

TATT GIAP GROUP BERHAD

(732294-W)

(Incorporated IN Malaysia)

Unaudited condensed consolidated statement of comprehensive income for the period ended 31 December 2013

	Note	Individual Quarter		Cumulative Quarter	
		3 months period ended 31-Dec-13 RM'000	31-Dec-12 RM'000	12 months period ended 31-Dec-13 RM'000	31-Dec-12 RM'000
Continuing operations					
Revenue		55,839	65,368	231,374	291,168
Cost of sales		(60,727)	(63,680)	(229,107)	(280,498)
Gross profit		(4,888)	1,688	2,267	10,670
Other operating income		(1,013)	-	2,734	1,072
Administrative expenses		(4,198)	(1,669)	(14,134)	(14,109)
Distribution expenses		(21)	(2,005)	(5,807)	(6,456)
Other operating expenses		(279)	(114)	(168)	(613)
Results from operating activities		(10,399)	(2,100)	(15,108)	(9,436)
Finance costs		(2,841)	(2,177)	(11,154)	(9,831)
Operating loss	1	(13,240)	(4,277)	(26,262)	(19,267)
Share of loss of equity accounted associates, net of tax		213	(657)	(2,407)	(7,116)
Loss before tax		(13,027)	(4,934)	(28,669)	(26,383)
Income tax expense		(263)	742	(232)	40
(Loss)/Profit from continuing operations		(13,290)	(4,192)	(28,901)	(26,343)
Discontinued operations					
Loss from discontinued operations, net of tax		-	(1,164)	-	(5,734)
Loss for the period		(13,290)	(5,356)	(28,901)	(32,077)
Other comprehensive income, net of tax					
Gain/ (loss) on available-for-sale financial assets		(9)	2	(11)	(16)
Total comprehensive expense for the period		(13,299)	(5,354)	(28,912)	(32,093)
Loss for the period attributable to:					
Owners of the Company		(12,918)	(5,185)	(28,355)	(31,083)
Non-controlling interests		(371)	(169)	(547)	(994)
Loss for the period		(13,290)	(5,356)	(28,901)	(32,077)
Total comprehensive expense attributable to:					
Owners of the Company		(12,927)	(5,182)	(28,366)	(31,099)
Non-controlling interests		(371)	(169)	(547)	(994)
Total comprehensive expense for the period		(13,299)	(5,354)	(28,912)	(32,093)
Basic loss per ordinary share (sen)		(12.66)	(3.94)	(27.80)	(30.47)
Diluted earnings per ordinary share (sen)		N/A	N/A	N/A	N/A

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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(Incorporated IN Malaysia)

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Individual Quarter		Cumulative Quarter	
3 months period ended		12 months period ended	
31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
RM'000	RM'000	RM'000	RM'000

Note:

1. Operating loss is arrived at:

After charging:

- Impairment loss on trade receivables	(630)	(187)	-	443
- Impairment loss on goodwill	-	784	-	784
- Inventories written down	633	-	633	-
- Depreciation on property, plant and equipment	4,055	2,587	12,852	7,311
- Realized loss on foreign exchange	463	120	599	830
- Loss on disposal of plant and equipment	-	-	-	-
- Interest expense	2,841	2,177	11,154	9,831

After crediting:

- Gain on disposal of plant and equipment	-	85	-	84
- Gain on disposal of assets held for sale	-	-	2,457	-
- Interest income	156	-	152	196

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

TATT GIAP GROUP BERHAD

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(Incorporated in Malaysia)

Unaudited condensed consolidated statement of financial position as at 31 December 2013

