

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOURTH QUARTER ENDED 31 DECEMBER 2012

(The figures are unaudited)

CONDENSED CONSOLIDATED INCOME STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	184,769	192,015	657,100	674,000
Cost of sales	(122,436)	(130,255)	(422,824)	(442,493)
Gross profit	62,333	61,760	234,276	231,507
Other income	3,705	3,243	13,966	12,187
Distribution costs	(3,323)	(4,291)	(13,831)	(12,668)
Administrative expenses	(24,597)	(16,481)	(82,665)	(77,253)
Other operating expenses	(22,910)	(25,648)	(91,789)	(95,464)
Profit from operations	15,208	18,583	59,957	58,309
Exceptional items (refer Note A4)	17,971	9,780	(20,272)	15,606
Finance cost	(13,880)	(15,185)	(58,059)	(61,736)
Share of results of associates	(38,692)	15,608	(26,168)	24,105
(Loss)/Profit before taxation	(19,393)	28,786	(44,542)	36,284
Tax expense	(5,187)	(7,663)	(17,422)	(20,258)
(Loss)/Profit for continuing operations	(24,580)	21,123	(61,964)	16,026
Discontinued operation				
(Loss)/Profit before taxation	(660)	8,123	175,688	17,904
Tax expense	(2,072)	(1,845)	(4,034)	(4,380)
(Loss)/Profit from discontinued operation, net of tax	(2,732)	6,278	171,654	13,524
(Loss)/Profit for the financial period/year	(27,312)	27,401	109,690	29,550
(Loss)/Profit attributable to:-				
Equity holders of the Company	(16,747)	20,524	32,616	15,856
Non-controlling interests	(10,565)	6,877	77,074	13,694
(Loss)/Profit for the financial period/year	(27,312)	27,401	109,690	29,550
(Loss)/Earnings per share attributable to equity holders of the Company:-				
	Sen	Sen	Sen	Sen
Continuing operations				
Basic	(0.70)	0.86	(2.66)	0.48
Fully diluted	N/A	N/A	N/A	N/A
Discontinued operation				
Basic	(0.06)	0.15	4.20	0.30
Fully diluted	N/A	N/A	N/A	N/A

N/A - Not applicable

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the financial period/year	(27,312)	27,401	109,690	29,550
Other comprehensive (loss)/income, net of tax:-				
Foreign currency translation differences for foreign subsidiaries	(2,111)	4,446	(11,174)	20,379
Fair value of available-for-sale investments				
- Gain/(Loss) on fair value changes	1,592	7,610	101	(8,337)
- Transfer to profit or loss upon disposal	(5,749)	-	(13,566)	-
Share of other comprehensive income of associates	-	3,419	-	3,419
Other comprehensive (loss)/income for the financial period/year	(6,268)	15,475	(24,639)	15,461
Total comprehensive (loss)/income for the financial period/year	(33,580)	42,876	85,051	45,011
Total comprehensive (loss)/income attributable to:-				
Equity holders of the Company	(19,867)	33,101	15,125	34,816
Non-controlling interests	(13,713)	9,775	69,926	10,195
Total comprehensive (loss)/income for the financial period/year	(33,580)	42,876	85,051	45,011

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	31.12.2012	31.12.2011
	RM'000	RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	623,455	631,944
Investment properties	79,443	80,286
Investment in associates	395,733	454,023
Other investments	33,755	65,520
Land held for property development	35,263	35,263
Goodwill on consolidation	181,340	220,408
Deferred tax assets	1,842	1,903
Other receivable	54,384	54,384
	1,405,215	1,543,731
Current Assets		
Property development costs	82,762	81,632
Inventories	100,173	89,894
Trade and other receivables	179,270	211,730
Reinsurance assets	-	215,850
Held-to-maturity investments	10,021	30,110
Other investments	4,038	58,793
Current tax assets	2,331	1,718
Deposits, bank balances and cash	418,339	554,012
	796,934	1,243,739
Non-current assets held for sale	4,500	36,943
	801,434	1,280,682
TOTAL ASSETS	2,206,649	2,824,413
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	2,932,561	2,029,773
ICULS#	-	850,927
Reserves	(2,192,553)	(2,175,853)
	740,008	704,847
Non-controlling interests	277,523	308,733
Total Equity	1,017,531	1,013,580
Non-Current Liabilities	682,691	756,753
Current Liabilities		
Trade and other payables	143,720	209,297
Borrowings	356,806	403,825
Current tax liabilities	5,901	7,261
Insurance contract liabilities	-	433,697
	506,427	1,054,080
Total Liabilities	1,189,118	1,810,833
TOTAL EQUITY AND LIABILITIES	2,206,649	2,824,413
	RM	RM
Net assets per share attributable to equity holders of the Company	0.25	0.35

