



MULTI-PURPOSE

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

INTERIM FINANCIAL STATEMENTS
for the third quarter and nine months ended 30 September 2012
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		9 months ended	
	30 Sep 2012 RM'000	30 Sep 2011 RM'000 (Restated)	30 Sep 2012 RM'000	30 Sep 2011 RM'000 (Restated)
Continuing operations				
Revenue	827,688	819,968	2,598,642	2,612,484
Cost of sales	(655,169)	(643,100)	(2,086,579)	(2,024,138)
Gross profit	172,519	176,868	512,063	588,346
Other income	14,115	9,750	82,141	45,414
Administrative expenses	(17,551)	(14,506)	(52,451)	(46,468)
Other expenses	(41,862)	(36,988)	(124,257)	(102,932)
Operating profit	127,221	135,124	417,496	484,360
Finance costs	(27,937)	(39,269)	(75,392)	(104,573)
Share of profits of associates	275	1,623	3,606	4,615
Profit before tax	99,559	97,478	345,710	384,402
Income tax expense	(24,502)	(34,145)	(58,729)	(94,263)
Profit for the period from continuing operations	75,057	63,333	286,981	290,139
Discontinued operations				
Profit for the period from discontinued operations	(1,409)	638	3,165	9,293
Profit for the period	73,648	63,971	290,146	299,432
Attributable to:				
Owners of the parent	72,366	62,755	290,714	218,442
Non-controlling interests	1,282	1,216	(568)	80,990
Profit for the period	73,648	63,971	290,146	299,432
Earnings per share ("EPS") attributable to owners of the parent (sen):				
Basic, for profit from continuing operations	5.3	5.2	20.1	23.8
Basic, for profit from discontinuing operations	(0.1)	0	0.2	0.8
Basic EPS	5.2	5.2	20.3	24.6
Profit for the period	73,648	63,971	290,146	299,432
Other comprehensive income				
Foreign currency translation	-	-	(1)	2
Realization of revaluation reserves	-	-	(32)	-
Changes in fair value of available-for-sale("AFS") assets	27,443	(5,012)	7,637	275
Total comprehensive income for the period	101,091	58,959	297,750	299,709
Total comprehensive income attributable to:				
Owners of the parent	99,809	57,743	298,318	218,748
Non-controlling interests	1,282	1,216	(568)	80,961
Total comprehensive income for the period	101,091	58,959	297,750	299,709

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	AS AT 30 Sep 2012 RM'000	AS AT 31 Dec 2011 RM'000 (Restated*)	AS AT 1 Jan 2011 RM'000 (Restated*)
ASSETS			
Non-current assets			
Property, plant and equipment	101,367	155,010	195,489
Investment properties	570,320	705,093	877,739
Associated companies	1,556	112,402	106,621
Investment securities	239,098	201,183	205,575
Receivables	24,684	24,684	14,966
Intangible assets	2,879,052	2,860,498	2,892,964
Reinsurance assets	385,090	357,054	352,148
Deferred tax assets	3,172	4,447	111,683
	<u>4,204,339</u>	<u>4,420,371</u>	<u>4,757,185</u>
Current assets			
Inventories	1,861	4,083	5,189
Receivables	231,185	430,554	432,425
Tax recoverable	129,651	80,955	164,603
Investment securities	550,663	499,884	520,446
Short term deposits	548,603	1,064,577	541,256
Cash and bank balances	41,436	65,010	121,339
	<u>1,503,399</u>	<u>2,145,063</u>	<u>1,785,258</u>
Assets of disposal group classified as held for sale	436,216	36,568	-
	<u>6,143,954</u>	<u>6,602,002</u>	<u>6,542,443</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	1,437,749	1,437,749	1,077,749
Treasury Shares	(17,657)	(17,657)	(17,657)
Reserves	1,999,027	1,810,370	1,528,264
Reserves of disposal group classified as held for sale	2,613	-	-
Shareholders' equity	<u>3,421,732</u>	<u>3,230,462</u>	<u>2,588,356</u>
Non-controlling interests	36,186	37,706	556,628
Total equity	<u>3,457,918</u>	<u>3,268,168</u>	<u>3,144,984</u>
Non-current liabilities			
Borrowings	1,117,424	2,051,858	1,715,453
Redeemable Convertible Unsecured Loan Stocks - C ("RCULS-C")	-	-	437,276
Deferred tax liabilities	26,475	37,222	36,709
Provision for retirement benefits	1,184	1,088	679
Derivative financial instruments	-	7,246	16,885
Insurance contract liabilities	721,290	657,227	619,948
	<u>1,866,373</u>	<u>2,754,641</u>	<u>2,826,950</u>
Current liabilities			
Payables	368,902	507,551	542,387
Borrowings	357,186	52,304	5,773
Tax payable	9,813	19,338	22,349
	<u>735,901</u>	<u>579,193</u>	<u>570,509</u>
Liabilities of disposal group classified as held for sale	83,762	-	-
	<u>2,686,036</u>	<u>3,333,834</u>	<u>3,397,459</u>
Total liabilities	<u>2,686,036</u>	<u>3,333,834</u>	<u>3,397,459</u>
TOTAL EQUITY AND LIABILITIES	<u>6,143,954</u>	<u>6,602,002</u>	<u>6,542,443</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>2.40</u>	<u>2.26</u>	<u>2.43</u>

