



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

---

(Incorporated in Malaysia)

**Interim Financial Report for the  
Fourth Quarter Ended  
30 June 2014**

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

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2014

(The figures have not been audited)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
Revenue		1,278,684	1,238,800	4,547,975	4,748,470
Operating expenses		(1,274,970)	(1,245,734)	(4,600,338)	(4,775,444)
Other operating income		2,865	7,671	5,536	12,572
Profit/(Loss) from operations		6,579	737	(46,827)	(14,402)
Finance costs		(17,387)	(14,337)	(68,094)	(63,917)
Share in results of associated companies and jointly controlled entity		2,641	11,616	44,571	93,661
Investment income		10,666	7,504	40,260	35,843
Exceptional items	23(k)	(485,541)	(50,242)	(541,982)	(81,562)
Loss before tax	23	(483,042)	(44,722)	(572,072)	(30,377)
Tax expense	16	(3,819)	(1,478)	(2,504)	(1,227)
Loss for the period/year		<u>(486,861)</u>	<u>(46,200)</u>	<u>(574,576)</u>	<u>(31,604)</u>
(Loss)/Profit attributable to:					
- Owners of the Company		(415,978)	(42,514)	(502,804)	(34,497)
- Non-controlling interests		(70,883)	(3,686)	(71,772)	2,893
Loss for the period/year		<u>(486,861)</u>	<u>(46,200)</u>	<u>(574,576)</u>	<u>(31,604)</u>
Loss per share attributable to owners of the Company (sen):	21				
- Basic		<u>(57.97)</u>	<u>(5.92)</u>	<u>(70.12)</u>	<u>(4.81)</u>
- Diluted		<u>(57.97)</u>	<u>(5.92)</u>	<u>(70.12)</u>	<u>(4.81)</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 fourth quarter ended 30 June 2014  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2014</b>	<b>30.6.2013</b>	<b>30.6.2014</b>	<b>30.6.2013</b>
	RM'000	RM'000	RM'000	RM'000
Loss for the period/year	(486,861)	(46,200)	(574,576)	(31,604)
<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	(728)	5,868	1,132	(165)
Net gain on fair value changes on available-for-sale financial assets and assets classified as held for sale	(31)	(3,892)	4,544	(2,150)
Change in fair value on disposal of assets classified as held for sale	-	-	-	(1,220)
Other comprehensive income/(loss) for the period/year, net of tax	(759)	1,976	5,676	(3,535)
Total comprehensive loss for the period/year	<u>(487,620)</u>	<u>(44,224)</u>	<u>(568,900)</u>	<u>(35,139)</u>
(Loss)/Profit attributable to:				
Owners of the Company	(415,845)	(42,314)	(497,505)	(37,903)
Non-controlling interests	(71,775)	(1,910)	(71,395)	2,764
	<u>(487,620)</u>	<u>(44,224)</u>	<u>(568,900)</u>	<u>(35,139)</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 fourth quarter ended 30 June 2014  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 30.6.2014 RM'000</b>	<b>AS AT 30.6.2013 RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		1,159,354	1,252,613
Investment properties		3,994	4,012
Prepaid land lease payments		47,877	49,713
Land held for property development		34,651	34,223
Investment in associated companies		874,316	840,919
Investment in jointly controlled entity		56,753	88,238
Long-term investments		20,995	86,691
Deferred tax assets		98,865	70,520
Goodwill		130,443	130,443
Total Non-Current Assets		<u>2,427,248</u>	<u>2,557,372</u>
<b>Current Assets</b>			
Property development costs		59,296	59,893
Inventories		788,534	1,043,575
Short-term investments		3,796	20,887
Trade receivables		704,701	905,230
Other receivables, deposits and prepayments		462,957	494,691
Amount owing by jointly controlled entity		1,507	1,551
Amount owing by associated company		4,500	5,398
Deposits, cash and bank balances		460,765	573,011
		<u>2,486,056</u>	<u>3,104,236</u>
Assets classified as held for sale		-	470
Total Current Assets		<u>2,486,056</u>	<u>3,104,706</u>
<b>Total Assets</b>		<b><u>4,913,304</u></b>	<b><u>5,662,078</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		717,909	717,909
Reserves		1,929,897	2,435,299
Equity attributable to owners of the Company		<u>2,647,806</u>	<u>3,153,208</u>
Non-controlling interests		315,972	388,309
Total equity		<u>2,963,778</u>	<u>3,541,517</u>
<b>Non-Current and Deferred Liabilities</b>			
Long-term borrowings	18	184,367	248,228
Hire-purchase and finance lease payables		93,041	109,167
Deferred tax liabilities		23,910	22,232
Total Non-Current and Deferred Liabilities		<u>301,318</u>	<u>379,627</u>
<b>Current Liabilities</b>			
Trade payables		643,927	576,766
Other payables, deposit and accrued expenses		538,918	643,319
Provisions		15,000	15,000
Hire-purchase and finance lease payables		17,247	16,483
Short-term borrowings	18	400,654	469,117
Tax liabilities		32,462	20,249
Total Current Liabilities		<u>1,648,208</u>	<u>1,740,934</u>
<b>Total Liabilities</b>		<u>1,949,526</u>	<u>2,120,561</u>
<b>Total Equity and Liabilities</b>		<b><u>4,913,304</u></b>	<b><u>5,662,078</u></b>
Net assets per share attributable to owners of the Company (RM)		<u>3.69</u>	<u>4.39</u>

