



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2013 - UNAUDITED

	Current Period Quarter ended		Cumulative Quarter 6 months ended	
	30.6.2013 (RM'000)	30.6.2012 (RM'000)	30.6.2013 (RM'000)	30.6.2012 (RM'000)
Revenue	14,357	39,366	35,877	83,475
Cost of sale	(14,202)	(24,992)	(29,868)	(51,409)
Gross profit	155	14,374	6,009	32,066
Operating expenses	(17,080)	(21,355)	(35,099)	(43,654)
Other operating income	56	29	112	43
Interest expense	(1,138)	(763)	(1,735)	(1,479)
Interest income	191	918	300	1,855
Profit before taxation	(17,816)	(6,797)	(30,413)	(11,169)
Income tax expense	(2)	1,948	(4)	3,399
Profit for the period	(17,818)	(4,849)	(30,417)	(7,770)
Other comprehensive income, net of tax Fair value of available-for-sale financial assets	18	(2,268)	(4,100)	2,010
Total comprehensive income for the period	(17,800)	(7,117)	(34,517)	(5,760)
Profit attributable to:-				
Owners of the Company	(17,805)	(4,849)	(30,404)	(7,770)
Non-controlling interests	(13)	-	(13)	-
Profit for the period	(17,818)	(4,849)	(30,417)	(7,770)
Comprehensive income attributable to:-				
Owners of the Company	(17,800)	(7,117)	(34,517)	(5,760)
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	(17,800)	(7,117)	(34,517)	(5,760)
Basic earnings per ordinary share (Sen)	(4.34)	(1.18)	(7.42)	(1.90)
Diluted earnings per ordinary share (Sen)	(4.34)	(1.18)	(7.42)	(1.90)

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the annual financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
AS AT 30 JUNE 2013 - UNAUDITED		
	As at 30-Jun-13 Unaudited (RM'000)	As at 31-Dec-12 Audited (RM'000)
NON-CURRENT ASSETS		
Property, plant and equipment	352,510	361,960
Intangible assets	42,283	42,286
Other investments	6,002	10,102
Total Non-Current Assets	400,795	414,348
CURRENT ASSETS		
Receivables, deposits and prepayments	45,994	63,417
Current tax asset	1,636	8,982
Cash and cash equivalents	17,959	32,195
Total Current Assets	65,589	104,594
TOTAL ASSETS	466,384	518,942
EQUITY		
Share capital	81,981	81,981
Share premium	144,225	144,225
Reserves	161,572	196,068
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	387,778	422,274
Non-controlling interests	108	131
TOTAL EQUITY	387,886	422,405
LIABILITIES		
Borrowings (secured)	41,595	47,546
Deferred tax liabilities		
Total Non-Current Liabilities	41,595	47,546
Payables and accruals	16,184	28,268
Borrowings (secured)	20,719	20,719
Income tax payable	4	4
Total Current Liabilities	36,903	48,991
TOTAL LIABILITIES	78,498	96,537
TOTAL EQUITY AND LIABILITIES	466,384	518,942
Net assets per share attributable to owners of the parent (1) (RM)	0.95	1.03
Note:		
(1) computed based on the net assets of the Group divided by 409,905,780 as at 30 June 2013 and 31 December 2012 respectively.		
The condensed consolidated statement of financial position should be read in conjunction with the annual financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.		



MASTERSKILL EDUCATION GROUP BERHAD
 (Company No. 746920-M)
 (Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2013 - UNAUDITED						
	← Equity Attributable to Owners of the Company →					
	Non-distributable			Distributable	Non-	Total
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Controlling Interests RM'000	
Balance as at 1 January 2012 (audited)	81,981	144,225	7,156	282,942	-	516,304
Fair value of available-for-sale financial assets	-	-	(108)	-	-	(108)
Loss for the year	-	-	-	(28,192)	-	(28,192)
Dividends to owners of the Company	-	-	-	(65,749)	-	(65,749)
Changes in ownership interest in a subsidiary				19	131	150
Balance as at 31 December 2012 / 1 January 2013 (audited)	81,981	144,225	7,048	189,020	131	422,405
Fair value of available-for-sale financial assets	-	-	(4,100)	-	-	(4,100)
Loss for the period	-	-	-	(30,404)	(13)	(30,417)
Dividends to owners of the Company	-	-	-	-	-	-
Changes in ownership interest in a subsidiary				8	(10)	(2)
Balance as at 30 June 2013	81,981	144,225	2,948	158,624	108	387,886

