



LION INDUSTRIES CORPORATION BERHAD

(Incorporated in Malaysia)

(415-D)

Interim Financial Report for the First Quarter Ended 30 September 2012

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LION INDUSTRIES CORPORATION BERHAD (415-D)
(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
Revenue		1,124,943	1,326,999	1,124,943	1,326,999
Operating expenses		(1,147,479)	(1,310,869)	(1,147,479)	(1,310,869)
Other operating income		6,209	5,357	6,209	5,357
(Loss)/Profit from operations		(16,327)	21,487	(16,327)	21,487
Finance costs		(17,101)	(17,613)	(17,101)	(17,613)
Share in results of associated companies and jointly controlled entity		20,676	25,320	20,676	25,320
Investment income		8,265	7,804	8,265	7,804
Exceptional items	22(k)	(22,561)	-	(22,561)	-
(Loss)/Profit before tax	22	(27,048)	36,998	(27,048)	36,998
Tax credit/(expense)	16	2,449	(6,774)	2,449	(6,774)
(Loss)/Profit for the period		<u>(24,599)</u>	<u>30,224</u>	<u>(24,599)</u>	<u>30,224</u>
(Loss)/Profit attributable to:					
- Owners of the Company		(25,922)	27,638	(25,922)	27,638
- Non-controlling interests		1,323	2,586	1,323	2,586
(Loss)/Profit for the period		<u>(24,599)</u>	<u>30,224</u>	<u>(24,599)</u>	<u>30,224</u>
(Loss)/Earnings per share attributable to owners of the Company (sen):	21				
- Basic		<u>(3.61)</u>	<u>3.85</u>	<u>(3.61)</u>	<u>3.85</u>
- Diluted		<u>(3.61)</u>	<u>3.85</u>	<u>(3.61)</u>	<u>3.85</u>

(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 INDUSTRIES CORPORATION BERHAD (415-D)
(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(24,599)	30,224	(24,599)	30,224
<u>Other comprehensive income/(loss)</u>				
Exchange differences on translation of foreign operations	(1,087)	4,749	(1,087)	4,749
Net gain/(loss) on fair value changes on available-for-sale financial assets	285	(3,561)	285	(3,561)
Other comprehensive (loss)/income for the year, net of tax	(802)	1,188	(802)	1,188
Total comprehensive (loss)/income for the period	<u>(25,401)</u>	<u>31,412</u>	<u>(25,401)</u>	<u>31,412</u>
(Loss)/Profit attributable to:				
Owners of the Company	(25,731)	28,865	(25,731)	28,865
Non-controlling interests	330	2,547	330	2,547
	<u>(25,401)</u>	<u>31,412</u>	<u>(25,401)</u>	<u>31,412</u>

(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 INDUSTRIES CORPORATION BERHAD (415-D)
(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 30.9.2012 RM'000	AS AT 30.6.2012 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		1,268,670	1,288,871
Investment properties		4,619	4,627
Prepaid land lease payments		51,093	51,551
Land held for property development		34,924	79,001
Investment in associated companies		832,146	822,845
Investment in jointly controlled entity		62,953	56,741
Long-term investments		115,757	133,641
Deferred tax assets		65,226	56,367
Goodwill		130,443	130,443
Total Non-Current Assets		<u>2,565,831</u>	<u>2,624,087</u>
Current Assets			
Property development costs		58,739	14,426
Inventories		1,112,125	1,030,604
Short-term investments		15,303	20,063
Trade receivables		823,997	849,609
Other receivables, deposits and prepayments		556,173	480,943
Amount owing by jointly controlled entity		29,934	27,247
Deposits, cash and bank balances		458,005	584,838
		<u>3,054,276</u>	<u>3,007,730</u>
Assets classified as held for sale		21,989	22,393
Total Current Assets		<u>3,076,265</u>	<u>3,030,123</u>
Total Assets		<u>5,642,096</u>	<u>5,654,210</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		717,909	717,909
Reserves		2,454,722	2,480,511
Equity attributable to owners of the Company		<u>3,172,631</u>	<u>3,198,420</u>
Non-controlling interests		387,158	386,828
Total equity		<u>3,559,789</u>	<u>3,585,248</u>
Non-Current and Deferred Liabilities			
Long-term borrowings	18	299,785	297,762
Hire-purchase and finance lease payables		124,689	124,894
Deferred tax liabilities		17,791	16,268
Total Non-Current and Deferred Liabilities		<u>442,265</u>	<u>438,924</u>
Current Liabilities			
Trade payables		670,431	548,663
Other payables, deposit and accrued expenses		392,880	543,216
Provisions		15,000	15,000
Hire-purchase and finance lease payables		16,334	16,600
Short-term borrowings	18	488,814	468,754
RCCPS		12,388	12,388
Tax liabilities		44,195	25,417
Total Current Liabilities		<u>1,640,042</u>	<u>1,630,038</u>
Total Liabilities		<u>2,082,307</u>	<u>2,068,962</u>
Total Equity and Liabilities		<u>5,642,096</u>	<u>5,654,210</u>
Net assets per share attributable to owners of the Company (RM)		<u>4.42</u>	<u>4.46</u>