	31-Dec-13 RM'000	Audited 31-Dec-12 RM'000
Assets		
Property, plant and equipment	160,446	158,091
Investment properties	639	646
Investment in associates	6,017	7,474
Other investments	160	135
Total non-current assets	<u>167,262</u>	<u>166,346</u>
Inventories	86,877	107,537
Trade and other receivables	60,295	74,380
Current tax assets	1,895	1,560
Cash and cash equivalents	11,129	10,775
	<u>160,196</u>	<u>194,252</u>
Assets classified as held for sale	2,963	4,862
Total current assets	<u>163,159</u>	<u>199,114</u>
Total assets	<u><u>330,421</u></u>	<u><u>365,460</u></u>
Equity		
Share capital	51,918	51,000
Reserves	13,973	41,426
Total equity attributable to owners of the Company	<u>65,891</u>	<u>92,426</u>
Non-controlling interests	17,705	580
Total equity	<u>83,596</u>	<u>93,006</u>
Liabilities		
Loans and borrowings	46,855	48,281
Deferred tax liabilities	6,670	6,460
Total non-current liabilities	<u>53,525</u>	<u>54,741</u>
Loans and borrowings	140,382	147,346
Trade and other payables	52,918	67,472
Current tax liabilities	-	33
	<u>193,300</u>	<u>214,851</u>
Liabilities classified as held for sale	-	2,862
Total current liabilities	<u>193,300</u>	<u>217,713</u>
Total liabilities	<u>246,825</u>	<u>272,454</u>
Total equity and liabilities	<u><u>330,421</u></u>	<u><u>365,460</u></u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

TATT GIAP GROUP BERHAD

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Unaudited condensed consolidated statement of changes in equity for the period ended 31 December 2013

	----- Attributable to owners of the Company -----						Total	Non- controlling interests	Total Equity
	----- Non-distributable -----			Distributable					
	Share capital	Share premium	Reverse acquisition reserve	Fair value reserve	Capital reserve	Retained earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2012 (restated)	51,000	774	(53,300)	(47)	28,182	96,916	123,525	-	123,525
Other comprehensive income/ (expense) for the period									
- Fair value of available-for-sale financial assets	-	-	-	(16)	-	-	(16)	-	(16)
Loss for the period	-	-	-	-	-	(31,083)	(31,083)	(994)	(32,077)
Total comprehensive expense for the period	-	-	-	(16)	-	(31,083)	(31,099)	(994)	(32,093)
Acquisition of a subsidiary	-	-	-	-	-	-	-	1,574	1,574
At 31 December 2012	51,000	774	(53,300)	(63)	28,182	65,833	92,426	580	93,006
At 1 January 2013	51,000	774	(53,300)	(63)	28,182	65,833	92,426	580	93,006
Other comprehensive expense for the period									
- Fair value of available-for-sale financial assets	-	-	-	(11)	-	-	(11)	-	(11)
Loss for the period	-	-	-	-	-	(28,355)	(28,354)	(547)	(28,901)
Total comprehensive expense for the period	-	-	-	(11)	-	(28,355)	(28,365)	(547)	(28,912)
Disposal of a subsidiary	-	-	-	-	-	-	-	(580)	(580)
Conversion of ICULS	918	-	-	-	(869)	-	49	-	49
Dilution of subsidiary	-	-	-	-	-	1,781	1,781	18,252	20,033
At 31 December 2013	51,918	774	(53,300)	(74)	27,313	39,259	65,891	17,705	83,596

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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Unaudited condensed consolidated statement of cash flows for the period ended 31 December 2013