*(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 fourth quarter ended 30 June 2014

(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>30 June 2014</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 year	-	-	-	5,299	(502,804)	(497,505)	(71,395)	(568,900)
Dividends for the financial year ended 30 June 2013	-	-	-	-	(7,170)	(7,170)	(942)	(8,112)
Purchase of treasury shares	-	-	(727)	-	-	(727)	-	(727)
<b>At 30 June 2014</b>	<b>717,909</b>	<b>532,627</b>	<b>(1,221)</b>	<b>19,487</b>	<b>1,379,004</b>	<b>2,647,806</b>	<b>315,972</b>	<b>2,963,778</b>
<b>30 June 2013</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 year	-	-	-	(3,406)	(34,497)	(37,903)	2,764	(35,139)
Dividends for the financial year ended 30 June 2012	-	-	-	-	(7,177)	(7,177)	(1,256)	(8,433)
Purchase of treasury shares	-	-	(152)	-	-	(152)	-	(152)
Acquisition of non-controlling interests	-	-	-	-	20	20	(27)	(7)
Redemption of RCCPS in a subsidiary company	-	-	-	271	(271)	-	-	-
<b>At 30 June 2013</b>	<b>717,909</b>	<b>532,627</b>	<b>(494)</b>	<b>14,188</b>	<b>1,888,978</b>	<b>3,153,208</b>	<b>388,309</b>	<b>3,541,517</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)

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Interim financial report for the fourth quarter ended 30 June 2014