	Non-distributable			Distributable	Non-	Total
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Controlling Interests RM'000	
Balance as at 1 January 2011 (audited)	81,981	144,225	-	294,315	-	520,521
Fair value of available-for-sale financial assets			7,156			7,156
Profit for the year	-	-	-	38,144	-	38,144
Dividends to owners of the Company	-	-	-	(49,517)	-	(49,517)
Balance as at 31 December 2011/1 January 2012 (audited)	81,981	144,225	7,156	282,942	-	516,304
Fair value of available-for-sale financial assets	-	-	(108)	-	-	(108)
Profit for the period	-	-	-	(28,192)	-	(28,192)
Dividends to owners of the Company	-	-	-	(65,749)	-	(65,749)
Changes in ownership interest in a subsidiary				19	131	150
Balance as at 31 December 2012	81,981	144,225	7,048	189,020	131	422,405

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2013 - UNAUDITED		
	As at 30-Jun-13 (Unaudited) (RM'000)	As at 30-Jun-12 (Unaudited) (RM'000)
Cash flows from operating activities		
(Loss) / Profit before tax	(30,413)	(11,169)
Adjustments for:		
Depreciation of property, plant and equipment	12,597	12,555
Interest expense	1,735	1,479
Interest income	(300)	(1,855)
Loss / (Gain) on disposal of property, plant and equipment	(284)	470
Property, plant and equipment written off	2,603	242
Operating profit before changes in working capital	(14,062)	1,722
Change in receivables, deposits and prepayments	17,423	33,575
Change in payables and accruals	(12,083)	(16,082)
Cash generated from operating activities	(8,722)	19,215
Income tax paid	7,343	(254)
Interest paid	(1,735)	(1,479)
Interest received	300	1,855
Net cash generated from operating activities	(2,814)	19,337
Cash flows from investing activities		
Acquisition of subsidiaries	(5)	-
Acquisition of other investments		-
Pledged deposits placed with licensed banks	(4)	(71)
Acquisition of property, plant and equipment	(6,508)	(33,916)
Proceeds from disposal of property, plant and equipment	1,041	57
Net cash used in investing activities	(5,476)	(33,930)
Cash flows from financing activities		
Proceeds from loans or borrowings	-	21,200
Repayment of borrowings	(4,621)	(5,949)
Repayment of finance lease liabilities	(1,329)	(2,154)
Dividend paid to owners of the Company	-	(65,749)
Net cash used in financing activities	(5,950)	(52,652)
Net decrease in cash and cash equivalents	(14,240)	(67,245)
Cash and cash equivalents at 1 January	31,284	109,735
Cash and cash equivalents at end of reporting period	17,044	42,490

The condensed consolidated statement of cash flows should be read in conjunction with the annual financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)

(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

i) Cash and cash equivalents		
Cash and cash equivalents included in the cash flow statements comprise:		
	As at	As at
	30-Jun-13	30-Jun-12
	(Unaudited)	(Unaudited)
	(RM'000)	(RM'000)
Deposits placed with licensed banks	12,765	39,427
Cash and bank balances	5,194	3,985
Cash and cash equivalents	17,959	43,412
Less: Deposits pledged with licensed banks	(915)	(922)
Cash and cash equivalents	17,044	42,490



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with applicable disclosure provisions of Main Market Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*.

These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. The adoption of MFRS1 has no impact in the reported financial position and financial performance of the Group.

