



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

---

(Incorporated in Malaysia)

**Interim Financial Report for the  
Fourth Quarter Ended  
30 June 2015**

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

(Incorporated in Malaysia)

## Interim financial report for the fourth quarter ended 30 June 2015

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
Revenue		594,971	1,213,060	2,852,398	4,482,351
Operating expenses		(671,915)	(1,239,080)	(2,995,468)	(4,564,431)
Other operating income		16,836	30,098	22,380	32,769
(Loss)/Profit from operations		(60,108)	4,078	(120,690)	(49,311)
Finance costs		(6,897)	(18,518)	(51,938)	(69,225)
Share in results of associated companies and joint venture		(65,172)	2,631	(30,505)	44,561
Investment income		6,964	12,070	19,405	41,664
Exceptional items	23(k)	(1,797)	(492,017)	(77,934)	(548,475)
Loss before tax	23	(127,010)	(491,756)	(261,662)	(580,786)
Tax (expense)/credit	16	(2,967)	1,085	(24,269)	2,400
Loss for the period/year		<u>(129,977)</u>	<u>(490,671)</u>	<u>(285,931)</u>	<u>(578,386)</u>
Loss attributable to:					
- Owners of the Company		(112,907)	(419,120)	(252,658)	(505,946)
- Non-controlling interests		(17,070)	(71,551)	(33,273)	(72,440)
Loss for the period/year		<u>(129,977)</u>	<u>(490,671)</u>	<u>(285,931)</u>	<u>(578,386)</u>
Loss per share attributable to owners of the Company (sen):	21				
- Basic		<u>(15.78)</u>	<u>(58.41)</u>	<u>(35.31)</u>	<u>(70.56)</u>
- Diluted		<u>(15.78)</u>	<u>(58.41)</u>	<u>(35.31)</u>	<u>(70.56)</u>

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2015  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2015</b>	<b>30.6.2014</b>	<b>30.6.2015</b>	<b>30.6.2014</b>
	RM'000	RM'000	RM'000	RM'000
Loss for the period/year	(169,945)	(553,787)	(285,931)	(578,386)
<u>Other comprehensive income/(loss)</u>				
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>				
Exchange differences on translation of foreign operations	7,543	2,193	14,943	1,106
Net (loss)/gain on fair value changes on available-for-sale financial assets and assets classified as held for sale	(132)	4,258	(147)	4,543
Other comprehensive income for the period/year, net of tax	7,411	6,451	14,796	5,649
Total comprehensive loss for the period/year	<u>(162,534)</u>	<u>(547,336)</u>	<u>(271,135)</u>	<u>(572,737)</u>
(Loss)/Profit attributable to:				
Owners of the Company	(151,943)	(474,929)	(245,485)	(500,660)
Non-controlling interests	(10,591)	(72,407)	(25,650)	(72,077)
	<u>(162,534)</u>	<u>(547,336)</u>	<u>(271,135)</u>	<u>(572,737)</u>