* Upon the adoption of the MFRS framework, the Condensed Consolidated Statement of Financial Position as at 31 December 2011 and as at 1 January 2011 have been restated.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	OTHER RESERVES RM'000	TREASURY SHARES RM'000	RETAINED PROFITS RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL RM'000
At 1 January 2011	1,077,749	681,390	48,102	(17,657)	577,871	556,628	2,924,083
Effect arising from adoption of MFRS: - MFRS 140	-	-	-	-	220,901	-	220,901
At 1 January 2011 (Restated)	1,077,749	681,390	48,102	(17,657)	798,772	556,628	3,144,984
Effect arising from adoption of MFRS: - MFRS 10	-	-	(102,199)	-	12,947	(261,924)	(351,176)
Profit for the period (Restated)	-	-	-	-	218,442	80,990	299,432
Other comprehensive income	-	-	277	-	-	(29)	248
Accretion of interest arising from the acquisition of additional shares in a subsidiary	-	-	(674,172)	-	-	(331,733)	(1,005,905)
Issuance of ordinary shares	360,000	741,600	-	-	-	-	1,101,600
Redemption of RCULS-C	-	-	(523)	-	-	(1,904)	(2,427)
Share Issuance expenses	-	(9,882)	-	-	-	-	(9,882)
Dividends paid	-	-	-	-	(93,549)	(685)	(94,234)
At 30 September 2011 (Restated)	1,437,749	1,413,108	(728,515)	(17,657)	936,612	41,343	3,082,640
At 1 January 2012	1,437,749	1,413,108	(622,638)	(17,657)	911,774	299,630	3,421,966
Effect arising from adoption of MFRS: - MFRS 140	-	-	-	-	220,769	-	220,769
- MFRS 10	-	-	(102,394)	-	(10,249)	(261,924)	(374,567)
At 1 January 2012 (Restated)	1,437,749	1,413,108	(725,032)	(17,657)	1,122,294	37,706	3,268,168
Profit for the period	-	-	-	-	290,714	(568)	290,146
Dividends paid	-	-	-	-	(107,048)	(960)	(108,008)
Other comprehensive income	-	-	7,604	-	-	-	7,604
Disposal of shares in a subsidiary	-	-	-	-	-	8	8
At 30 September 2012	1,437,749	1,413,108	(717,428)	(17,657)	1,305,960	36,186	3,457,918