	Note	12 months period to 31-Dec-13 RM'000	12 months period to 31-Dec-12 RM'000
Cash flows from operating activities			
Loss before tax			
- continuing operations		(28,669)	(26,383)
- discontinued operations		-	(5,734)
Adjustments for:			
Depreciation on property, plant and equipment		12,852	7,311
Impairment of goodwill		-	1,469
Impairment loss on plant and equipment		-	2,104
Loss on disposal of plant and equipment		-	(84)
Dividend income		-	(8)
Interest income		(152)	(196)
Inventory written down		633	-
Gain on disposal of assets held for sale		(2,457)	-
Interest expense		10,592	9,839
Share of loss of equity accounted associates		2,407	7,116
Operating loss before working capital changes		<u>(4,794)</u>	<u>(4,566)</u>
Changes in working capital:			
Inventories		20,027	20,839
Trade and other receivables		14,106	(2,187)
Trade and other payables		<u>(11,497)</u>	<u>12,182</u>
Cash generated from operations		17,842	26,268
Interest paid		(616)	(616)
Income taxes paid		(521)	(1,123)
Net cash from operating activities		<u>16,705</u>	<u>24,529</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment	A	(14,121)	(33,478)
Dividend received		-	8
Interest received		152	196
Subscription of additional interest in an associate		(951)	-
Proceed from disposal of plant and equipment		-	90
Net cash inflow on acquisition of a subsidiary		-	(2,982)
Proceeds from disposal of assets classified as held for sales		1,200	-
Net cash inflow on dilution of interest in a subsidiary to an associate		18,030	-
Net cash from / (used in) investing activities		<u>4,310</u>	<u>(36,166)</u>
Cash flows from financing activities			
Interest paid		(10,592)	(9,839)
Placement of pledged fixed deposits		(292)	(274)
(Repayment)/ Drawdown of short term borrowings, net		(9,386)	7,718
Drawdown of term loans		3,756	15,887
Repayment of term loans		(2,079)	(1,530)
Drawdown of finance lease		291	-
Payment of finance lease liabilities		(2,984)	(2,768)
Net cash from / (used in) financing activities		<u>(21,286)</u>	<u>9,194</u>
Net decrease in cash and cash equivalents		(271)	(2,443)
Cash and cash equivalents as at beginning of financial period		(3,438)	(995)
Cash and cash equivalents as at end of financial period	B	<u><u>(3,709)</u></u>	<u><u>(3,438)</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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Unaudited condensed consolidated statement of cash flows for the period ended 31 December 2013

Notes:

A. Acquisition of property, plant and equipment

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM18.16 million (2012: RM45.98 million) of which RM4.04 million (2012: RM12.54 million) was acquired by means of term loan and finance lease arrangements.

B. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	12 months period to 31-Dec-13 RM'000	12 months period to 31-Dec-12 RM'000
Cash and bank balances	3,386	1,123
Bank overdrafts	<u>(7,095)</u>	<u>(4,561)</u>
Cash and cash equivalents	<u>(3,709)</u>	<u>(3,438)</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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Notes to the condensed consolidated interim financial statements

A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The condensed consolidated interim financial statements have been prepared on the historical cost basis, unless otherwise stated.

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012. These explanatory notes attached to the interim financial statements 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 31 December 2012.

The following MFRSs and Amendments to MFRSs applicable to the Group have been adopted with effect from 1 January 2013.

MFRS 3	Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (2011)
MFRS 127	Separate Financial Statements (2011)
MFRS 128	Investment in Associates and Joint Ventures (2011)
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 116	Amendments to MFRS 116, Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

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Notes to the condensed consolidated interim financial statements

A1. Basis of preparation (cont'd)

The adoption of the above standards and amendments are not expected to have any material financial impact to the current and prior periods financial statements of the Group.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

Amendments effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements (2011): Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting

MFRSs and Amendments effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)
Amendments to MFRS 2	Share-based Payment (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 3	Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 8	Operating Segments (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 119	Employee Benefits – Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 138	Intangible Assets (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 140	Investment Property (Annual Improvements 2011-2013 Cycle)

The adoption of the above standards and amendments is not expected to have any material financial impact to the Group upon their first adoption.

A2. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the year ended 31 December 2012 was not qualified.

A3. Seasonality or cyclical factors

The business operation of the Group is not subject to seasonal or cyclical factors.

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Notes to the condensed consolidated interim financial statements

A4. Exceptional and extraordinary items

There were no items affecting assets, liabilities, equity, net income or cash flows that are exceptional or extraordinary due to their nature, size or incidence affecting the interim financial report.

A5. Changes in estimates

There were no changes in estimates that had a material effect on the current quarter and period to date results.

A6. Debt and equity securities

There have been no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter.

A7. Dividend paid

There was no dividend paid by the Company in the current quarter and the period to date.

A8. Segmental information

The Group only has one reportable segment which is principally confined to the manufacturing and trading of various types of steel products which included stainless steel pipes, tubes and bars, electro-galvanized steel, perforated metal products and other ferrous and non-ferrous metal products.