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.6.2014	30.6.2013
	RM'000	RM'000
<u>OPERATING ACTIVITIES</u>		
Loss before tax	(572,072)	(31,604)
Adjustments for:		
Non-cash items	655,625	206,341
Non-operating items	(25,896)	(64,970)
	<hr/>	<hr/>
Operating profit before changes in working capital	57,657	109,767
Changes in working capital:		
Net changes in current assets	48,105	(97,177)
Net changes in current liabilities	(49,908)	113,462
	<hr/>	<hr/>
	55,854	126,052
<u>INVESTING ACTIVITIES</u>		
Dividends received	56,159	45,123
Interest received	40,260	35,933
Proceeds from disposal/redemption of investments	4,582	24,246
Proceeds from disposal of assets held for sale	470	-
Proceeds from disposal of property, plant and equipment	5,828	1,221
Purchase of property, plant and equipment	(59,367)	(57,160)
Acquisition of non-controlling interests	(8)	(27)
Net cash outflow from acquisition of subsidiary companies	-	(23,449)
Others	(2,025)	(18,318)
	<hr/>	<hr/>
	45,899	7,569
<u>FINANCING ACTIVITIES</u>		
Borrowings and interest paid	(235,690)	(128,401)
(Increase)/Decrease in cash and cash equivalents - restricted	(21,269)	79,855
Purchase of treasury shares	(727)	(152)
Redemption of RCCPS by a subsidiary company	-	(8,611)
Dividend paid to shareholders of the Company	(7,170)	(7,177)
Dividend paid to non-controlling interests of the Group	(942)	(1,256)
	<hr/>	<hr/>
	(265,798)	(65,742)
Net changes in cash and cash equivalents	(164,045)	67,879
Effects of changes in exchange rate	(8)	-
Cash and cash equivalents at beginning of the year	385,620	317,741
	<hr/>	<hr/>
Cash and cash equivalents at end of the year	221,567	385,620
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(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)  
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Interim financial report for the fourth quarter ended 30 June 2014  
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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 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 944,100 ordinary shares of its issued ordinary shares from the open market at an average price of RM0.77 per share. The total consideration paid for the repurchase including transaction costs amounting to RM727,364 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 June 2014, the number of treasury shares held were 1,314,000 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	4,043,709	367,646	34,135	102,485	-	4,547,975
Inter-segment revenue	103,736	350,394	-	-	(454,130)	-
Total revenue	<u>4,147,445</u>	<u>718,040</u>	<u>34,135</u>	<u>102,485</u>	<u>(454,130)</u>	<u>4,547,975</u>
<b>Results</b>						
Segment results	(51,340)	12,032	4,089	(4,201)	-	(39,420)
Unallocated costs						(7,407)
Finance costs						(68,094)
Share in results of associated companies and jointly controlled entity	851	-	18,303	25,417	-	44,571
Investment income	10,537	8,515	2,758	18,450	-	40,260
Exceptional items	(262,007)	(230,033)	(4,617)	(45,325)	-	(541,982)
Loss before tax						(572,072)
Tax expense						(2,504)
Loss for the year						<u>(574,576)</u>
<b>Assets</b>						
Segment assets	2,822,803	396,106	257,884	130,761	-	3,607,554
Investment in associated companies and jointly controlled entity	74,161	-	56,753	800,155	-	931,069
Unallocated corporate assets						374,681
Consolidated total assets						<u>4,913,304</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	
	30.6.2014 RM'000	30.6.2013 RM'000	30.6.2014 RM'000	30.6.2013 RM'000
<b>Revenue</b>				
Steel	1,161,995	1,070,867	4,147,445	4,152,397
Building materials	222,302	239,844	718,040	910,877
Property development	19,893	12,626	34,135	24,496
Others	27,171	27,421	102,485	100,428
Eliminations	(152,677)	(111,958)	(454,130)	(439,728)
	<u>1,278,684</u>	<u>1,238,800</u>	<u>4,547,975</u>	<u>4,748,470</u>
<b>Segment Results</b>				
Steel	2,201	(3,645)	(51,340)	(30,253)
Building materials	4,671	17,197	12,032	32,100
Property development	6,588	(853)	4,089	(3,781)
Others	(4,751)	(13,105)	(4,201)	(8,111)
Unallocated costs	(2,130)	1,143	(7,407)	(4,357)
Profit/(Loss) from operations	<u>6,579</u>	<u>737</u>	<u>(46,827)</u>	<u>(14,402)</u>
Finance costs	(17,387)	(14,337)	(68,094)	(63,917)
Share in results of associated companies and jointly controlled entity	2,641	11,616	44,571	93,661
Investment income	10,666	7,504	40,260	35,843
Exceptional items	(485,541)	(50,242)	(541,982)	(81,562)
Loss before tax	<u>(483,042)</u>	<u>(44,722)</u>	<u>(572,072)</u>	<u>(30,377)</u>

For the financial year under review, the Group posted a 4% lower revenue of RM4,548 million compared to RM4,748 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 RM46.8 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 of RM44.6 million to the Group compared to RM93.7 million last year. After accounting for a higher loss on exceptional items of RM542.0 million, the Group recorded a higher loss before tax of RM572.1 million as compared with RM30.4 million in the same period last year.

**Steel**

Steel division recorded a marginally lower revenue of RM4,147 million compared to RM4,152 million in the same period last year. The division recorded a higher loss of RM51.3 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 the insurer and other relevant parties. The Labuan plant has resumed its operations in October 2013.

**Building materials**

Building materials division recorded a 21% lower revenue of RM718.0 million compared to RM910.9 million recorded in the same period last year. Accordingly, the division's profit was lower at RM12.0 million from RM32.1 million recorded a year ago.

**Property development**

Property development division registered a higher revenue of RM34.1 million compared to RM24.5 million registered in the same period last year. Accordingly, the division's posted a profit from operations of RM4.1 million against a loss of RM3.8 million recorded a year ago.

**Others**

The revenue of RM102.5 million was mainly from petroleum, lubricants, automotive products and transportation businesses. The division reported a loss of RM4.2 million for the financial year under review. This was mainly due to losses in the 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 their retail, property and steel businesses.

**Exceptional items**

Exceptional items comprised impairment losses of RM542.0 million on quoted and unquoted investments, trade and other receivables, inventories, and property, plant and equipment.

