



**LION INDUSTRIES CORPORATION BERHAD** (415-D)

---

(Incorporated in Malaysia)

**Interim Financial Report for the  
Second Quarter Ended  
31 December 2013**

---

Condensed Consolidated Income Statement	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5
Notes to the Condensed Financial Statements	6 - 13

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

Interim financial report for the second quarter ended 31 December 2013  
(The figures have not been audited)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Revenue		1,045,793	1,151,859	2,096,380	2,276,802
Operating expenses		(1,050,405)	(1,185,199)	(2,157,224)	(2,328,392)
Other operating income		809	1,035	1,717	2,958
Loss from operations		(3,803)	(32,305)	(59,127)	(48,632)
Finance costs		(17,709)	(16,561)	(32,399)	(33,662)
Share in results of associated companies and jointly controlled entity		13,259	25,703	27,990	46,379
Investment income		9,602	10,823	18,543	19,088
Exceptional item	23(k)	(43,926)	-	(54,033)	(22,561)
Loss before tax	23	(42,577)	(12,340)	(99,026)	(39,388)
Tax credit	16	952	9,342	2,786	11,791
Loss for the period		<u>(41,625)</u>	<u>(2,998)</u>	<u>(96,240)</u>	<u>(27,597)</u>
(Loss)/Profit attributable to:					
- Owners of the Company		(41,177)	(6,778)	(95,507)	(32,700)
- Non-controlling interests		(448)	3,780	(733)	5,103
Loss for the period		<u>(41,625)</u>	<u>(2,998)</u>	<u>(96,240)</u>	<u>(27,597)</u>
Loss per share attributable to owners of the Company (sen):	21				
- Basic		<u>(5.74)</u>	<u>(0.94)</u>	<u>(13.31)</u>	<u>(4.56)</u>
- Diluted		<u>(5.74)</u>	<u>(0.94)</u>	<u>(13.31)</u>	<u>(4.56)</u>

*(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 second quarter ended 31 December 2013  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>31.12.2013</b>	<b>31.12.2012</b>	<b>31.12.2013</b>	<b>31.12.2012</b>
	RM'000	RM'000	RM'000	RM'000
Loss for the period	(41,625)	(2,998)	(96,240)	(27,597)
<u>Other comprehensive income/(loss)</u>				
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss</u>	-	-	-	-
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>				
Exchange differences on translation of foreign operations	(103)	(5,259)	2,627	(6,346)
Net gain on fair value changes on available-for-sale financial assets and assets classified as held for sale	3,101	438	3,328	723
Change in fair value on disposal of assets classified as held for sale	-	(1,220)	-	(1,220)
Other comprehensive income/(loss) for the period, net of tax	2,998	(6,041)	5,955	(6,843)
Total comprehensive loss for the period	<u>(38,627)</u>	<u>(9,039)</u>	<u>(90,285)</u>	<u>(34,440)</u>
(Loss)/Profit attributable to:				
Owners of the Company	(37,636)	(11,034)	(91,347)	(36,765)
Non-controlling interests	(991)	1,995	1,062	2,325
	<u>(38,627)</u>	<u>(9,039)</u>	<u>(90,285)</u>	<u>(34,440)</u>