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2015

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 30.6.2015 RM'000</b>	<b>AS AT 30.6.2014 RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		1,080,233	1,169,134
Investment properties		2,165	4,244
Prepaid land lease payments		46,039	47,875
Land held for property development		33,121	34,306
Investment in associated companies		840,835	874,085
Investment in joint venture		10,095	56,974
Long-term investments		14,314	20,996
Receivables		532,834	532,834
Deferred tax assets		106,138	105,986
Goodwill		130,443	130,443
Total Non-Current Assets		<u>2,796,217</u>	<u>2,976,877</u>
<b>Current Assets</b>			
Property development costs		54,515	58,893
Inventories		621,120	817,855
Short-term investments		-	3,795
Receivables		596,356	591,413
Amount owing by associated company		1,243	10,751
Amount owing by joint venture		1,601	1,485
Deposits, cash and bank balances		339,381	462,374
		<u>1,614,216</u>	<u>1,946,566</u>
Assets classified as held for sale		3,388	-
Total Current Assets		<u>1,617,604</u>	<u>1,946,566</u>
<b>Total Assets</b>		<b><u>4,413,821</u></b>	<b><u>4,923,443</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		717,909	717,909
Reserves		1,681,734	1,926,759
Equity attributable to owners of the Company		<u>2,399,643</u>	<u>2,644,668</u>
Non-controlling interests		286,681	315,265
Total equity		<u>2,686,324</u>	<u>2,959,933</u>
<b>Non-Current and Deferred Liabilities</b>			
Long-term borrowings	18	121,870	183,275
Hire-purchase and finance lease payables		30,431	92,606
Deferred tax liabilities		24,954	25,127
Total Non-Current and Deferred Liabilities		<u>177,255</u>	<u>301,008</u>
<b>Current Liabilities</b>			
Payables		1,107,139	1,208,676
Provisions		-	15,000
Hire-purchase and finance lease payables		62,304	17,452
Short-term borrowings	18	347,722	389,161
Tax liabilities		33,077	32,213
Total Current Liabilities		<u>1,550,242</u>	<u>1,662,502</u>
<b>Total Liabilities</b>		<u>1,727,497</u>	<u>1,963,510</u>
<b>Total Equity and Liabilities</b>		<b><u>4,413,821</u></b>	<b><u>4,923,443</u></b>
Net assets per share attributable to owners of the Company (RM)		<u>3.36</u>	<u>3.69</u>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2015

(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><u>30 June 2015</u></b>								
<b>At 1 July 2014</b>	717,909	532,627	(1,221)	19,474	1,375,879	2,644,668	315,265	2,959,933
Total comprehensive income/(loss) for the year	-	-	-	7,173	(252,658)	(245,485)	(25,650)	(271,135)
Share-based payments	-	-	-	276	-	276	-	276
Acquisition of non-controlling interests	-	-	-	-	1,034	1,034	(2,934)	(1,900)
Purchase of treasury shares	-	-	(850)	-	-	(850)	-	(850)
<b>At 30 June 2015</b>	<b>717,909</b>	<b>532,627</b>	<b>(2,071)</b>	<b>26,923</b>	<b>1,124,255</b>	<b>2,399,643</b>	<b>286,681</b>	<b>2,686,324</b>
<b><u>30 June 2014</u></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	-	-	-	5,286	(505,946)	(500,660)	(72,077)	(572,737)
Acquisition of non-controlling interests	-	-	-	-	17	17	(25)	(8)
Dividends payable/paid 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>19,474</b>	<b>1,375,879</b>	<b>2,644,668</b>	<b>315,265</b>	<b>2,959,933</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 2014 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 2015

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.6.2015 RM'000	30.6.2014 RM'000
<u>OPERATING ACTIVITIES</u>		
Loss before tax	(261,662)	(578,386)
Adjustments for:		
Non-cash items	146,603	672,784
Non-operating items	48,012	(20,072)
Operating (Loss)/profit before changes in working capital	(67,047)	74,326
Changes in working capital:		
Net changes in current assets	223,825	67,475
Net changes in current liabilities	(206,772)	(24,396)
	(49,994)	117,405
<u>INVESTING ACTIVITIES</u>		
Dividends received	4,054	56,159
Interest received	19,405	15,786
Proceeds from disposal/redemption of investments	105	4,622
Proceeds from disposal of property, plant and equipment	6,649	3,998
Purchase of property, plant and equipment	(30,678)	(66,415)
Others	(2,939)	(1,221)
	(3,404)	12,929
<u>FINANCING ACTIVITIES</u>		
Borrowings and interest paid	(89,526)	(233,749)
Decrease/(Increase) in cash and cash equivalents - restricted	136,686	(3,885)
Purchase of treasury shares	(850)	(727)
Dividend paid to shareholders of the Company	-	(7,170)
Dividend paid to minority shareholders of subsidiary companies	-	(942)
	46,310	(246,473)
Net changes in cash and cash equivalents	(7,088)	(116,139)
Effects of changes in exchange rate	1,086	-
Cash and cash equivalents at beginning of the year	269,481	385,620
Cash and cash equivalents at end of the year	263,479	269,481

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2015  
(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 2014. 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 2014.