2. Accounting Policies

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted by the Group's in its consolidated audited financial statements for the financial year ended 31 December 2011.

3. Seasonal or Cyclical Factors

The Group does not experience significant fluctuations in operations due to seasonal factor.

4. Unusual Significant Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

5. Changes in Estimates

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

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial period-to-date.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Operating Segment

	University Colleges RM'000	Colleges RM'000	Total RM'000
30.6.2013			
Segment (loss)/profit before tax	(16,268)	(13,282)	(29,550)
Included in the measure of segment (loss)/profit are:			
Revenue from external customers	14,656	21,191	35,847
Interest income	262	-	262
Interest expense	(1,242)	(492)	(1,734)
Depreciation of property, plant and equipment	(5,337)	(7,260)	(12,597)
Segment assets	227,389	185,874	413,264
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	6,205	303	6,508
Segment liabilities	(208,962)	65	(208,897)
30.6.2012			
Segment profit before tax	(17,731)	5,583	(12,148)
Included in the measure of segment profit are:			
Revenue from external customers	27,433	56,007	83,440
Interest income	541	-	541
Interest expense	(899)	(580)	(1,479)
Depreciation of property, plant and equipment	(6,031)	(6,524)	(12,555)
Segment assets	316,948	189,542	506,490
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	23,549	(2,957)	20,592
Segment liabilities	(258,205)	(275)	(258,480)



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Operating Segment (continued)

Reconciliations of reportable segment profit or loss, revenue, assets, liabilities and other material items

	30.6.2013 RM'000	30.6.2012 RM'000
Profit or loss		
Total (loss)/profit for reportable segments	(29,550)	(12,148)
Other non-reportable segments	(901)	438
Interest income	38	541
Consolidated (loss)/profit before tax	(30,413)	(11,169)
Revenue		
Total revenue for reportable segments	35,847	83,440
Other non-reportable segments	30	35
Consolidated revenue	35,877	83,475
Interest Income		
Total interest income for reportable segments	262	541
Other non-reportable segments	38	1,314
Consolidated total interest income	300	1,855
Assets		
Total assets for reportable segments	413,264	506,490
Other non-reportable segments	234,964	239,705
Elimination of inter-segment	(181,844)	(182,494)
Consolidated total assets	466,384	563,701
Liabilities		
Total liabilities for reportable segments	(208,897)	(258,480)
Other non-reportable segments	(2,187)	(861)
Elimination of inter-segment	132,586	140,585
Consolidated total liabilities	(78,498)	(118,756)

8. Material Subsequent Events

On 30.05.2013, a subsidiary of the Group has accepted a conditional offer to sell the following 10 contiguous pieces of vacant land, all situated in Mukim Kajang, Daerah Ulu Langat, Negeri Selangor, for a total cash consideration of approximately RM 58.9 million.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Geran 51401, Lot 7622;
Geran 51402, Lot 7623;
Geran 51407, Lot 7628;
Geran 51408, Lot 7629;
Geran 51409, Lot 7630;
Geran 51385, Lot 7606;
Geran 51398, Lot 7620;
Geran 51406, Lot 7627;
Geran 51397, Lot 7619; and
Geran 51413, Lot 7635

The subsidiary had entered into a Sale & Purchase agreement with the purchaser on 02.07.2013. The disposal is pending completion.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter.

10. Changes in Contingent Liabilities and Contingent Assets

There were no material contingent liabilities or contingent assets as at 30 June 2013.

11. Commitments on Capital Expenditure

The capital commitments of the Group as at 30 June 2013 are as follow:

	As at 30.6.2013 (unaudited) RM'000	As at 31.12.2012 (audited) RM'000
Capital commitments		
Property, plant and equipment		
Contracted but not provided for	8,593	22,230

12. Related Party Transactions

Related parties are those defined under MFRS 124: Related Party Disclosures. The Directors are of the opinion that the related party transactions and balances, described below were carried out in the ordinary course of business and commercial terms that are no more favourable than those available to other third parties.