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER 2012

	9 months ended	
	30 Sep 2012 RM'000	30 Sep 2011 RM'000 (Restated)
OPERATING ACTIVITIES		
Profit before tax from:		
Continuing operations	345,710	384,402
Discontinued operations	3,237	13,058
Adjustments for:		
Accretion of discounts less amortisation of premiums	5	6
Amortisation of :		
- facility fees	16,360	15,474
- intangible assets	234	133
Bad debts written off	701	-
Changes in fair value of derivative liabilities	(387)	2,513
Changes in fair value of investment securities	5,974	1,236
Depreciation of property, plant and equipment	12,726	14,075
Depreciation of investment properties	1,291	4,132
Dividend income on quoted shares and unit trust	(27,233)	(5,790)
Gain on disposal of shares in an associated company	(17,862)	-
Gain on disposal of investment securities	(7,814)	(5,860)
Gain on disposal of property, plant and equipment	(58)	(656)
Gain on disposal of investment properties	(15,093)	-
Increase in reserves for unexpired risks	11,819	4,230
Interest expense	75,392	104,573
Interest income	(27,261)	(24,882)
Loss on redemption of RCULS-C	-	2,101
Property, plant and equipment written off	70	30
Provision for doubtful debts	12,700	-
Provision for retirement benefit	633	538
Share of profit of associates	(3,605)	(4,615)
Unrealised loss on foreign exchange	6	40
Write-back of provision for doubtful debts	-	(536)
Operating cash flows before working capital changes	<u>387,545</u>	<u>504,202</u>
Changes in working capital:		
Inventories	2,222	1,049
Receivables	50,318	34,933
Clients' and remisers' monies held in trust	310	(9,967)
Payables	(15,434)	138,594
Cash flows generated from operations	<u>424,961</u>	<u>668,811</u>
Income tax paid	(123,238)	(8,913)
Retirement benefits paid	(537)	(554)
Net cash flows generated from operating activities	<u>301,186</u>	<u>659,344</u>
INVESTING ACTIVITIES		
Proceeds from disposal of :		
- property, plant and equipment	578	830
- shares in an associated company	73,556	-
- investment securities	193,552	134,315
- investment properties	56,422	-
Purchase of :		
- property, plant and equipment	(6,521)	(8,822)
- investment properties	(26,044)	(12,996)
- investment securities	(248,366)	(897,742)
- intangible assets	(885)	-
- additional shares in subsidiaries	8	(9,827)
Movement in cash deposits pledged	3,010	5,754
Net dividend received from :		
- quoted shares and unit trusts	27,233	5,790
- associated company	3,000	5,100
Interest paid	(74,624)	(100,973)
Interest received	27,261	24,882
Net cash flows generated from/(used in) investing activities	<u>28,180</u>	<u>(853,689)</u>
FINANCING ACTIVITIES		
Dividends paid	(108,008)	(94,234)
Net (repayment)/drawdown of borrowings	(656,665)	512,255
Net cash flows (used in)/generated from financing activities	<u>(764,673)</u>	<u>418,021</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(435,307)</u>	<u>223,676</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>1,035,723</u>	<u>581,471</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>600,416</u>	<u>805,147</u>
Cash and cash equivalents consist of :		
Deposits, cash and bank balances	590,039	796,589
Bank overdrafts	(19,157)	(1,780)
Cash deposits pledged	(21,828)	(27,313)
Continuing operations	<u>549,054</u>	<u>767,496</u>
Discontinued operations	<u>51,362</u>	<u>37,651</u>
	<u>600,416</u>	<u>805,147</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.)

A EXPLANATORY NOTES PURSUANT TO MFRS134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). These interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The interim financial statements are the Group's first MFRS compliant interim financial statements for nine months ended 30 September 2012 and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The MFRS are effective for the Group from 1 January 2012 and the date of transition to the MFRS framework is 1 January 2011. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1. The impact of the transition from FRS to MFRS is described in Note A2.1 below.

A2 Significant accounting policies

A2.1 Application of MFRS 1

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below:

a) Business Combinations

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition:

- (i) The classification of former business combinations under FRS is maintained;
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognized under FRS is not adjusted.

b) Quoted equity instruments

Under FRS, the Group had designated an investment in quoted equity instruments at fair value through profit or loss ("FVTPL") in accordance with FRS 139 Financial Instruments: Recognition and Measurement. Changes in fair value were taken to profit or loss. At the date of transition to MFRS, a quoted equity instrument was redesignated as available for sale ("AFS").