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 2014 except for the adoption of the following FRSs effective for the financial period beginning 1 July 2014:

IC Interpretation 21	Levies
Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities
Amendments to FRS 119	Employee Benefits (Amendments relating to Defined Benefit Plans: Employee Contributions)
Amendments to FRS 132	Financial Instruments: Presentation (Amendments to Offsetting Financial Assets and Financial Liabilities)
Amendments to FRS 136	Impairment of Assets (Amendments relating to Recoverable Amount Disclosures for Non-Financial Assets)
Amendments to FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting)
Annual Improvements to FRSs 2010 - 2012 cycle	
Annual Improvements to FRSs 2011 - 2013 cycle	

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

**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

**5. Debt and equity securities**

During the financial year-to-date, the Company repurchased a total of 1,572,400 ordinary shares of its issued ordinary shares from the open market at an average price of RM0.54 per share. The total consideration paid for the repurchase including transaction costs amounting to RM849,770 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 2015, the number of treasury shares held were 2,886,400 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
<b>Revenue</b>						
External revenue	2,295,054	396,471	57,627	103,246	-	2,852,398
Inter-segment revenue	116,456	221,122	-	610	(338,188)	-
Total revenue	<u>2,411,510</u>	<u>617,593</u>	<u>57,627</u>	<u>103,856</u>	<u>(338,188)</u>	<u>2,852,398</u>
<b>Results</b>						
Segment results	(122,069)	11,989	11,176	(15,164)	-	(114,068)
Unallocated costs						(6,622)
Finance costs						(51,938)
Share in results of associated companies and joint venture	211	-	8,441	(39,157)	-	(30,505)
Investment income						19,405
Exceptional items	(6,538)	(185)	(185)	(71,026)	-	(77,934)
Loss before tax						(261,662)
Tax expense						(24,269)
Loss for the year						<u>(285,931)</u>
<b>Assets</b>						
Segment assets	2,427,683	354,736	296,463	230,711	-	3,309,593
Investment in associated companies and joint venture	74,372	-	10,095	766,463	-	850,930
Unallocated corporate assets						253,298
Consolidated total assets						<u>4,413,821</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**

The Group's contingent liabilities:

	<b>AS AT 30.6.2015 RM'000</b>	<b>AS AT 30.6.2014 RM'000</b>
Indemnity for:		
Litigation claims in respect of the termination of contracts for the extraction and sale of timber	-	138,855
Less: Provisions	-	(15,000)
	<hr/>	<hr/>
Back pay labour claims from SFI's employees	23,427	23,427
	<hr/>	<hr/>
	<b>23,427</b>	<b>147,282</b>

The Group's contingent liabilities were reduced to RM23.43 million subsequent to the settlement of the litigation claim by UNP Plywood Sdn Bhd against Sabah Forest Industries Sdn Bhd ("SFI"), a former subsidiary company, vide a settlement agreement dated 6 February 2015.

**11. Performance review**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
<b>Revenue</b>				
Steel	467,952	1,095,567	2,411,510	4,081,017
Building materials	166,402	221,688	617,593	717,426
Property development	9,677	23,295	57,627	37,537
Others	21,215	25,186	103,856	100,501
Eliminations	(70,275)	(152,676)	(338,188)	(454,130)
	<u>594,971</u>	<u>1,213,060</u>	<u>2,852,398</u>	<u>4,482,351</u>
<b>Segment Results</b>				
Steel	(52,749)	1,772	(122,069)	(51,769)
Building materials	3,981	7,551	11,989	14,912
Property development	(400)	6,950	11,176	4,451
Others	(9,041)	(10,068)	(15,164)	(9,501)
Unallocated costs	(1,899)	(2,127)	(6,622)	(7,404)
(Loss)/Profit from operations	<u>(60,108)</u>	<u>4,078</u>	<u>(120,690)</u>	<u>(49,311)</u>
Finance costs	(6,897)	(18,518)	(51,938)	(69,225)
Share in results of associated companies and joint venture	(65,172)	2,631	(30,505)	44,561
Investment income	6,964	12,070	19,405	41,664
Exceptional items	(1,797)	(492,017)	(77,934)	(548,475)
Loss before tax	<u>(127,010)</u>	<u>(491,756)</u>	<u>(261,662)</u>	<u>(580,786)</u>