(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 INDUSTRIES CORPORATION BERHAD (415-D)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(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	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000			
30 September 2012								
At 1 July 2012	717,909	532,627	(342)	17,323	1,930,903	3,198,420	386,828	3,585,248
Total comprehensive income for the period	-	-	-	191	(25,922)	(25,731)	330	(25,401)
Purchase of treasury shares	-	-	(58)	-	-	(58)	-	(58)
At 30 September 2012	717,909	532,627	(400)	17,514	1,904,981	3,172,631	387,158	3,559,789
30 September 2011								
At 1 July 2011	717,909	532,627	(239)	(1,939)	2,009,564	3,257,922	382,582	3,640,504
Total comprehensive income for the period	-	-	-	1,227	27,638	28,865	2,547	31,412
Acquisition of non-controlling interests	-	-	-	81	-	81	(197)	(116)
At 30 September 2011	717,909	532,627	(239)	(631)	2,037,202	3,286,868	384,932	3,671,800

(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 INDUSTRIES CORPORATION BERHAD (415-D)

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Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011
	RM'000	RM'000
OPERATING ACTIVITIES		
(Loss)/Profit before tax	(27,048)	36,998
Adjustments for:		
Non-cash items	49,867	16,736
Non-operating items	(11,650)	(27,285)
Operating profit before changes in working capital	11,169	26,449
Changes in working capital:		
Net changes in current assets	(119,734)	41,879
Net changes in current liabilities	(28,323)	(353,715)
Others	-	(43)
	(136,888)	(285,430)
INVESTING ACTIVITIES		
Dividends received	3,727	-
Proceeds from disposal of a subsidiary company	-	54,623
Proceeds from redemption of investments	484	1,685
Proceeds from disposal of asset held for sale	404	-
Purchase of property, plant and equipment	(9,363)	(14,037)
Proceeds from disposal of property, plant and equipment	194	-
Purchase of investment	-	(431)
Interest received	7,811	7,154
Acquisition of non-controlling interests	-	(400)
Others	(236)	202
	3,021	48,796
FINANCING ACTIVITIES		
Borrowings and interest paid	(36,376)	(3,783)
Increase/(Decrease) in cash and cash equivalents - restricted	599	(2,225)
Purchase of treasury shares	(58)	-
	(35,835)	(6,008)
Net changes in cash and cash equivalents	(169,702)	(242,642)
Effects of changes in exchange rate	52	(475)
Cash and cash equivalents at beginning of the period	317,741	457,383
Cash and cash equivalents at end of the period	148,091	214,266

(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)

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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 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 1	First-time Adoption of Financial Reporting Standards (Amendments)
FRS 7	Financial Instruments: Disclosures (Amendments)
FRS 101	Presentation of Financial Statements (Amendments)
FRS 112	Income Taxes (Amendments)
FRS 124	Related Party Disclosure (Revised)

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

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework") in conjunction with its planned convergence of FRSs with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board on 1 January 2012.