Geographical segment

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

Geographical information

	Current quarter ended 31 December 2013		Cumulative quarter to date ended 31 December 2013	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<u>Segment revenue</u>				
Malaysia	51,002	59,583	213,475	260,102
Asia (excluding Malaysia)	3,299	2,103	9,036	7,748
United States of America	404	2,165	6,237	21,468
Europe	1,134	1,337	2,626	1,670
		180		180
	<u>55,839</u>	<u>65,368</u>	<u>231,374</u>	<u>291,168</u>

A9. Property, plant and equipment

During the financial year, the Group has additions of property, plant and equipments of RM18.16 million.

A10. Significant events during the financial period

- a) At an Extraordinary General Meeting held on 28 March 2013, the Company's shareholders approved the Proposed Disposal of 49% equity interests representing 19,600,000 ordinary shares of RM1.00 each in Tatt Giap Steel Centre Sdn. Bhd. to CSGT International Corporation, CSC Steel Holdings Berhad and Hanwa Co. Ltd. for a total cash consideration of RM20.03 million. The Proposed Disposal was completed on 26 April 2013 and TGSC is now a 51% subsidiary of TGGB.

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Notes to the condensed consolidated interim financial statements

A10. Significant events during the financial period (cont'd)

- b) On 31 December 2012, the Group ("TGG") entered into an agreement with KC Prima Sdn. Bhd. to dispose off all 60% equity interest in Buminox Sdn. Bhd. ("Buminox") representing 2,400,000 ordinary shares of RM1 each for a total cash consideration of RM1.2 million. Upon completion of the Proposed Disposal on 14 January 2013, Buminox ceased to be a subsidiary of TGG.
- c) On 8 May 2013, the Company participated in a private limited liability company under the name of Shinsei Superinox Industry Pte Ltd ("SSI") subscribing for of 25% equity interest ins SSI for a total cash consideration of SGD25. SSI was formalized in the Republic of Singapore with an issued and paid up share capital of SGD 100. Proposed principal activity of SSI is the manufacturing of an array of stainless steel fittings products.

A11. Changes in composition of the Group

Except as disclosed in Note A10, there have been no changes in the Group's composition.

A12. Contingent liabilities

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

A13. Capital commitment

	Cumulative Period to Date 31-Dec-13 RM'000
Contracted but not provided for in the financial statements :	
- Property, plant and equipment	1,318
- Investment in an associate - SSI	1,814
	<u>3,132</u>

A14. Significant related party transactions

	Current Quarter 31-Dec-13 RM'000	Cumulative Period to Date 31-Dec-13 RM'000
a) Transactions with associates:		
- Sales	584	2,745
- Purchases	13,203	61,195
- Rental income	244	876
- Interest expense	10	29
- Loan	-	1,007
b) Transactions with Directors		
- Rental expense	12	48
- Professional fee	-	321
- Interest expense	17	32
- Loan from director	1,300	1,611

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Notes to the condensed consolidated interim financial statements

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

For the year ended 31 December 2013, the Group achieved a total revenue of RM231.37 million. This represents a decrease by RM60.22 million or 21% as compared to the revenue of RM291.17 million for the corresponding period of year 2012. This is mainly due to decrease in sales volume and deterioration in stainless steel price. The lower sales in 2013 is also attributed to the relocation of the Group's stainless steel division over to its newly completed facilities in Sg Bakap which interrupted production and the Group having to incur a one off relocation expense of RM1.20 million in 2013. As the relocation has been completed in Q4 of 2013, the division's production will resume to normal in 2014

The Group incurred a total comprehensive expense of RM28.91 million for the year ended 31 December 2013 compared with total comprehensive expenses of RM32.09 million for the year of 2012. The improvement is due to loss incurred in discontinued operations of a subsidiary in the year 2012.

B2. Variation of results against preceding quarter

During the period under review, the Group's revenue was RM55.84 million, decreased by RM3.32 million or 6% as compare to the revenue of RM59.16 million for the preceding quarter of 2013 ("Q3 2013"). The decrease in revenue is mainly due to decrease in sales volume.

The Group registered a loss before tax of RM13.03 million compared to a loss before tax of RM4.68 million for preceding quarter of 2013 ("Q3 2013"). The losses was mainly due to the continue drop in international steel price and relocation expenses incurred for shifting Superinox Pipe Industry Sdn. Bhd. ("SPI") plant.