For the financial year under review, the Group posted a 36% lower revenue of RM2,852 million compared to RM4,482 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 RM120.7 million largely due to the higher loss from the steel division. The associated companies and a joint venture registered losses of RM15.5 million to the Group against profit of RM44.6 million last year. After accounting for a lower loss on exceptional items of RM77.9 million, the Group recorded a lower loss before tax of RM261.7 million as compared with RM580.8 million in the same period last year.

**Steel**

Steel division recorded a lower revenue of RM2,412 million compared to RM4,081 million in the same period last year. The lower revenue was mainly due to lower selling prices and sales tonnage. Accordingly, the division recorded a higher loss of RM122.1 million.

**Building materials**

Building materials division recorded a 14% lower revenue of RM617.6 million compared to RM717.4 million recorded in the same period last year. Accordingly, the division posted a lower profit from operations of RM12.0 million as compared to RM14.9 million recorded a year ago.

**Property development**

Property development division registered a higher revenue of RM57.6 million compared to RM37.5 million registered in the same period last year. The division posted a profit from operations of RM11.2 million as compared to RM4.5 million recorded a year ago. The better results were mainly contributed by the development project in Penang.

**Others**

The revenue of RM103.9 million was mainly from petroleum, lubricants, automotive products and transportation businesses. The division recorded a loss of RM15.2 million for the financial year under review as the investment holding activities recorded an unrealised foreign exchange loss of RM13.6 million on US Dollar borrowings.

**Associated companies and joint venture**

The share in loss of the associated companies and a joint venture was largely attributable to the impairment losses recorded by the associated companies.

**Exceptional items**

Exceptional items comprised RM70.0 million which arose from the settlement of the litigation claim by UNP Plywood Sdn Bhd against Sabah Forest Industries Sdn Bhd, a former subsidiary company, and impairment losses of RM7.9 million on quoted and unquoted investments for the period under review.

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

	<b>Current Year Quarter 30.6.2015</b>	<b>Immediate Preceding Quarter 31.3.2015</b>
	RM'000	RM'000
Revenue	594,971	672,728
Loss from operations	(60,108)	(29,964)
Loss before tax	(127,010)	(33,274)

Revenue of the Group for the quarter under review was lower at RM595.0 million compared with RM672.7 million in the immediate preceding quarter. This was mainly attributable to the lower sales recorded by the steel and property development divisions. The Group registered a higher loss from operations of RM60.1 million compared with RM30.0 million in the immediate preceding quarter mainly due to the higher loss recorded by the steel division.

After accounting for losses registered by associated companies and jointly controlled entity of RM50.1 million and the loss on exceptional items of RM1.8 million, the Group recorded a higher loss before tax of RM127.0 million for the quarter under review.

**13. a) Prospects**

The outlook for the local steel industry in the next financial year is expected to be tough due to prevailing uncertainties in the operating environment. The global over-capacity and oversupply will continue to weigh on the steel market with the ongoing rampant dumping of imported steel products in the local market. The dumping activities will continue to severely affect the profitability of the local steel producers unless effective measures by the Government to curb the dumping activities are introduced and strictly 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	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
Estimated tax payable				
Current provision	7,025	6,340	22,161	18,882
Underprovision in prior years	2,383	11,289	2,383	11,289
Deferred taxation				
Current provision	(6,441)	(6,873)	(275)	(20,730)
Underprovision in prior years	-	(11,841)	-	(11,841)
	<u>2,967</u>	<u>(1,085)</u>	<u>24,269</u>	<u>(2,400)</u>

Excluding the share in results of the associated companies and the joint venture, the effective tax rate of the Group for the current quarter and financial year-to-date 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 ("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 RM'000	Long-Term RM'000	Total RM'000
<u>Bank borrowings</u>			
Secured	288,098	2,623	290,721
Unsecured	-	-	-
	<u>288,098</u>	<u>2,623</u>	<u>290,721</u>
<u>Sukuk</u>			
Secured	59,624	119,247	178,871
	<u>347,722</u>	<u>121,870</u>	<u>469,592</u>
		<b>Foreign Currency</b>	
The Group's borrowings were denominated in the following currencies		'000	RM'000
- Ringgit Malaysia		-	379,152
- US Dollar		23,964	90,440
			<u>469,592</u>

**19. Changes in material litigation**

There was no material litigation since 30 June 2014.