ICULS refers to Class A1 and Class A2, 8-year Irredeemable Convertible Unsecured Loan Stocks stated net of discount and Class A3, 2 1/2-year Irredeemable Convertible Unsecured Loan Stocks

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

CUMULATIVE 12 MONTHS	Attributable to Equity Holders of the Company					Non-	Total	
	Share Capital RM'000	Non- ICULS# RM'000	Distributable Reserves RM'000	Distributable Reserves RM'000	Accumulated Losses RM'000	controlling Interests RM'000	Equity RM'000	
At 1 January 2012	2,029,773	850,927	285,407	25,257	(2,486,517)	704,847	308,733	1,013,580
Total comprehensive (loss)/income for the financial year	-	-	(17,491)	-	32,616	15,125	69,926	85,051
Conversion of ICULS to ordinary shares	902,788	(902,788)	-	-	-	-	-	-
Amortisation of discount on ICULS	-	16,959	-	-	(16,959)	-	-	-
Amortisation of A3 ICULS	-	34,902	-	-	(34,902)	-	-	-
Repurchase of shares by a subsidiary	-	-	-	-	-	-	(18)	(18)
Effects of change in equity in subsidiaries	-	-	-	-	20,058	20,058	(51)	20,007
Effect of dissolution of a subsidiary	-	-	(22)	-	-	(22)	-	(22)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(101,067)	(101,067)
	902,788	(850,927)	(22)	-	(31,803)	20,036	(101,136)	(81,100)
At 31 December 2012	2,932,561	-	267,894	25,257	(2,485,704)	740,008	277,523	1,017,531
At 1 January 2011	2,029,773	799,066	268,171	25,257	(2,452,236)	670,031	304,557	974,588
Total comprehensive income for the financial year	-	-	17,236	-	17,580	34,816	10,195	45,011
Amortisation of discount on ICULS	-	16,959	-	-	(16,959)	-	-	-
Amortisation of A3 ICULS	-	34,902	-	-	(34,902)	-	-	-
Acquisition of additional interests in subsidiaries	-	-	-	-	-	-	(2,434)	(2,434)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(3,585)	(3,585)
	-	51,861	-	-	(51,861)	-	(6,019)	(6,019)
At 31 December 2011	2,029,773	850,927	285,407	25,257	(2,486,517)	704,847	308,733	1,013,580

ICULS refers to Class A1 and Class A2, 8-year Irredeemable Convertible Unsecured Loan Stocks stated net of discount and Class A3, 2 ½-year Irredeemable Convertible Unsecured Loan Stocks.

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

	CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation from :-		
- Continuing operations	(44,542)	36,284
- Discontinued operation	175,688	17,904
	131,146	54,188
Net adjustments	(59,291)	38,145
	71,855	92,333
Operating profit before working capital changes		
Net change in working capital	(23,658)	44,451
	48,197	136,784
Cash generated from operations		
Employee benefits paid	(880)	(329)
Interest paid	(2,773)	(2,809)
Interest received	2,548	3,274
Net tax paid	(23,257)	(25,695)
	23,835	111,225
Net cash inflows from operating activities		
Cash Flows From Investing Activities		
Dividends received	28,595	28,696
Interest received	11,638	13,521
Proceeds from disposal of property, plant and equipment	142	28,971
Proceeds from disposal of non-current assets held for sale	32,443	-
Proceeds from disposal of other investments	110,753	8,512
Proceeds from maturity of investments in government bonds and securities	19,981	10,024
Net cash inflow on partial disposal of interest in subsidiary	20,007	-
Purchase of additional interests in subsidiaries	-	(2,329)
Purchase of additional interests in an associate	(2,916)	-
Purchase of investments	(10,030)	(24,830)
Purchase of property, plant and equipment	(18,120)	(9,476)
Net cash outflow on disposal of discontinued operation	(73,724)	-
	118,769	53,089
Net cash inflows from investing activities		
Cash Flows From Financing Activities		
Dividends paid to non-controlling interests of subsidiaries	(101,067)	(3,585)
Interest paid	(55,286)	(58,927)
Net repayments of bank borrowings	(124,476)	(52,973)
Share repurchased by a subsidiary	(18)	-
	(280,847)	(115,485)
Net cash flows used in financing activities		
Effects of exchange rate changes	2,029	(2,115)
	(136,214)	46,714
Net (decrease)/increase in cash and cash equivalents		
Cash and cash equivalents at 1 January		
As previously reported	507,897	457,858
Effects of exchange rate changes on cash and cash equivalents	(1,151)	3,325
As restated	506,746	461,183
Cash and cash equivalents at 31 December	370,532	507,897