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

	<b>Current Year Quarter 30.6.2014</b>	<b>Immediate Preceding Quarter 31.3.2014</b>
	RM'000	RM'000
Revenue	1,278,684	1,172,911
Profit from operations	6,579	5,738
(Loss)/Profit before tax	(483,042)	9,996

Revenue of the Group for the quarter under review was higher at RM1,279 million compared with RM1,173 million in the immediate preceding quarter. This was mainly attributable to the higher sales recorded by the steel and building materials divisions. The Group recorded a marginal increase in profit from operations of RM6.6 million compared with RM5.7 million in the immediate preceding quarter.

After accounting for a lower profit from associated companies and a jointly controlled entity of RM2.6 million and the loss on exceptional items of RM485.5 million, the Group posted a loss before tax of RM483.0 million against a profit of RM10.0 million in the immediate preceding quarter.

**13. a) Prospects**

The operating environment for the steel industry is expected to remain challenging as global overcapacity and oversupply in the steel market persist which led to the rampant dumping activities of steel products in the local market by foreign steel producers.

On the domestic front, the demand on steel products will increase should the growth momentum of the construction sector continues. However, the local steel producers will not benefit from the increase in demand until effective measures from the Government to curb the dumping activities are introduced and enforced.

Under such circumstances, the Group's performance would remain challenging in the next financial year.

**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	
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
	RM'000	RM'000	RM'000	RM'000
Estimated tax payable				
Current provision	5,997	(9,756)	18,539	9,416
Deferred taxation				
Current provision	(2,178)	11,234	(16,035)	(8,189)
	<u>3,819</u>	<u>1,478</u>	<u>2,504</u>	<u>1,227</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 higher 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 ("LFIB"), 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	317,631	5,870	323,501
Unsecured	23,023	-	23,023
	<u>340,654</u>	<u>5,870</u>	<u>346,524</u>
Sukuk			
Secured	60,000	178,497	238,497
	<u>400,654</u>	<u>184,367</u>	<u>585,021</u>

	Foreign Currency	
	'000	RM'000
The Group's borrowings were denominated in the following currencies		
- Ringgit Malaysia	-	410,904
- US Dollar	54,259	174,117
		<u>585,021</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 current quarter and financial year-to-date.

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

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

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2014</b>	<b>30.6.2013</b>	<b>30.6.2014</b>	<b>30.6.2013</b>
Loss attributable to owners of the Company (RM'000)	(415,978)	(42,514)	(502,804)	(34,497)
Weighted average number of ordinary shares in issue ('000)	717,539	717,653	717,014	717,613
Basic EPS (sen)	(57.97)	(5.92)	(70.12)	(4.81)

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>30.6.2014</b>	<b>30.6.2013</b>	<b>30.6.2014</b>	<b>30.6.2013</b>
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	10,666	7,504	40,260	35,843
(b) Other income including investment income	2,865	7,671	5,536	12,572
(c) Interest expense	(17,387)	(14,337)	(68,094)	(63,917)
(d) Depreciation and amortisation	(31,179)	(26,168)	(119,693)	(116,415)
(e) Provision for and write off of receivables	(28)	(1,763)	(2,622)	(2,642)
(f) Provision for and write off of inventories	-	(905)	-	(905)
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	(3)	1,609	(2,099)	1,932
(h) Impairment of assets (refer to item (k))	-	-	-	-
(i) Foreign exchange gain/(loss)	5,048	1,947	7,930	24,671
(j) Gain/(Loss) on derivatives	-	-	-	-
(k) Exceptional items	(485,541)	(50,242)	(541,982)	(81,562)
- impairment loss on quoted and unquoted investments	(13,500)	(2,738)	(69,941)	(25,299)
- impairment loss on trade and other receivables owing by related parties	(429,777)	(47,504)	(429,777)	(47,504)
- impairment loss on property, plant and equipment	(32,000)	-	(32,000)	-
- write down of inventories	(10,264)	-	(10,264)	-
- loss on redemption of unquoted investments	-	-	-	(8,759)

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

	<b>AS AT 30.6.2014 RM'000</b>	<b>AS AT 30.6.2013 RM'000</b>
Total retained earnings of the Company and subsidiary companies		
- Realised	813,823	1,391,808
- Unrealised	38,455	15,606
	<u>852,278</u>	<u>1,407,414</u>
Total share of retained earnings from associated companies and a jointly controlled entity		
- Realised	520,265	478,815
- Unrealised	2,146	(1,566)
Consolidated adjustments	4,315	4,315
Total retained earnings	<u><u>1,379,004</u></u>	<u><u>1,888,978</u></u>