	Transaction Value 6 months ended		Balance outstanding as at	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
With a Director				
Rental expense for premises	168	168	-	-



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

13. Review of Performance

For the second quarter ended 30 June 2013, Masterskill Education Group Bhd (MEGB) recorded a revenue and loss before tax of approximately RM14.3million and RM17.8 million respectively, which were lower than the results for the same period of the preceding year.

The loss can be largely attributed to lower student enrolment in the reporting period due to competition in the market. The reduction in PTPTN loan amount as well as the higher entry requirement for nursing diploma has resulted in lower student enrollment. The quarter under review saw a higher depreciation and increase in staff cost due to the requirement ratio for teaching staff to students in line with the Malaysian Qualification Agency (MQA) requirement with programme standard in which the ratio is 1:20 for the science programmes instead of 1:30 previously. These factors in general have also contributed to the higher loss for the reporting quarter.

14. Comparison with Preceding Quarter's Results

The Group's reported revenue of RM14.3million which is a 33% decrease from RM21.5million achieved in 1Q 2013. The decrease in revenue had resulted in a loss after tax of RM17.8 million compared with the preceding quarter loss after tax of RM12.6 million.

The reduction in revenue was in relation to the lower student enrollment as per para 13. The management continuously monitors, manages and improves operational efficiency that has resulted in lower accommodation and transportation cost. These prudent cost management strategies have resulted in a minimized loss for the quarter under review.

15. Commentary on Prospects

MEGB reported a loss after tax of RM17.8 million for second quarter 2013 mainly due to lower active students' number.

The year 2013 will be challenging for MEGB with lower forecasted GDP growth of 4.5% as well as numerous players trying to capture the student market. While Malaysia aims to maintain its competitive edge as an education hub for the region, global economic uncertainties will pose significant challenges coupled with the education sector that is only expected to grow marginally. There is also a higher level of competition with increased public universities intake as well as more private universities, university colleges and colleges offering nursing and allied health programmes in recent years.

Moving forward, MEGB will continue to pursue growth in the domestic and international market to realize its long term growth strategy. This will be done through new and diversified product offerings such as running the School of Business & Law, School of Hospitality and Tourism, School of Information & Smart Technology and the Centre of Executive Education which will run professional and



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

life-long learning programmes. Since it's upgrading to a full-fledged University in October 2013, Asia Metropolitan University ("AMU") has been diversifying in tandem with the business strategy to offer non-health science degree programmes in which there is a higher demand and revenue orientation instead of the diploma programmes. AMU has also obtained approvals to run the Scottish Qualifications Authority (SQA) Higher National Diploma in Business Management which is part of its long-term strategy to internationalize its programme offerings.

MEGB will also focus on the international market expansion via franchising and bringing in international students to its Malaysian campuses. Progressive marketing efforts had been conducted for international student recruitment and various collaborations had been sealed with foreign education partners, including Cambrian University in Bangladesh, City University of Macau in Macau, Hightech College of Xian in China and Training Academy of Renmin University in China.

15. Variance on Profit Forecast /Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current quarter under review.

16. Taxation

	Quarter ended		Cumulative to date	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
	RM'000	RM'000	RM'000	RM'000
Income and deferred tax	2	(1,012)	4	(1,012)

Deferred tax asset is not recognized for unabsorbed tax losses and Investment Tax Allowance because it is not probable that sufficient taxable profit from the qualifying segments will be available against which the benefit can be utilized.

17. Status of Corporate Proposals

There were no corporate proposals which had been announced but not yet completed.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

18. Group Borrowings and Debt Securities

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 June 2013.

Borrowings (secured)	As at 30.6.2013 (unaudited) RM'000	As at 31.12.2012 (audited) RM'000
Non-current		
Finance lease liabilities	544	2,618
Secured revolving credit (Islamic)	-	-
Secured term loan (Islamic)	41,051	45,552
	41,595	48,170
Current		
Finance lease liabilities	2,171	2,783
Secured revolving credit (Islamic)	10,075	6,648
Secured term loan (Islamic)	8,473	9,672
	20,719	19,103
	62,314	67,273

19. Material Litigation

As of the date of this announcement, the following are the developments to the material litigations against the Group or taken by the Group.