The MFRS Framework is a fully IFRS-compliant framework, equivalent to IFRSs which is mandatory for adoption by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception for Transitioning Entities. Transitioning Entities, being entities which are subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate are given an option to defer adoption of the MFRS Framework for an additional one year. Transitioning Entities also include those entities that consolidate, equity account or proportionately consolidate an entity that has chosen to continue to apply the FRS Framework for annual periods beginning on or after 1 January 2012. However, on 30 June 2012, the MASB decided to extend the aforementioned transitional period for another one year. Thus, Transitioning Entities are given an additional option to continue to apply the FRS Framework for annual periods beginning on or after 1 January 2013. Consequently, the MFRS Framework will be mandatory for application for annual periods beginning on or after 1 January 2014.

Accordingly, the Group, being a Transitioning Entity, has availed itself of this transitional arrangement and will continue to apply FRSs in its next two sets of financial statements. Therefore, the Group will be required to apply MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards in its financial statements for the financial year ending 30 June 2015, being the first set of financial statements prepared in accordance with the new MFRS Framework. Further, an explicit and unreserved statement of compliance with IFRSs will be made in these financial statements.

2. Comments about seasonal or cyclical factors

The Group's performance is not affected by any material seasonal or cyclical factors.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year-to-date, except as disclosed in the Interim Financial Report.

4. Changes in estimates

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

5. Debt and equity securities

During the financial year-to-date, the Company repurchased a total of 50,000 ordinary shares of its issued ordinary shares from the open market at an average price of RM1.155 per share. The total consideration paid for the repurchase including transaction costs amounting to RM58,172 was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. As at 30 September 2012, the number of treasury shares held were 269,900 shares.

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

6. Dividends paid

There was no dividend paid during the quarter and financial year-to-date.

7. Segmental information

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

	Steel RM'000	Building materials RM'000	Property development RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
External revenue	937,737	157,876	5,139	24,191	-	1,124,943
Inter-segment revenue	27,399	128,369	-	-	(155,768)	-
Total revenue	<u>965,136</u>	<u>286,245</u>	<u>5,139</u>	<u>24,191</u>	<u>(155,768)</u>	<u>1,124,943</u>
Results						
Segment results	(20,671)	7,999	133	(2,305)	-	(14,844)
Unallocated costs						(1,483)
Finance costs						(17,101)
Share in results of associated companies and jointly controlled entity	3,146	-	6,212	11,318	-	20,676
Investment income						8,265
Exceptional items	(19,356)	(666)	(31)	(2,508)	-	(22,561)
Loss before tax						(27,048)
Tax credit						2,449
Loss for the year						<u>(24,599)</u>
Assets						
Segment assets	3,371,704	635,156	244,729	286,226	-	4,537,815
Investment in associated companies and jointly controlled entity	62,103	-	62,953	770,043	-	895,099
Unallocated corporation assets						209,182
Consolidated total assets						<u>5,642,096</u>

8. Subsequent events

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

9. Changes in composition of the Group

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

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	
	30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
Revenue				
Steel	965,136	1,144,266	965,136	1,144,266
Building materials	286,245	183,950	286,245	183,950
Property development	5,139	2,082	5,139	2,082
Others	24,191	22,352	24,191	22,352
Eliminations	(155,768)	(25,651)	(155,768)	(25,651)
	<u>1,124,943</u>	<u>1,326,999</u>	<u>1,124,943</u>	<u>1,326,999</u>
Segment Results				
Steel	(20,671)	19,813	(20,671)	19,813
Building materials	7,999	4,618	7,999	4,618
Property development	133	(1,327)	133	(1,327)
Others	(2,305)	(238)	(2,305)	(238)
Unallocated costs	(1,483)	(1,379)	(1,483)	(1,379)
(Loss)/Profit from operations	<u>(16,327)</u>	<u>21,487</u>	<u>(16,327)</u>	<u>21,487</u>
Finance costs	(17,101)	(17,613)	(17,101)	(17,613)
Share in results of associated companies and jointly controlled entity	20,676	25,320	20,676	25,320
Investment income	8,265	7,804	8,265	7,804
Impairment loss on investment in quoted shares	(22,561)	-	(22,561)	-
(Loss)/Profit before tax	<u>(27,048)</u>	<u>36,998</u>	<u>(27,048)</u>	<u>36,998</u>

For the first three months of the financial year under review, the Group posted a 15% lower revenue of RM1,125 million compared to RM1,327 million recorded in the same period last year. This was mainly due to the lower sales tonnage and selling prices recorded by our steel division. The cost of raw materials remained relatively high and resulted in the Group recording a loss from operations of RM16.3 million against a profit of RM21.5 million last year. The associated companies and a jointly controlled entity contributed a lower profit to the Group of RM20.7 million compared to RM25.3 million last year. After accounting for loss on exceptional items of RM22.6 million, the Group recorded a loss before tax of RM27.0 million as against a profit of RM37.0 million in the same period last year.