A2 Significant accounting policies (cont'd)

A2.1 Application of MFRS 1 (cont'd)

a) Investment properties

Under FRS, the Group measured all its investment properties at cost, including transaction costs initially. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Upon transition to MFRS, the Group has elected to adopt cost model and has redefined the fair value of the freehold and leasehold land within the Group at date of transition as its deemed cost. As at that date, an increase of RM220,901,000 (30 September 2011: RM219,555,000 31 December 2011: RM220,769,000) was recognized in investment properties and retained profits.

b) Early adoption of MFRS 10: Consolidated Financial Statements to consolidate an investee entity

In June 2011, the Group had invested in an investee entity which is measured at cost of RM896,969,000 as an investment securities.

Upon transition to MFRS, the Group has elected to early adopt MFRS 10: Consolidated Financial Statements which is effective for annual periods beginning on or after 1 January 2013. As such, the Group had restated its statement of financial positions as at 31 December 2011 to consolidate the investee entity.

c) Estimates

The estimates as at 1 January 2011 and as at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions as at 1 January 2011, the date of transition to MFRS and as of 31 December 2011.

The reconciliations of equity and total comprehensive income for comparative periods and of equity as at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:

(i) Reconciliation as at 1 January 2011

RM'000

	FRS as at 1 Jan 2011	Consolidation of an investee entity	Investment Properties	MFRS as at 1 Jan 2011
Statement of comprehensive income				
Income tax expense	102,191	-	13,747	115,938
Statement of financial position				
Investment properties	643,091	-	234,648	877,739
Deferred Tax Liabilities	22,962	-	13,747	36,709
Retained profits	577,871	-	220,901	798,772

A2 Significant accounting policies (cont'd)

A2.1 Application of MFRS 1 (cont'd)

(ii) Reconciliation as at 30 September 2011

RM'000

	FRS (Restated) as at 30.09.2011	Consolidation of an investee entity	Investment Properties	Discontinued Operations	MFRS as at 30.09.2011
Statement of comprehensive income					
Revenue	2,635,011	-	-	(22,527)	2,612,484
Cost of sales	(2,024,138)	-	-	-	(2,024,138)
Other income	51,859	-	-	(6,445)	45,414
Administrative expenses	(54,871)	-	-	8,403	(46,468)
Other expenses	(109,024)	-	(1,346)	7,438	(102,932)
Finance costs	(104,646)	-	-	73	(104,573)
Share of profits of associates	4,615	-	-	-	4,615
Income tax expense	(98,028)	-	-	3,765	(94,263)
Profit for the period from discontinued operations	-	-	-	9,293	9,293
Statement of financial position					
Investment properties	506,353	-	233,302	-	739,655
Investment securities	1,098,052	(896,969)	-	-	201,083
Deferred tax assets	97,530	(93,748)	-	-	3,782
Receivables	416,392	(18,419)	-	-	397,973
Cash and Bank Balance	76,257	530	-	-	76,787
Other reserves	(626,316)	(102,199)	-	-	(728,515)
Retained profits	704,110	12,947	219,555	-	936,612
Non-controlling Interests	303,267	(261,924)	-	-	41,343
RCULS	398,614	(398,614)	-	-	-
Payables	730,043	(258,816)	-	-	471,227
Deferred tax liabilities	17,165	-	13,747	-	30,912

A2 Significant accounting policies (cont'd)

A2.1 Application of MFRS 1 (cont'd)