B3. Current year prospects

The Group belief that price of stainless steel will be improved as the major Western industrial nations have begun to record encouraging economic indicators. As such the Group foresee that 2014 result will be better compared to previous years.

B4. Variance between actual profit and forecast profit

The Group has not issued any profit forecast or profit guarantee.

B5. Income tax expense

	Current quarter ended 31 December 2013		Cumulative quarter to date ended 31 December 2013	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Current tax expense	(131)	318	(101)	1,621
Deferred tax income	(131)	(1,060)	(131)	(1,660)
	<u>(262)</u>	<u>(742)</u>	<u>(232)</u>	<u>(39)</u>

The effective tax rate for the Group for the period under review was higher than the statutory income tax rate of 25% mainly due to certain subsidiaries and an associate within the Group experienced losses during the current quarter.

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Notes to the condensed consolidated interim financial statements

B6. Quoted investments

	Carrying Amount RM'000	Market value as at 31-Dec-13 RM'000
Quoted shares in Malaysia	<u>160</u>	<u>160</u>

B7. Loan and borrowings

The Group's loans and borrowings as at 31 December 2013 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current:			
- Bank overdraft	7,095	-	7,095
- Trade line	97,665	28,516	126,181
- Term loans	1,380	-	1,380
- ICULS	-	566	566
- Finance lease liabilities	<u>5,160</u>	<u>-</u>	<u>5,160</u>
	<u>111,300</u>	<u>29,082</u>	<u>140,382</u>
Non-current			
- Term loans	39,433	-	39,433
- ICULS	1,280	1,042	2,322
- Finance lease liabilities	<u>5,100</u>	<u>-</u>	<u>5,100</u>
	<u>45,813</u>	<u>1,042</u>	<u>46,855</u>
Total	<u>157,113</u>	<u>30,124</u>	<u>187,237</u>

The above borrowings are denominated in Ringgit Malaysia.

B8. Material litigation

The Group is not engaged in any material litigation for the current financial period.

B9. Proposed dividend

The Board does not recommend any dividend for the current year ended 31 December 2013.

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Notes to the condensed consolidated interim financial statements

B10. Loss per share

a) Basic loss per ordinary share

	Current Quarter 31-Dec-13	Cumulative Period to Date 31-Dec-13
Loss attributable to ordinary shareholders (RM'000)	(12,918)	(28,355)
Weighted average number of ordinary share ('000)	<u>102,005</u>	<u>102,005</u>
Basic loss per ordinary share (in sen)	<u>(12.66)</u>	<u>(27.80)</u>

b) Diluted earnings per ordinary share

	Current Quarter 31-Dec-13	Cumulative Period to Date 31-Dec-13
Loss attributable to ordinary shareholders (basic) (RM'000)	(12,918)	(28,366)
Interest expense on ICULS, net of tax (RM'000)	122	122
Loss attributable to ordinary shareholders (diluted) (RM'000)	<u>(12,796)</u>	<u>(28,244)</u>
Weighted average number of ordinary shares (basic) ('000)	102,005	102,005
Effect of conversion of ICULS ('000)	53,103	53,103
Weighted average number of ordinary shares (diluted) ('000)	<u>155,108</u>	<u>155,108</u>
Diluted earnings per ordinary share (in sen)	<u>-</u>	<u>-</u>

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Notes to the condensed consolidated interim financial statements

B11. Realized and unrealized profits or losses

The breakdown of retained earnings of the Group as at the reporting date, into realized and unrealized profits or losses, pursuant to directive, are as follows:

	As at 31-Dec-13 RM'000	As at 31-Dec-12 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realized	81,884	94,030
- Unrealized	<u>(6,669)</u>	<u>(6,459)</u>
	75,215	87,571
Total share of accumulated (losses)/profit from associates:		
- Realized	<u>(9,838)</u>	<u>(9,212)</u>
	65,377	78,359
Consolidation adjustments	<u>(26,117)</u>	<u>(12,526)</u>
Total retained earnings	<u><u>39,260</u></u>	<u><u>65,833</u></u>

B12. Authorization for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.