Steel

Steel division recorded a 16% lower revenue of RM965 million compared to RM1,144 million in the same period last year. The lower revenue was mainly due to lower selling prices and sales tonnage, particularly wire rods and hot briquetted iron. In addition, the cost of raw materials remained relatively high and had resulted in the division recording a loss from operations of RM20.7 million against a profit of RM19.8 million a year ago.

Building materials

Building materials division achieved a 56% higher revenue of RM286.2 million compared to RM184.0 million recorded in the same period last year, mainly attributable to growing construction activities. Correspondingly, the division's profit increased to RM8.0 million from RM4.6 million recorded a year ago.

Property development

Property development division registered a higher revenue of RM5.1 million and a profit from operations of RM0.1 million. This was mainly due to higher progress billings.

Others

Others comprising the petroleum, lubricants and automotive products businesses, recorded a higher revenue of RM24.2 million as compared to RM22.4 million last year. The higher revenue was mainly attributable to higher sales volume from increase in demand and number of customers.

Associated companies and jointly controlled entity

The lower share in profit of the associated companies and jointly controlled entity was largely attributable to the lower profit from Parkson Holdings Berhad and the St Mary Residences project.

Exceptional item

Exceptional item comprised an impairment loss of RM22.6 million on investment in quoted shares due to decline in share price.

12. Comment on material change in profit

	Current Year Quarter 30.9.2012	Immediate Preceding Quarter 30.6.2012
	RM'000	RM'000
Revenue	1,124,943	1,406,993
(Loss)/Profit from operations	(16,327)	34,884
Loss before tax	(27,048)	(76,494)

Revenue of the Group for the quarter under review was RM1,125 million, representing a decrease of 20% against RM1,407 million in the immediate preceding quarter. All the divisions recorded a decline in sales, particularly the steel and building materials divisions. The Group recorded a loss from operations of RM16.3 million as against a profit of RM34.9 million in the immediate preceding quarter mainly due to lower sales volume and profit margins.

After accounting for profit from associated companies and a jointly controlled entity of RM20.7 million, the Group posted a lower loss before tax of RM27.0 million compared with RM76.5 million in the immediate preceding quarter after providing for a lower impairment loss on investment in quoted shares of RM22.6 million (Immediate preceding quarter: RM121.4 million).

13. a) Prospects

The operating environment for the Group's businesses is expected to remain challenging due to uncertainties surrounding the recovery of the global economy, particularly the slow pace in resolving the European debt crisis and the slowdown in the economic growth in China. The Group's core business continues to be adversely affected by the rampant imports. The local steel industry is now awaiting urgent and decisive measures to be imposed by the Government to increase the consumption of local steel products and enable the local steel industry to meet the competition of imported products. Until such measures are undertaken, the Group's steel and building materials businesses are expected to be difficult next quarter.

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. Tax expense/(credit)

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Estimated tax payable				
Current provision	6,410	3,484	6,410	3,484
Overprovision in prior years	-	(5,000)	-	(5,000)
Deferred taxation				
Current provision	(8,859)	8,290	(8,859)	8,290
Overprovision in prior years	-	-	-	-
	<u>(2,449)</u>	<u>6,774</u>	<u>(2,449)</u>	<u>6,774</u>

Excluding the share in results of the associated companies and the jointly controlled entity, the effective tax rate of the Group for the current quarter is lower than the statutory tax rate principally due to certain expenses not deductible for tax purposes.