(iii) Reconciliation as at 31 December 2011

RM'000

	FRS as at 31.12.2011	Consolidation of an investee entity	Investment Properties	Assets held for sale	MFRS as at 31.12.2011
Statement of comprehensive income					
Other expenses	(226,047)	-	202	-	(225,845)
Statement of financial position					
Assets held for sale	45,064	-	-	(8,496)	36,568
Investment properties	462,081	-	243,012	-	705,093
Investment securities	1,098,152	(896,969)	-	-	201,183
Deferred tax assets	97,018	(92,571)	-	-	4,447
Cash and bank balances	64,812	198	-	-	65,010
Other reserves	(622,638)	(102,394)	-	-	(725,032)
Retained profits	911,774	(10,249)	220,769	-	1,122,294
Non-controlling interests	299,630	(261,924)	-	-	37,706
RCULS	386,626	(386,626)	-	-	-
Payables	735,700	(228,149)	-	-	507,551
Deferred tax liabilities	23,475	-	13,747	-	37,222

A2.2 MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for annual periods beginning on or after	
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

A4 Seasonal or Cyclical Factors

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

A5 Segmental Information

	3 months ended		9 months ended	
	30.09.2012 RM'000	30.09.2011 RM'000 (Restated)	30.09.2012 RM'000	30.09.2011 RM'000 (Restated)
Segmental Revenue				
Gaming	748,540	744,248	2,347,101	2,390,848
Financial services	67,051	60,289	186,158	178,007
Corporate & others	16,093	18,823	89,173	84,082
	<u>831,684</u>	<u>823,360</u>	<u>2,622,432</u>	<u>2,652,937</u>
Eliminations	<u>(3,996)</u>	<u>(3,392)</u>	<u>(23,790)</u>	<u>(40,453)</u>
Continuing operations	827,688	819,968	2,598,642	2,612,484
Discontinued operations	3,950	6,503	15,822	22,527
Total	<u>831,638</u>	<u>826,471</u>	<u>2,614,464</u>	<u>2,635,011</u>
Segmental Results				
Gaming	79,354	85,564	246,947	311,592
Financial services	19,868	17,652	42,726	50,667
Corporate & others	18,893	14,436	118,240	111,268
	<u>118,115</u>	<u>117,652</u>	<u>407,913</u>	<u>473,527</u>
Eliminations	<u>(18,556)</u>	<u>(20,174)</u>	<u>(62,203)</u>	<u>(89,125)</u>
Continuing operations	99,559	97,478	345,710	384,402
Discontinued operations	(1,609)	2,067	3,237	13,058
Profit Before Tax	<u>97,950</u>	<u>99,545</u>	<u>348,947</u>	<u>397,460</u>

A6 Accounting Estimates

There were no changes in estimates that had any material effect on the current financial quarter and nine months ended 30 September 2012.

A7 Dividends Paid

The following dividend was paid during the current and previous corresponding periods.

	30 Sep 2012 RM'000	30 Sep 2011 RM'000
In respect of the financial year ended 31 December 2010		
Final dividend of 5 sen less 25% tax was paid on 15 August 2011	-	53,525
In respect of the financial year ended 31 December 2011		
Interim dividend of 5 sen less 25% tax was paid on 4 April 2011	-	40,024
Final dividend of 5 sen less 25% tax was paid on 17 August 2012	53,524	-
In respect of the financial year ending 31 December 2012		
Interim dividend of 5 sen less 25% tax was paid on 30 March 2012	53,524	-

A8 Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A9 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.

A10 Fair Value Hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value observable, either directly or indirectly.
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at the reporting date, the Group held the following financial assets that are measured at fair value:

RM'000

		Level 1	Level 2	Level 3	Not at fair value	Total
30 September 2012						
Current	FVTPL	109,103	36,535	-	-	145,638
	AFS	67,558	288,896	48,571	-	405,025
Non-current	AFS	13,387	-	-	225,711	239,098
		<u>190,048</u>	<u>325,431</u>	<u>48,571</u>	<u>225,711</u>	<u>789,761</u>
31 December 2011						
Current	FVTPL	89,713	46,024	-	-	135,737
	AFS	101,953	189,183	73,011	-	364,147
Non-current	AFS	13,426	-	-	187,757	201,183
		<u>205,092</u>	<u>235,207</u>	<u>73,011</u>	<u>187,757</u>	<u>701,067</u>
01 January 2011						
Current	FVTPL	112,654	43,973	-	-	156,627
	AFS	117,572	151,618	94,629	-	363,819
Non-current	AFS	13,118	-	-	187,457	200,575
	Held to maturity	-	5,000	-	-	5,000
		<u>243,344</u>	<u>200,591</u>	<u>94,629</u>	<u>187,457</u>	<u>726,021</u>

A11 Contingent Liabilities

As at 22 November 2012, 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.