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 second quarter ended 31 December 2013  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 31.12.2013 RM'000</b>	<b>AS AT 30.6.2013 RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		1,217,376	1,252,613
Investment properties		4,003	4,012
Prepaid land lease payments		48,796	49,713
Land held for property development		35,396	34,223
Investment in associated companies		874,448	840,919
Investment in jointly controlled entity		80,013	88,238
Long-term investments		24,151	86,691
Deferred tax assets		93,309	70,520
Goodwill		130,443	130,443
<b>Total Non-Current Assets</b>		<b>2,507,935</b>	<b>2,557,372</b>
<b>Current Assets</b>			
Property development costs		58,265	59,893
Inventories		1,016,958	1,043,575
Short-term investments		18,371	20,887
Trade receivables		910,123	905,230
Other receivables, deposits and prepayments		635,884	494,691
Amount owing by jointly controlled entity		1,524	1,551
Amount owing by associated company		4,500	5,398
Deposits, cash and bank balances		468,220	573,011
		<b>3,113,845</b>	<b>3,104,236</b>
Assets classified as held for sale		-	470
<b>Total Current Assets</b>		<b>3,113,845</b>	<b>3,104,706</b>
<b>Total Assets</b>		<b>5,621,780</b>	<b>5,662,078</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		717,909	717,909
Reserves		2,336,352	2,435,299
Equity attributable to owners of the Company		3,054,261	3,153,208
Non-controlling interests		388,429	388,309
<b>Total equity</b>		<b>3,442,690</b>	<b>3,541,517</b>
<b>Non-Current and Deferred Liabilities</b>			
Long-term borrowings	18	283,898	248,228
Hire-purchase and finance lease payables		103,788	109,167
Deferred tax liabilities		23,097	22,232
<b>Total Non-Current and Deferred Liabilities</b>		<b>410,783</b>	<b>379,627</b>
<b>Current Liabilities</b>			
Trade payables		609,866	576,766
Other payables, deposit and accrued expenses		624,190	643,319
Provisions		15,000	15,000
Hire-purchase and finance lease payables		16,550	16,483
Short-term borrowings	18	473,099	469,117
Tax liabilities		29,602	20,249
<b>Total Current Liabilities</b>		<b>1,768,307</b>	<b>1,740,934</b>
<b>Total Liabilities</b>		<b>2,179,090</b>	<b>2,120,561</b>
<b>Total Equity and Liabilities</b>		<b>5,621,780</b>	<b>5,662,078</b>
Net assets per share attributable to owners of the Company (RM)		4.26	4.39

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 second quarter ended 31 December 2013

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000			
<b>31 December 2013</b>								
<b>At 1 July 2013</b>	717,909	532,627	(494)	14,188	1,888,978	3,153,208	388,309	3,541,517
Total comprehensive income/(loss) for the period	-	-	-	4,160	(95,507)	(91,347)	1,062	(90,285)
Dividends payable/paid for the financial year ended 30 June 2013	-	-	-	-	(7,170)	(7,170)	(942)	(8,112)
Purchase of treasury shares	-	-	(430)	-	-	(430)	-	(430)
<b>At 31 December 2013</b>	<b>717,909</b>	<b>532,627</b>	<b>(924)</b>	<b>18,348</b>	<b>1,786,301</b>	<b>3,054,261</b>	<b>388,429</b>	<b>3,442,690</b>
<b>31 December 2012</b>								
<b>At 1 July 2012</b>	717,909	532,627	(342)	17,323	1,930,903	3,198,420	386,828	3,585,248
Total comprehensive income/(loss) for the period	-	-	-	(4,065)	(32,700)	(36,765)	2,325	(34,440)
Dividends payable/paid for the financial year ended 30 June 2012	-	-	-	-	(7,179)	(7,179)	(1,256)	(8,435)
Purchase of treasury shares	-	-	(58)	-	-	(58)	-	(58)
Acquisition of non-controlling interests	-	-	-	-	22	22	(27)	(5)
<b>At 31 December 2012</b>	<b>717,909</b>	<b>532,627</b>	<b>(400)</b>	<b>13,258</b>	<b>1,891,046</b>	<b>3,154,440</b>	<b>387,870</b>	<b>3,542,310</b>

*(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 second quarter ended 31 December 2013

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	31.12.2013 RM'000	31.12.2012 RM'000
<u>OPERATING ACTIVITIES</u>		
Loss before tax	(99,026)	(39,388)
Adjustments for:		
Non-cash items	117,107	76,731
Non-operating items	(25,027)	(31,805)
Operating (loss)/profit before changes in working capital	(6,946)	5,538
Changes in working capital:		
Net changes in current assets	(113,480)	144,882
Net changes in current liabilities	(8,194)	(83,689)
	(128,620)	66,731
<u>INVESTING ACTIVITIES</u>		
Dividends received	16,981	24,075
Interest received	8,941	18,305
Proceeds from disposal/redemption of investments	2,615	760
Proceeds from disposal of assets held for sale	470	404
Proceeds from disposal of property, plant and equipment	440	304
Purchase of property, plant and equipment	(22,817)	(19,049)
Acquisition of non-controlling interests	-	(5)
Others	(1,173)	(1,669)
	5,457	23,125
<u>FINANCING ACTIVITIES</u>		
Borrowings and interest paid	(28,742)	(76,628)
(Increase)/Decrease in cash and cash equivalents - restricted	(21,597)	1,881
Purchase of treasury shares	(430)	(58)
Dividend paid to minority shareholders of subsidiary companies	(942)	(2,042)
	(51,711)	(76,847)
Net changes in cash and cash equivalents	(174,874)	13,009
Effects of changes in exchange rate	641	39
Cash and cash equivalents at beginning of the period	385,620	317,741
Cash and cash equivalents at end of the period	211,387	330,789