17. Corporate proposalsStatus of corporate proposals

No	Date of Announcements	Subjects	Status
1.	3.3.2011 2.6.2011 3.8.2011 26.8.2011 31.10.2011 2.3.2012 28.8.2012 30.8.2012	i) Proposed joint venture between Lion Industries Corporation Berhad ("LICB"), Lion Diversified Holdings Berhad ("LDHB") and Lion Forest Industries Berhad ("LFIB") in Lion Blast Furnace Sdn Bhd ("LBF") in the shareholding of 29%, 51% and 20% respectively; ii) Proposed disposal by Amsteel Mills Sdn Bhd (a 99% owned subsidiary of LICB) to LBF of a parcel of freehold land located in Mukim Tanjung Duabelas, Daerah Kuala Langat, Negeri Selangor Darul Ehsan measuring approximately 41.36 acres, for a cash consideration of approximately RM16.22 million; and iii) Proposed provision of financial assistance by LICB in the form of a corporate guarantee and pledge of securities proportionate to its shareholding in LBF for the latter and its subsidiary company to secure a loan facility in relation to the Blast Furnace Project.	Pending approvals of: i) Shareholders of LICB, LDHB and LFIB; and ii) Any other relevant authorities.

The status of the corporate proposals of LFIB, a subsidiary of the Company, is reported in the Interim Financial Report of LFIB.

Other than the aforementioned, there were no corporate proposals pending completion at the date of this report.

18. Borrowings and debt securities

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

	Short-Term RM'000	Long-Term RM'000	Total RM'000
Bank borrowings			
Secured	484,451	-	484,451
Unsecured	4,363	-	4,363
Sukuk			
Secured	-	299,785	299,785
	<u>488,814</u>	<u>299,785</u>	<u>788,599</u>

The Group's borrowings were denominated in the following currencies

	Foreign Currency	Total RM'000
	'000	RM'000
- Ringgit Malaysia	-	675,897
- US Dollar	36,771	112,702
		<u>788,599</u>

19. Changes in material litigation

There was no material litigation since 30 June 2012.

20. Dividend proposed

The Board does not recommend any interim dividend for the financial quarter ended 30 September 2012.

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

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
(Loss)/Profit attributable to owners of the Company (RM'000)	<u>(25,922)</u>	<u>27,638</u>	<u>(25,922)</u>	<u>27,638</u>
Weighted average number of ordinary shares in issue ('000)	<u>717,689</u>	<u>717,759</u>	<u>717,689</u>	<u>717,759</u>
Basic EPS (sen)	<u>(3.61)</u>	<u>3.85</u>	<u>(3.61)</u>	<u>3.85</u>

The basic EPS and the diluted EPS are the same for the period as the Company has no dilutive potential ordinary shares as of the end of the reporting period.

22. (Loss)/Profit before tax

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	8,265	7,804	8,265	7,804
(b) Other income including investment income	1,923	1,954	1,923	1,954
(c) Interest expense	(17,101)	(17,613)	(17,101)	(17,613)
(d) Depreciation and amortisation	(29,962)	(28,648)	(29,962)	(28,648)
(e) Provision for and write off of receivables	(879)	(772)	(879)	(772)
(f) Provision for and write off of inventories	-	(8,274)	-	(8,274)
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	(214)	130	(214)	130
(h) Impairment of assets (refer to item (k))	-	-	-	-
(i) Foreign exchange gain/(loss)	4,286	3,403	4,286	3,403
(j) Gain/(Loss) on derivatives	-	-	-	-
(k) Exceptional items	(22,561)	-	(22,561)	-
- impairment loss on investment in quoted shares	(22,561)	-	(22,561)	-

23. Realised and Unrealised Profits/Losses Disclosure

	AS AT 30.9.2012 RM'000	AS AT 30.6.2012 RM'000
Total retained earnings of the Company and subsidiary companies		
- Realised	1,469,817	1,535,419
- Unrealised	26,585	7,581
	<u>1,496,402</u>	<u>1,543,000</u>
Total share of retained earnings from associated companies and a jointly controlled entity		
- Realised	405,443	384,724
- Unrealised	(1,179)	(1,136)
Consolidated adjustments	4,315	4,315
Total retained earnings	<u>1,904,981</u>	<u>1,930,903</u>

24. 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.