A12 Material Subsequent Events

There were no other material subsequent events except as disclosed in Note B8 since the end of the current quarter until a date not earlier than 7 days from the date of issuance of this quarterly report.

A13 Changes in Composition of the Group

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

A14 Unusual Items Affecting Interim Financial Report

There were no unusual items affecting the interim financial report of the Group during the current quarter and nine months ended 30 September 2012.

B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of Performance of the Group

3Q 2012 vs 3Q 2011

The Group recorded a profit before tax and minority interests from continuing operations of RM99.6 million during the current quarter under review which is slightly higher than RM97.5 million achieved in the previous corresponding period due to better performance in Financial Services and Corporate and others Divisions.

Gaming

The profit before tax of RM79.4 million achieved by the Gaming Division is RM6.2 million lower than the profit before tax of RM85.6 million reported in previous corresponding period was mainly due to higher operating expenses.

Financial Services

The improved performance of the Financial Services Division has resulted a profit before tax of RM19.9 million as compared to RM17.7 million achieved in 3Q 2011.

Corporate and others

The Corporate and others Division achieved a profit before tax of RM18.9 million which is RM4.5 million higher than RM14.4 million reported in 3Q 2011. The favorable results are due to gain on disposal of a investment property, fair value adjustment of quoted investment securities as well as reduced finance costs.

9M 2012 vs 9M 2011

The profit before tax from continuing operations of the Group at RM345.7 million posted in the current period is 10.0% lower than RM384.4 million recorded in 9M 2011. This is mainly due to the higher prize payout ratio and operating expenses in the Gaming Division as well as higher fair value loss on investment securities in Financial Services Division. However, Corporate and others Division posted higher profit before tax due to gain from disposal of quoted investment securities and fair value adjustments.

B2 Comment on Material Change in Profit Before Tax

3Q 2012 vs 2Q 2012

The Group achieved a profit before tax from continuing operations of RM99.6 million in the current quarter which is RM29.4 million lower than the pre-tax profit of RM129.0 million recorded in the 2Q2012. In the 2Q 2012, the Corporate and others Division reported better results due to gain from disposal and fair value adjustments of an associated company. However, in the current quarter, the Gaming Division achieved improved results as the payout ratio is lower.

B3 Prospects

The global economy remains uncertain in view of the current challenging economic environment which will in turn affect our domestic market sentiments and economic growth. The Malaysian economy remains cautious and is driven mainly by domestic demand and activities in both private and public sectors. Private consumption continued to be supported by the income growth and stable employment conditions.

Gaming

The Gaming Division continues to focus on creating market presence and endeavours to increase sales through brand loyalty. Factors such as size of the prize of Jackpot 1 and the disposable income of the public will affect the level of sales.

Financial Services

Insurance division will strive to improve its market share with the recruitment of new key marketing personnel with strong and wide network which commands a substantial book of business and to grow the Retail and the Bumiputra market. The Division will continue to intensify its marketing efforts to focus on specific targets through various product schemes. Going forward, it will continue to tie up with the local banks and explore further with the foreign financial institutions to tap into their clients' insurance.

Barring any unforeseen circumstances, the financial impact on the statement of comprehensive income arising from the demerger corporate proposals announced on 23 May 2012 will only be felt in 2013.