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 second quarter ended 31 December 2013  
(The figures have not been audited)

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

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

The interim financial statements are unaudited and have been prepared in accordance with 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 2013. 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 2013.

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 2013 except for the adoption of the following FRSs effective for the financial period beginning 1 July 2013:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendments)
FRS 7	Financial Instruments: Disclosures (Amendments)
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosures of Interest In Other Entities
FRS 10, FRS 11 & FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance (Amendment to FRS 10, FRS 11 and FRS 12)
FRS 13	Fair Value Measurement
FRS 101	Presentation of Financial Statements (Amendments)
FRS 116	Property, Plant and Equipment (Amendments)
FRS 119	Employee Benefits (2011)
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures (2011)
FRS 132	Financial Instruments: Presentation (Amendments)
FRS 134	Interim Financial Reporting (Amendments)
IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above mentioned FRSs did not have material impact on the financial statements of the Group on initial application.

**Malaysian Financial Reporting Standards**

On 19 November 2011, the Malaysian Accounting Standard Board ("MASB") has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework (MFRS Framework), a fully-International Financial Reporting Standards Framework ("IFRS") compliant framework. Entities other than private entities shall apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities ("TEs").

TEs, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parents, significant investors and venturers were given a transitional period of two years, within which the MFRS Framework is mandatory to be adopted by the TEs. Following the announcement by the MASB on 7 August 2013, the transitional period for TEs has been extended for an additional year. Therefore, the mandatory adoption date of the MFRS Framework for TEs has been extended from annual periods beginning on or after 1 January 2014 to annual periods beginning on or after 1 January 2015.

The Group being TEs have availed themselves of this transitional arrangement and will continue to apply FRSs in the preparation of their financial statements. Accordingly, the Group will be required to apply MFRS 1 First-time adoption of Malaysian Financial Reporting Standards in their financial statements for the financial year ending 30 June 2016, being the first set of financial statements prepared in accordance with 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.

**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

**5. Debt and equity securities**

During the financial year-to-date, the Company repurchased a total of 518,300 ordinary shares of its issued ordinary shares from the open market at an average price of RM0.834 per share. The total consideration paid for the repurchase including transaction costs amounting to RM432,021 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 31 December 2013, the number of treasury shares held were 888,200 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**

A first and final single-tier dividend of 1.0 sen per share, amounting to RM7.2 million in respect of the previous financial year ended 30 June 2013 was paid by the Company on 16 January 2014.



**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
<b>Revenue</b>						
External revenue	1,867,397	166,706	10,300	51,977	-	2,096,380
Inter-segment revenue	44,571	171,563	-	-	(216,134)	-
Total revenue	<u>1,911,968</u>	<u>338,269</u>	<u>10,300</u>	<u>51,977</u>	<u>(216,134)</u>	<u>2,096,380</u>
<b>Results</b>						
Segment results	(61,513)	5,261	(333)	684	-	(55,901)
Unallocated costs						(3,226)
Finance costs						(32,399)
Share in results of associated companies and jointly controlled entity	7,628	-	8,371	11,991	-	27,990
Investment income	5,768	8,515	628	3,632	-	18,543
Exceptional item	(48,651)	(1,073)	(167)	(4,142)	-	(54,033)
Loss before tax						(99,026)
Tax credit						2,786
Loss for the period						<u>(96,240)</u>
<b>Assets</b>						
Segment assets	3,281,660	601,984	250,666	169,338	-	4,303,648
Investment in associated companies and jointly controlled entity	62,858	-	80,013	811,590	-	954,461
Unallocated corporation assets						363,671
Consolidated total assets						<u>5,621,780</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 2013.