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements, other than for financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to FRS 139 Financial Instrument : Recognition and Measurement.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 for the year ended 31 December 2011. 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 31 December 2011.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011 except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 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
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

The Directors expect that the standards and interpretations above will have no material impact on the financial statements of the Group.

Malaysia Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards ("MASB") issues a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013. The MASB has on 30 June 2012 decided that Transitioning Entities will be given an option of another one year to continue with the existing FRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

MUI Properties Berhad, a subsidiary of the Company falls within the scope of definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. As a result, the Group also temporarily deferred the adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2012 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirement of the MFRS Framework for the financial year ending 31 December 2014.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

A2 Seasonal or Cyclical Factors

The Group's businesses where seasonal or cyclical factors, other than economic factors, would have some effects on operations are as follows:-

- The retailing operations in United Kingdom normally record better sales in the fourth quarter of the financial year due to the Christmas season. Similarly, the retail operations in Malaysia have seasonal peaks in tandem with the various festive seasons and during sales promotions;
- The hotel operations in United Kingdom normally will experience low trading after Christmas, New Year and Easter due to the after effects of the holiday seasons. Additionally, winter periods will also experience a decline in trading; and
- The food and confectionery operations in Malaysia, Singapore and Hong Kong normally record better sales during the various festive seasons.

A3 Changes in estimates

There were no significant changes in estimates of the amounts reported in prior financial years which have a material effect in the current financial period.

A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the financial year ended 31 December 2012 other than the exceptional items as follows:-

Exceptional items	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Bad debts recovered	-	2,200	-	2,200
Loss on disposal of property, plant & equipment	(64)	(473)	-	-
(Loss)/Gain on foreign exchange	(633)	1,085	2,197	(1,855)
Gain on bargain purchase from additional interest in subsidiaries	-	104	-	104
Gain on disposal of non-current investments	24,847	-	22,245	-
Impairment on goodwill	-	(488)	(39,068)	(488)
Impairment on investments	(1,929)	(1,554)	(1,951)	(3,235)
Impairment on property, plant & equipment	(2,765)	(2,128)	(2,765)	(2,128)
Loss arising from dissolution of a subsidiary	(1,167)	-	(1,167)	-
Reversal of impairment on investment properties	-	9,476	-	9,476
(Impairment)/Reversal of impairment on receivables	(1,536)	1,558	(981)	11,532
Waiver of debts	1,218	-	1,218	-
	17,971	9,780	(20,272)	15,606
Discontinued operation				
Gain on disposal of discontinued operation	-	-	167,589	-
Gain/(Loss) on foreign exchange	-	5	(27)	(44)
Reversal of Impairment/(Impairment) on receivables	181	45	(2,658)	(279)
	181	50	164,904	(323)
	18,152	9,830	144,632	15,283

A5 Issuances, Repurchases and Repayments of Debts and Equity Securities

During the financial year under review, the Company issued the followings:-

- 354,420,804 ordinary shares of RM1.00 each arising from the conversion of the Class A1 ICULS with nominal value totalling RM354,420,804 exercised by the holders of the Class A1 ICULS;
- 443,662,030 ordinary shares of RM1.00 each arising from the conversion of the Class A2 ICULS with nominal value totalling RM443,662,030 exercised by the holders of the Class A2 ICULS; and
- 104,705,354 ordinary shares of RM1.00 each arising from the conversion of the Class A3 ICULS with nominal value totalling RM104,705,354 exercised by the holders of the Class A3 ICULS.

Other than the above, there were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial period ended 31 December 2012.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

A6 Dividend Paid

No dividend was paid by the Company during the financial year ended 31 December 2012 (31 December 2011 : Nil).