**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)/earnings 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/year.

	<u>3 MONTHS ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>30.6.2015</u>	<u>30.6.2014</u>	<u>30.6.2015</u>	<u>30.6.2014</u>
Loss attributable to owners of the Company (RM'000)	<u>(112,907)</u>	<u>(419,120)</u>	<u>(252,658)</u>	<u>(505,946)</u>
Weighted average number of ordinary shares in issue ('000)	<u>715,473</u>	<u>717,539</u>	<u>715,628</u>	<u>717,013</u>
Basic EPS (sen)	<u>(15.78)</u>	<u>(58.41)</u>	<u>(35.31)</u>	<u>(70.56)</u>

**Diluted**

For the purpose of calculating diluted (loss)/earnings per share, the (loss)/profit attributable to owners of the Company for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. shares granted under the Executive Share Option Scheme.

	<u>3 MONTHS ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>30.6.2015</u>	<u>30.6.2014</u>	<u>30.6.2015</u>	<u>30.6.2014</u>
Loss attributable to owners of the Company (RM'000)	<u>(112,907)</u>	<u>(419,120)</u>	<u>(252,658)</u>	<u>(505,946)</u>
Weighted average number of ordinary shares in issue ('000)	<u>715,473</u>	<u>717,539</u>	<u>715,628</u>	<u>717,013</u>
Effect of dilution ('000)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>715,473</u>	<u>717,539</u>	<u>715,628</u>	<u>717,013</u>
Diluted EPS (sen)	<u>(15.78)</u>	<u>(58.41)</u>	<u>(35.31)</u>	<u>(70.56)</u>

**22. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 30 June 2014 was not qualified.

**23. Loss before tax**

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2015	30.6.2014	30.6.2015	30.6.2014
	RM'000	RM'000	RM'000	RM'000
(a) Interest income	6,964	12,070	19,405	41,664
(b) Other income including investment income	16,836	10,569	22,380	13,240
(c) Interest expense	(6,897)	(18,518)	(51,938)	(69,225)
(d) Depreciation and amortisation	(29,000)	(28,443)	(116,172)	(116,957)
(e) Provision for and write off of receivables	(1,555)	-	(4,548)	(2,594)
(f) Provision for and write off of inventories	(48,501)	(11,570)	(73,217)	(11,570)
(g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	135	2,680	151	584
(h) Impairment of assets (refer to item (k))	-	-	-	-
(i) Foreign exchange gain/(loss)	(26,844)	(4,063)	(22,951)	(1,181)
(j) Gain/(Loss) on derivatives	-	-	-	-
(k) Exceptional items	(1,797)	(492,017)	(77,934)	(548,475)
- settlement arising from litigation claim against a former subsidiary company	-	-	(70,000)	-
- impairment loss on property, plant and equipment	-	(33,891)	-	(33,891)
- impairment loss on trade and other receivables	-	(444,643)	-	(444,643)
- impairment loss on quoted and unquoted investments	(1,797)	(13,483)	(7,934)	(69,941)

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

	AS AT 30.6.2015 RM'000	AS AT 30.6.2014 RM'000
Total retained earnings of the Company and subsidiary companies		
- Realised	548,343	797,014
- Unrealised	65,266	52,740
	613,609	849,754
Total share of retained earnings from associated companies and a joint venture		
- Realised	497,802	519,833
- Unrealised	8,529	1,977
Consolidated adjustments	4,315	4,315
Total retained earnings	1,124,255	1,375,879