**11. Performance review**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
<b>Revenue</b>				
Steel	946,664	1,040,245	1,911,968	2,005,381
Building materials	187,825	218,801	338,269	505,046
Property development	3,971	2,745	10,300	7,884
Others	25,481	23,888	51,977	48,079
Eliminations	(118,148)	(133,820)	(216,134)	(289,588)
	<u>1,045,793</u>	<u>1,151,859</u>	<u>2,096,380</u>	<u>2,276,802</u>
<b>Segment Results</b>				
Steel	(5,856)	(35,885)	(61,513)	(56,556)
Building materials	2,938	4,158	5,261	9,061
Property development	(346)	(3,284)	(333)	(3,151)
Others	1,209	4,045	684	4,836
Unallocated costs	(1,748)	(1,339)	(3,226)	(2,822)
Loss from operations	(3,803)	(32,305)	(59,127)	(48,632)
Finance costs	(17,709)	(16,561)	(32,399)	(33,662)
Share in results of associated companies and jointly controlled entity	13,259	25,703	27,990	46,379
Investment income	9,602	10,823	18,543	19,088
Exceptional item	(43,926)	-	(54,033)	(22,561)
Loss before tax	<u>(42,577)</u>	<u>(12,340)</u>	<u>(99,026)</u>	<u>(39,388)</u>

For the first six months of the financial year under review, the Group posted an 8% lower revenue of RM2,096 million compared to RM2,277 million recorded in the same period last year. This was mainly due to the lower sales registered by our steel and building materials divisions. The Group registered a higher operating loss of RM59.1 million largely due to the higher loss recorded by the steel division and lower profit from the building materials division. The associated companies and a jointly controlled entity contributed a lower profit to the Group of RM28.0 million compared to RM46.4 million last year. After accounting for a higher loss on exceptional item of RM54.0 million, the Group recorded a higher loss before tax of RM99.0 million as compared with RM39.4 million in the same period last year.

**Steel**

Steel division recorded a 5% lower revenue of RM1,912 million compared to RM2,005 million in the same period last year. The lower revenue was mainly due to lower selling prices and sales tonnage. As a result, the division recorded a higher loss of RM61.5 million mainly due to lower profit margin. In addition, our plant in Labuan producing hot briquetted iron was temporarily shut down for two months due to the damage to the shiploader system caused by a capesize vessel during its berthing at our jetty. The Group is seeking compensation for damages from insurer and other relevant parties. The Labuan plant has resumed its operations in October 2013.

**Building materials**

Building materials division recorded a 33% lower revenue of RM338.3 million compared to RM505.0 million recorded in the same period last year. Accordingly, the division's profit was lower at RM5.3 million from RM9.1 million recorded a year ago.

**Property development**

Property development division registered a higher revenue of RM10.3 million and a lower loss from operations of RM0.3 million as compared to those of the same period last year.

**Others**

The revenue of RM52.0 million was mainly from petroleum, lubricants, automotive products and transportation businesses. The division recorded a lower profit of RM0.7 million as compared to RM4.8 million in the same period last year mainly due to operating expenses incurred by agriculture project.

**Associated companies and jointly controlled entity**

The lower share in profit of the associated companies and a jointly controlled entity was largely attributable to the lower profit from Parkson Holdings Berhad and Mergexcel Property Development Sdn Bhd.

**Exceptional item**

Exceptional item comprised impairment losses of RM54.0 million on quoted investments due to the decline in share prices.

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

	<b>Current Year Quarter 31.12.2013</b>	<b>Immediate Preceding Quarter 30.9.2013</b>
	RM'000	RM'000
Revenue	1,045,793	1,050,587
Loss from operations	(3,803)	(55,324)
Loss before tax	(42,577)	(56,449)

Revenue of the Group for the quarter under review was marginally lower at RM1,046 million compared with RM1,051 million in the immediate preceding quarter. This was mainly attributable to the lower sales recorded by the steel division. The Group recorded a lower loss from operations of RM3.8 million against RM55.3 million in the immediate preceding quarter mainly attributable to the lower loss from the steel division.

After accounting for a lower profit from associated companies and a jointly controlled entity of RM13.3 million and the loss on exceptional item of RM43.9 million, the Group posted a lower loss before tax of RM42.6 million as compared to RM56.4 million in the immediate preceding quarter.