A7 Operating Segments

The analysis of the Group's operations for the financial year ended 31 December 2012 is as follows:-

(a) Revenue

	External Customers RM'000	Inter- segment RM'000	Total Revenue RM'000	Share of Associates' Revenue RM'000	Net Revenue RM'000
Continuing Operations :-					
Retailing	880,533	-	880,533	(513,359) *	367,174
Hotels	167,223	-	167,223	-	167,223
Foods & Confectionery	83,222	-	83,222	-	83,222
Financial Services	7,613	-	7,613	(7,613)	-
Property	37,511	-	37,511	-	37,511
Others	13,995	(701)	13,294	(11,324)	1,970
	1,190,097	(701)	1,189,396	(532,296)	657,100
Discontinued Operation:-					
Financial Services	164,350	(1,242)	163,108	-	163,108
Total	1,354,447	(1,943)	1,352,504	(532,296)	820,208

(b) Results

	Profit from Operations RM'000	Exceptional Items RM'000	Finance Costs RM'000	Share of Associates' Results RM'000	Profit/(Loss) Before Taxation RM'000
Continuing Operations :-					
Retailing	21,905	(420)	(2,303)	23,781 *	42,963
Hotels	30,589	(5,157)	(1,276)	-	24,156
Foods & Confectionery	7,217	1,812	(32)	-	8,997
Financial Services	-	-	-	(52,390)	(52,390)
Property	10,167	-	(92)	-	10,075
Others	(9,921)	(16,507)	(54,356)	2,441	(78,343)
	59,957	(20,272)	(58,059)	(26,168)	(44,542)
Discontinued Operation:-					
Financial Services	10,784	164,904	-	-	175,688
Total	70,741	144,632	(58,059)	(26,168)	131,146

(c) Assets

	Segment Assets RM'000	Non-current Assets Held For Sale RM'000	Investment In Associates RM'000	Total RM'000
Continuing Operations :-				
Retailing	347,974	4,500	149,031	501,505
Hotels	421,580	-	-	421,580
Foods & Confectionery	181,104	-	-	181,104
Financial Services	-	-	6,842	6,842
Property	218,295	-	-	218,295
Others	633,290	-	239,860	873,150
	1,802,243	4,500	395,733	2,202,476
Discontinued Operation:-				
Financial Services	-	-	-	-
	1,802,243	4,500	395,733	2,202,476
Unallocated Corporate Assets				4,173
Total Assets				2,206,649

* Includes estimated results in an associate

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

A8 Events Subsequent to the End of the Interim Reporting Period

There are no material events subsequent to the end of the financial year ended 31 December 2012 that have not been reflected in the financial statements for the said period as at the date of this report.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2012.

A10 Contingent Liabilities

There are no material contingent liabilities as at the date of this report.

A11 Capital Commitments

There are no material commitments as at the date of this report.

A12 Discontinued Operation

On 10 April 2012, MUI Continental Berhad (formerly known as MUI Continental Insurance Berhad) ("MCI"), a subsidiary, made an application to Bank Negara Malaysia ("BNM") for its approval in respect of the disposal of MCI's insurance assets and liabilities to Tokio Marine Insurans (Malaysia) Berhad ("TMIM"), for a premium of RM180,228,000 in accordance with the terms and conditions set out in the agreement for the sale and purchase ("the disposal"). The value of the insurance assets to be transferred to TMIM shall be equal to the value of the insurance liabilities assumed by TMIM at the transfer date. The disposal was approved by BNM vide its letter dated 8 May 2012. On 22 May 2012, the Company announced that MCI entered into an agreement for the sale and purchase of assets and liabilities with TMIM. The disposal was approved by the Shareholders of MUI at the extraordinary general meeting held on 27 June 2012. On 17 August 2012, MCI extracted the sealed Court Order obtained on 14 August 2012 confirming the disposal. In accordance with the said Court Order, the transfer date of the disposal was 1 September 2012.

	CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011
	RM'000	RM'000
<u>An analysis of the results of the discontinued operation was as follows:-</u>		
Revenue	163,108	258,925
Other income	2,519	2,101
Expenses	(154,843)	(242,799)
Profit from operations	10,784	18,227
Exceptional items	(2,685)	(323)
Profit before taxation	8,099	17,904
Tax expense	(4,034)	(4,380)
Profit after taxation	4,065	13,524
Gain on disposal of discontinued operation	167,589	-
Profit for the financial year	171,654	13,524

	As at
	31.12.2012
	RM'000
<u>Cash outflow on disposal of discontinued operation:-</u>	
Consideration received, satisfied in cash	180,228
Cash and cash equivalents disposed of	(253,952)
Net cash outflow	(73,724)

In view of the disposal, the operation of the insurance business was reclassified as discontinued operation for the financial year ended 31 December 2012.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

B. NOTES PER BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

B1 Review of Performance of the Company and its Principal Subsidiaries

For the financial year ended 31 December 2012, the Group recorded revenue of RM657.1 million and loss before tax ("LBT") from continuing operations of RM44.5 million compared with revenue of RM674.0 million and profit before tax ("PBT") from continuing operations of RM36.3 million for the same period last year. The LBT for the current financial year under review was mainly due to impairment made on goodwill and share of higher loss from associates. The Group also recorded profit from discontinued operation of RM175.7 million for the current financial year under review from the disposal of insurance business of MCI.

In retailing, Laura Ashley Holdings plc ("Laura Ashley") reported that for 19 weeks of the second half to 8 December 2012, total retail sales increased by 4.2% year-on-year, with like-for-like sales increased by 4.9%. In Malaysia, Metrojaya recorded lower revenue of RM367.2 million and PBT of RM18.7 million compared to RM382.4 million and RM27.1 million respectively for the same period last year. The lower revenue in the current financial year under review was mainly due to lower sales from specialty stores. The lower PBT in the current financial year under review mainly due to reversal of impairment on properties recorded in the same period last year.

The Group's hotel operations in Malaysia and UK recorded a reduction in both revenue and PBT for the current financial year under review compared with the same period last year. This is mainly due to lower revenue from UK hotels and impact from refurbishment of hotel in Malaysia.

Under the financial services division, the Group disposed of the insurance business during the period under review and recorded an exceptional gain of RM167.6 million. The share of loss of universal stockbroking in the current financial year under review increased mainly due to its lower trading activities and impairment of intangible assets.

Higher revenue was recorded in the current period under review by the food & confectionery business mainly due to higher sales of products in the domestic and export market. Higher domestic demand was recorded for Crispy and Tango products as a result of more aggressive promotional activities. PBT recorded in the current financial year was contributed by the higher revenue and margin.

The property development recorded higher revenue and PBT for the current financial year under review. However, the gross profit margin for the current financial year under review has declined to 40.8% from 42.1% in the same period last year mainly due to the higher contribution from the 2-storey shop offices of Bandar Springhill which were sold and completed last year and the higher average CPO price during the same period last year.

B2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group recorded higher revenue of RM184.8 million and LBT of RM19.4 million from continuing operations for the current quarter compared with revenue of RM174.8 million and LBT of RM28.5 million from continuing operations in the preceding quarter. The higher revenue recorded for the current quarter is in tandem with the cyclical factor of the Group operations. The LBT in the current quarter was mainly due to higher share of loss from associates. The preceding quarter results also included impairment of goodwill.

B3 Prospects for the year 2013

Despite the weak global economic outlook, the Malaysian economy is envisaged to remain resilient and a growth of between 4.5% and 5.5% is forecast.

The Group expects its various business operations to improve in 2013. The Group will continue to explore corporate opportunities that will strengthen its financial position.

B4 Variance of Actual Profit from Forecast Profit

Not applicable.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

B5 (Loss)/Profit before tax

Included in the (loss)/profit before tax are the followings items:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
Interest income	2,151	4,670	14,186	16,795
Depreciation	(10,540)	(6,491)	(28,484)	(26,855)
Fair value (loss)/gain on investments (current)	(308)	6,886	(7,744)	(4,466)
Gross dividends received	405	590	4,116	3,646
Gain on disposal of other investments (current)	2	113	8,231	884
Gain/(Loss) on disposal of Property, plant and equipment	115	(87)	115	(87)
Inventories written back/(written down)	932	(596)	(265)	(2,531)
Property, plant and equipment written off	(259)	(491)	(423)	(1,228)

B6 Tax Expense

Tax expense comprises:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Current tax expense - Malaysia	4,483	4,075	15,085	14,271
- Foreign	658	1,614	3,257	4,327
Deferred tax expense	186	2,532	169	2,550
	5,327	8,221	18,511	21,148
Over provision in respect of prior years	(140)	(558)	(1,089)	(890)
	5,187	7,663	17,422	20,258
Discontinued operation				
Current tax expense - Malaysia	2,072	1,287	4,353	6,649
Deferred tax expense/(income)	-	1,274	(319)	(1,553)
	2,072	2,561	4,034	5,096
Over provision in respect of prior years	-	(716)	-	(716)
	2,072	1,845	4,034	4,380
	7,259	9,508	21,456	24,638

The tax provision of the Group for the financial year ended 31 December 2012 is higher than the statutory rate of tax applicable mainly due to losses by certain subsidiaries where no group relief on losses are available.

