorbed losses.

B6 Retained earnings

	As at 30 Sept 2011 RM'000	As at 31 Dec 2010 RM'000
Realised	2,107,774	1,779,563
Unrealised	(4,491)	(15,015)
	<u>2,103,283</u>	<u>1,764,548</u>
Consolidation adjustments	(1,397,072)	(1,186,677)
Total retained earnings	<u>706,211</u>	<u>577,871</u>

B7 Sale of Unquoted Investments and/or Properties

The gain on disposal of unquoted investment and properties for the current quarter is as follows:-

	3 months ended 30 Sept 2011 RM'000	9 months ended 30 Sept 2011 RM'000
Gain on disposal of unquoted investment	<u>30</u>	<u>35</u>

B8 Quoted Securities

- (a) Total purchases and disposals of quoted securities for the current quarter and financial year to date are as follows: -

	3 months ended 30 Sept 2011 RM'000	9 months ended 30 Sept 2011 RM'000
Fair Value Through Profit Or Loss Financial Assets		
Total sale proceeds	2,409	27,335
Gain on disposals	1,977	3,473
Available-for-sale Financial Assets		
Total purchase considerations	13,285	13,285
Total sale proceeds	13,000	13,000

- (b) The total investments in quoted securities as at 30 September 2011 are as follow:-

	AFS Investments RM'000	FVTPL Investments RM'000
Total investments at cost	13,379	73,247
Total investments at carrying amount/ fair value at end of reporting period	13,326	69,278

(Note: Investments held by the stockbroking and insurance subsidiaries have not been disclosed under this note.)

B9 Corporate Proposals

There were no corporate proposals announced.

B10 Borrowings

The Group's borrowings as at 30 September 2011 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term			
Bank overdraft	1,780	-	1,780
Term loan	46,666	-	46,666
Revolving Credit	10,000	-	10,000
	58,446	-	58,446
Long term			
Term loan	2,190,016	-	2,190,016
Total	2,248,462	-	2,248,462

All the borrowings are denominated in Ringgit Malaysia.

B11 Derivative Liabilities

As at the date of this report, the subsidiaries of the Group had entered into interest rate swaps with the following contract amounts and maturities, at fixed interest rates varying from 3.40% to 4.64%:

Maturities	Contract Amount (RM'000)	Fair value as at 30 Sept 2011 (RM'000)
1 year to 3 years	942,000-1,204,000	8,667

The contracts were entered into to minimize the Group's exposure to cash flow interest rate risk resulting from adverse fluctuations in interest rates on the existing bank loans.

B12 Material Litigation

Kuala Lumpur High Court Suit No. S1-22-946-2008

On 6 October 2008, Leisure Dotcom Sdn Bhd ("LDSB"), a subsidiary of the Company, commenced legal proceedings against Globesource Sdn Bhd ("GSB") claiming for among others, specific performance for delivery of a piece of freehold land and 2 leases in Kuala Lumpur ("Property") pursuant to a conditional sale and purchase agreement entered into between LDSB and GSB ("SPA") on 21 June 2007. Pursuant to the SPA, GSB is to sell and LDSB is to purchase the Property for a total consideration of RM72,162,000.00 ("Purchase Price"). Upon execution of the SPA, LDSB paid a deposit of RM7,216,200.00 representing 10% of the Purchase Price. The Kuala Lumpur High Court has fixed 2 December 2011 for case management.

B13 Dividends

The Board of Directors does not recommend the payment of dividend for the quarter under review.

B14 Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	3 months ended		9 months ended	
	30 Sept 2011 RM'000	30 Sept 2010 RM'000	30 Sept 2011 RM'000	30 Sept 2010 RM'000
Profit from continuing operations	61,491	84,971	216,124	208,454
Profit from discontinued operations	1,750	1,527	5,765	6,374
Profit for the period	63,241	86,498	221,889	214,828
Weighted average number of ordinary share in issue	1,218,969	1,074,980	1,218,969	1,074,980
Basic earnings per share (sen)				
Profit from continuing operations	5.0	7.9	17.7	19.4
Profit from discontinued operations	0.1	0.1	0.5	0.6
	5.1	8.0	18.2	20.0

By Order Of The Board
Ng Sook Yee
COMPANY SECRETARY
23 November 2011