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	
	30.09.2012 RM'000	30.09.2011 RM'000	30.09.2012 RM'000	30.09.2011 RM'000
Current income tax:				
Malaysian income tax	21,383	34,757	63,568	84,570
Under provision of Malaysian income tax in prior years	253	804	714	790
	<u>21,636</u>	<u>35,561</u>	<u>64,282</u>	<u>85,360</u>
Deferred tax				
Relating to origination and reversal of temporary differences	204	(1,416)	698	7,867
Under/(Over) provision in prior years	2,662	-	(6,251)	1,036
Total income tax expense	<u>24,502</u>	<u>34,145</u>	<u>58,729</u>	<u>94,263</u>

The effective tax rate for the 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 deductible expenses and unabsorbed losses.

B6 Profit before tax

Included in the profit before tax are the following items:

	3 months ended		9 months ended	
	30.09.2012 RM'000	30.09.2011 RM'000	30.09.2012 RM'000	30.09.2011 RM'000
Accretion of discounts less amortisation of premiums	2	1	5	6
Amortisation of facility fees	10,105	9,057	16,360	15,474
Amortisation of intangible assets	91	64	234	133
Bad debts written off	101	-	701	-
Changes in fair value of derivative liabilities	8	3,225	(387)	2,513
Changes in fair value of investment securities	17,791	10,115	5,974	1,236
Depreciation of investment properties	431	3,135	1,291	4,132
Depreciation of property, plant and equipment	4,624	5,014	12,726	14,075
Dividend income on quoted shares and unit trust	(24,200)	(3,991)	(27,233)	(5,790)
Gain on disposal of shares in an associated company	-	-	(17,862)	-
Gain on disposal of property, plant and equipment	4	(155)	(58)	(656)
Gain on disposal of investment properties	(15,093)	-	(15,093)	-
Loss/(Gain) on disposal of investment securities	430	(1,416)	(7,814)	(5,860)
Property, plant and equipment written off	41	4	70	30
Increase in reserves for unexpired risks	-	(423)	11,819	4,230
Interest expense	27,757	39,290	75,392	104,646
Interest income	(8,473)	(448)	(27,261)	(24,882)
Provision for doubtful debts	2,371	(452)	12,700	-
Provision for retirement benefit	201	179	633	538
Share of profit of associated companies	(274)	(1,623)	(3,605)	(4,615)
Unrealised (gain)/loss on foreign exchange	(42)	52	6	40
Write-back of provision for doubtful debts	1,014	(536)	-	(536)

B7 Retained profits

	As at 30.09.2012 RM'000	As at 31.12.2011 RM'000 (Restated)
Total retained profits		
- realised	2,541,835	2,374,250
- unrealised	4,743	(48,742)
Total share of retained profits from associated companies		
- realised	18,168	19,242
- unrealised	-	(1)
Less: Consolidation adjustments	(1,258,786)	(1,222,455)
Retained profits as per Statement of Changes in Equity	1,305,960	1,122,294

B8 Corporate Proposals

- a) **I. Proposed demerger of MPH B and its subsidiaries;**
II. Proposed capital repayment to the shareholders of MPH B; and
III. Proposed name change
 (Collectively referred to as the "Proposals")

On 23 May 2012, the Company through CIMB Investment Bank Berhad announced a proposed demerger of its gaming business and Special Purpose Vehicle ("SPV") comprising the operations of financial services and other investments of the Group, and a proposed capital repayment to the entitled shareholders of the Company. On 19 July 2012, the Company acquired a 100% equity interest in MPH B Capital Berhad ("MPH B Capital") as the SPV.

As part of the Proposed Internal Reorganisation, the Company proposes to dispose of its 100% equity interest in Multi-Purpose Capital Holdings Berhad to MPH B Capital for a total consideration of RM392,831,000 to be satisfied by a combination of cash payment of RM37,538,000 and the issuance of 355,293,000 new ordinary shares of RM1.00 each in MPH B Capital to the Company at the issue price of RM1.00 per share pending approval of the Minister of Finance via Bank Negara Malaysia.

On 8 November 2012, the Company announced the proposal to change the name of MPH B to "Magnum Berhad" upon completion of the Proposed Demerger.