B7 Status of Corporate Proposals

On 10 April 2012, MCI, a subsidiary, made an application to BNM for its approval in respect of the disposal of MCI's insurance assets and liabilities to TMIM, for a premium of RM180,228,000 in accordance with the terms and conditions set out in the agreement for the disposal. The value of the insurance assets to be transferred to TMIM shall be equal to the value of the insurance liabilities assumed by TMIM at the transfer date. The disposal was approved by BNM vide its letter dated 8 May 2012. On 22 May 2012, the Company announced that MCI entered into an agreement for the sale and purchase of assets and liabilities with TMIM. The disposal was approved by the Shareholders of MUJ at the extraordinary general meeting held on 27 June 2012. On 17 August 2012, MCI extracted the sealed Court Order obtained on 14 August 2012 confirming the disposal. In accordance with the said Court Order, the transfer date of the disposal was 1 September 2012. The impact from the disposal is disclosed in note A12.

Other than the above, the Group has not announced any corporate proposals which have not been completed as at the date of this report.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

B8 Group Borrowings

(a) Total Group borrowings as at 31 December 2012 are as follows:-

	RM'000
<i>Long Term Borrowings</i>	
- Secured	570,373
- Unsecured	93,040
	<u>663,413</u>
<i>Short Term Borrowings</i>	
- Secured	156,290
- Unsecured	200,516
	<u>356,806</u>

(b) Foreign borrowings in Ringgit equivalent as at 31 December 2012 included in (a) above are as follows:-

Currency	RM'000
Sterling Pounds	<u>304,194</u>

The foreign borrowings above are taken by the foreign subsidiaries of the Group.

B9 Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

B10 Fair Value Changes Of Financial Liabilities

As at 31 December 2012, the Group does not have any financial liabilities measured at fair value through profit or loss.

B11 Realised and Unrealised Profits/(Losses)

The accumulated losses of the Group may be analysed as follows:-

	At 31.12.2012	At 31.12.2011
	RM'000	RM'000
		(Audited)
Total accumulated losses of the Group:-		
- Realised losses	(2,471,177)	(2,520,808)
- Unrealised profits	9,672	32,322
	<u>(2,461,505)</u>	<u>(2,488,486)</u>
Total share of retained profits from associates:-		
- Realised (losses)/profits	(24,199)	1,969
Total accumulated losses	<u>(2,485,704)</u>	<u>(2,486,517)</u>

B12 Material Litigation

There was no material litigation involving the Group as at the date of this report.

B13 Dividend

No dividend has been declared by the Board for the financial year ended 31 December 2012 (31 December 2011: Nil).

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W
(Incorporated in Malaysia)

B14 Basic (loss)/earnings Per Share

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Weighted average number of ordinary shares in issue ('000)	2,200,743	2,029,773	2,117,617	2,029,773
Effect of dilution :-				
Irredeemable convertible unsecured loan stocks	-	902,788	-	902,788
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>2,200,743</u>	<u>2,932,561</u>	<u>2,117,617</u>	<u>2,932,561</u>
(a) Continuing Operations				
(Loss)/Profit for the financial year attributable to equity holders of the Company (RM'000)	(15,320)	17,451	(56,411)	9,717
Basic (loss)/earnings per share (sen)	<u>(0.70)</u>	<u>0.86</u>	<u>(2.66)</u>	<u>0.48</u>
Diluted earnings per share (sen)	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
(a) Discontinued Operation				
(Loss)/Profit for the financial year attributable to equity holders of the Company (RM'000)	(1,427)	3,073	89,027	6,139
Basic (loss)/earnings per share (sen)	<u>(0.06)</u>	<u>0.15</u>	<u>4.20</u>	<u>0.30</u>
Diluted earnings per share (sen)	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

* The diluted earnings per share is not disclosed as there is no dilutive potential ordinary shares.

B15 Auditors' Report

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

On behalf of the Board
MALAYAN UNITED INDUSTRIES BERHAD

Soo-Hoo Siew Hoon
Ho Chun Fuat
Joint Company Secretaries

Date: 28 February 2013