**13. a) Prospects**

The operating environment for the steel industry is expected to remain challenging as uncertainties in the global economic environment persist. The continuing rampant dumping of steel products from foreign steel producers had resulted in the deterioration in terms of demand and price for local steel products.

The performance of our steel operations will to a large extent depend on domestic construction activities and raw material prices, in particular international scrap and iron ore prices. In addition, the recent hike in electricity tariff will raise production cost. Nevertheless, the Group continues to implement energy saving measures to reduce the impact.

Under such circumstances, the Group's performance would remain challenging in the 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	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Estimated tax payable				
Current provision	3,327	5,932	7,693	12,342
Deferred taxation				
Current provision	(4,279)	(15,274)	(10,479)	(24,133)
	<u>(952)</u>	<u>(9,342)</u>	<u>(2,786)</u>	<u>(11,791)</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 purpose.

**17. Corporate proposals**

The status of the corporate proposals of Lion Forest Industries Berhad, a subsidiary company 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	Long-Term	Total
	RM'000	RM'000	RM'000
Bank borrowings			
Secured	391,986	45,588	437,574
Unsecured	21,113	-	21,113
	<u>413,099</u>	<u>45,588</u>	<u>458,687</u>
Sukuk			
Secured	60,000	238,310	298,310
	<u>473,099</u>	<u>283,898</u>	<u>756,997</u>

	Foreign Currency	
	'000	RM'000
The Group's borrowings were denominated in the following currencies		
- Ringgit Malaysia	-	557,674
- US Dollar	60,658	199,323
		<u>756,997</u>

**19. Changes in material litigation**

There was no material litigation since 30 June 2013.

**20. Dividend proposed**

The Board does not recommend any interim dividend for the financial quarter ended 31 December 2013.

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

Basic EPS is calculated by dividing the loss 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.

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>31.12.2013</b>	<b>31.12.2012</b>	<b>31.12.2013</b>	<b>31.12.2012</b>
Loss attributable to owners of the Company (RM'000)	<u>(41,177)</u>	<u>(6,778)</u>	<u>(95,507)</u>	<u>(32,700)</u>
Weighted average number of ordinary shares in issue ('000)	<u>717,476</u>	<u>717,672</u>	<u>717,422</u>	<u>717,672</u>
Basic EPS (sen)	<u>(5.74)</u>	<u>(0.94)</u>	<u>(13.31)</u>	<u>(4.56)</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. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 30 June 2013 was not qualified.

**23. Loss before tax**

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

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>31.12.2013</b>	<b>31.12.2012</b>	<b>31.12.2013</b>	<b>31.12.2012</b>
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	9,602	10,823	18,543	19,088
(b) Other income including investment income	809	1,035	1,717	2,958
(c) Interest expense	(17,709)	(16,561)	(32,399)	(33,662)
(d) Depreciation and amortisation	(29,731)	(29,793)	(58,879)	(59,755)
(e) Provision for and write off of receivables	(829)	-	(1,677)	(879)
(f) Provision for and write off of inventories	-	-	-	-
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	(2,156)	2,860	(2,008)	2,646
(h) Impairment of assets (refer to item (k))	-	-	-	-
(i) Foreign exchange gain/(loss)	(251)	9,906	690	14,191
(j) Gain/(Loss) on derivatives	-	-	-	-
(k) Exceptional item	(43,926)	-	(54,033)	(22,561)
- impairment loss on quoted investments	<u>(43,926)</u>	<u>-</u>	<u>(54,033)</u>	<u>(22,561)</u>

**24. Realised and Unrealised Profits/Losses Disclosure**

	<b>AS AT 31.12.2013 RM'000</b>	<b>AS AT 30.6.2013 RM'000</b>
Total retained earnings of the Company and subsidiary companies		
- Realised	1,234,129	1,391,808
- Unrealised	<u>39,517</u>	<u>15,606</u>
	1,273,646	1,407,414
Total share of retained earnings from associated companies and a jointly controlled entity		
- Realised	509,052	478,815
- Unrealised	(712)	(1,566)
Consolidated adjustments	4,315	4,315
Total retained earnings	<u><u>1,786,301</u></u>	<u><u>1,888,978</u></u>