The Company will be seeking the approval of shareholders for the Proposals at the forthcoming Extraordinary General Meeting to be held on 5 December 2012.

Further details on the above corporate exercise are announced on Bursa Securities on the same date.

B8 Corporate Proposals (continued)

b) Proposed Disposal of 100% equity interest in A.A.Anthony Securities Sdn Bhd (“AAA”) to UOB Kay-Hian Holdings Limited (“UOBKH”) for a disposal consideration of not less than RM165,000,000 but not exceeding RM170,000,000 (“Proposed Disposal”)

On 9 October 2012, the Company and its wholly owned subsidiary, Dynamic Pearl Sdn Bhd (“DPSB”) entered into a conditional share purchase agreement with UOBKH for the proposed disposal of the entire issued and paid-up shares of AAA for a cash consideration of the sum of audited net tangible assets of AAA and a premium of RM15,000,000. The proposed disposal is subject to the following being obtained:

- i) approval of the shareholders of DPSB;
- ii) approval of Securities Commission Malaysia;
- iii) approval of Monetary Authority of Singapore;
- iv) consent from the lenders and creditors of AAA and/or any other parties, if any, of waiver of any restrictions or prohibition in relation to the change in the shareholdings and/or board of directors of any Group Company, if any; and
- v) approval of any other regulatory authorities/parties, if required.

The Proposed Disposal will not be subject to the approval of the shareholders of the Company. Further details on the above proposed disposal are announced on Bursa Securities on the same date.

B9 Borrowings

The Group's borrowings as at 30 September 2012 are as follows:

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short term			
Bank overdraft	3,120	16,037	19,157
Term loan	288,029	-	288,029
Revolving Credit	50,000	-	50,000
	341,149	16,037	357,186
Long term			
Term loan	1,117,424	-	1,117,424
Total	1,458,573	16,037	1,474,610

All the borrowings are denominated in Ringgit Malaysia.

B10 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. Subsequent to that, LDSB paid the balance Purchase Price but such sum was returned by GSB. The SPA dated 21 June 2007 was not completed.

On 6 July 2012, LDSB’s claim was dismissed with costs and GSB’s counterclaim was allowed with costs. On 9 July 2012, LDSB filed an appeal at the Court of Appeal against the High Court’s decision. On 19 September 2012, the High Court of Malaya granted LDSB an Erin ford injunction to stay the execution of its decision on 6 July 2012, pending LDSB’s appeal to the Court of Appeal. The solicitors of LDSB believe that LDSB has a good prospect of succeeding in the appeal against the High Court of Malaya’s decision. Notwithstanding the same, should LDSB’s appeal to the Court of Malaya fail, it may not be able to recover the Deposit paid to GSB. LDSB may also be liable for any damages arising from its undertaking to the court for the granting of injunction as well as damages arising from its entry of private caveat over the Land and the costs of litigation.

B11 Dividends

The Board of Directors is pleased to declare a second interim dividend of 6 sen gross per share less 25% income tax for the financial year ending 31 December 2012 to be paid on 21 December 2012 to shareholders registered on the Record of Depositors at the close of business on 10 December 2012.

B12 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	
	30.09.2012 RM'000	30.09.2011 RM'000	30.09.2012 RM'000	30.09.2011 RM'000
Profit from continuing operations	75,057	63,333	286,981	290,139
Profit from discontinued operations	(1,409)	638	3,165	9,293
Profit for the period	<u>73,648</u>	<u>63,971</u>	<u>290,146</u>	<u>299,432</u>
Weighted average number of ordinary share in issue	1,427,321	1,218,969	1,427,321	1,218,969
Basic EPS (sen)				
Profit from continuing operations	5.3	5.2	20.1	23.8
Profit from discontinued operations	(0.1)	0	0.2	0.8
Profit for the period	<u>5.2</u>	<u>5.2</u>	<u>20.3</u>	<u>24.6</u>

By Order Of The Board
Ng Sook Yee
COMPANY SECRETARY
22 November 2012