A. Kuala Lumpur High Court Suit No. S6-22-96-2007

Masterskill (M) Sdn Bhd -v- Kemacahaya Development Sdn Bhd (First Defendant), K. Pasupathy (Second Defendant), Chin Yam Meng (Third Defendant), Leong Kok Onn (Fourth Defendant) and Syarikat Kemacahaya Sdn Bhd (Fifth Defendant)

- The Court of Appeal fixed this matter for intervener's appeal on 22.10.2013 and further case management on 17.11.2013.

B. Kuala Lumpur High Court Suit No. S-23-41-2010

Masterskill (M) Sdn Bhd -v- Sistem Televisyen Malaysia Berhad ("STMB")

- The High Court on 28.04.2011 allowed the Plaintiff's claim with damages of RM200,000 and RM50,000 as costs and 8% interest p.a. calculated from the date of filing of Writ (i.e. 12.04.2010).
- TV3 filed an Appeal to the Court of Appeal against the High Court decision and Masterskill filed a Cross Appeal to increase the quantum of damages to RM100,000,000.



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

- The Court of Appeal fixed this matter for further hearing on 7.11.2013.

20. Dividends

6 months ended 30.6.2013

No dividend was paid or declared during the six (6) months ended 30 June 2013

6 months ended 30.6.2012

	Sen	Total	Date of payment
	Per Share	RM'000	
Second Interim Single Tier 2011 ordinary	1.40	5,739	9 April 2012
First interim Single Tier 2012 ordinary	14.64	60,010	3 July 2012
		<u>65,749</u>	

21. Earnings per Share

Basic earnings per ordinary share

The basic earnings per ordinary share is calculated based on the net loss attributable to ordinary shareholders of RM17,805,000 (30.6.2012 – RM4,849,000) and the weighted average number of ordinary shares in issue during the quarter 409,905,780 (30.6.2012 – 409,905,780).

	Current Period		Cumulative Quarter	
	Quarter ended		6 months ended	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
(Loss)/Profit for the period attributable to ordinary equity shareholders (RM'000)	<u>(17,805)</u>	<u>(4,849)</u>	<u>(30,404)</u>	<u>(7,770)</u>
Weighted average number of ordinary shares at 30 June ('000)	<u>409,906</u>	<u>409,906</u>	<u>409,906</u>	<u>409,906</u>
Basic earnings per ordinary share (Sen)	<u>(4.34)</u>	<u>(1.18)</u>	<u>(7.42)</u>	<u>(1.90)</u>

22. Auditors Report on Preceding Annual Financial Statements

There was no qualification to the preceding audited financial statements for the



MASTERSKILL EDUCATION GROUP BERHAD

(Company No. 746920-M)
(Incorporated in Malaysia)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

financial year ended 31 December 2012.

23. Additional notes to the Statement of Comprehensive Income

	Current Period		Cumulative Quarter	
	Quarter ended		6 months ended	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
	RM'000	RM'000	RM'000	RM'000
Results from operation activities is arrived at after charging:				
• Depreciation of property, plant and equipment	6,185	6,329	12,597	12,555
• Impairment loss for receivables	0	1,776	2,821	4,228
• Interest expense	1,138	763	1,734	1,479
• Loss/(Gain) on disposal of property, plant and equipment	(284)	-	(284)	470
and crediting:				
• Interest income	191	918	300	1,855

24. Disclosure of Realised and Unrealised Profits

	6 months ended	12 months ended
	30.6.2013	31.12.2012
	RM'000	RM'000
Total retained earnings of Masterskill Education Group Berhad and its subsidiaries		
-Realised	181,302	211,715
-Unrealised	-	-
Less: Consolidation adjustment	(22,678)	(22,695)
Total	158,624	189,020

BY ORDER OF THE BOARD