IHH Healthcare Berhad

IHH HEALTHCARE BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
30 SEPTEMBER 2014

IHH HEALTHCARE BERHAD
Company No. 901914-V
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

		3rd quarter ended			Financial period ended		
	Note	**30 Sept 2014**	**30 Sept 2013**	**Variance**	**30 Sept 2014**	**30 Sept 2013**	**Variance**
		RM'000	**RM'000**	**%**	**RM'000**	**RM'000**	**%**
Revenue		1,783,943	1,671,718	7%	5,406,608	4,976,318	9%
Other operating income	1	40,912	36,261	13%	128,235	123,706	4%
Inventories and consumables		(299,073)	(277,385)	-8%	(898,517)	(838,473)	-7%
Purchased and contracted services		(166,153)	(195,642)	15%	(491,619)	(525,226)	6%
Staff costs	2	(709,581)	(624,788)	-14%	(2,097,773)	(1,889,782)	-11%
Depreciation and impairment losses of property, plant and equipment		(137,101)	(130,850)	-5%	(413,969)	(397,868)	-4%
Amortisation and impairment losses of intangible assets		(16,526)	(17,356)	5%	(49,838)	(52,321)	5%
Operating lease expenses		(50,506)	(46,003)	-10%	(147,617)	(132,605)	-11%
Other operating expenses	1	(171,758)	(166,017)	-3%	(544,505)	(487,629)	-12%
Finance income	3	9,137	18,355	-50%	43,060	51,259	-16%
Finance costs	3	(82,649)	(103,395)	20%	(153,541)	(243,844)	37%
Share of profits/(losses) of associates (net of tax)	4	1,037	411	152%	1,316	(2,651)	150%
Share of profits of joint ventures (net of tax)		4,124	4,329	-5%	10,337	10,483	-1%
Profit before tax		**205,806**	**169,638**	**21%**	**792,177**	**591,367**	**34%**
Income tax expense		(47,036)	(42,096)	-12%	(184,035)	(116,500)	-58%
Profit for the period		**158,770**	**127,542**	**24%**	**608,142**	**474,867**	**28%**
Other comprehensive income, net of tax							
Items that may be reclassified subsequently to profit or loss							
Foreign currency translation differences from foreign operations	5	(223,802)	173,300	NM	(272,569)	(11,950)	NM
Hedge of net investments in foreign operations	5	63,881	3,673	NM	40,217	107,249	-63%
Net change in fair value of available-for-sale financial assets	6	92,843	(118,663)	178%	154,140	21,451	NM
Cash flow hedge		1,670	(1,389)	NM	(1,675)	736	NM
		(65,408)	56,921	NM	(79,887)	117,486	-168%
Other comprehensive income, net of tax							
Items that will not be reclassified subsequently to profit or loss							
Remeasurement of defined benefit liability		5	-	-	(708)	-	-
Revaluation of property, plant and equipment upon reclassification to investment properties	7	-	205	-100%	35,823	205	NM
		5	205		35,115	205	
Total comprehensive income for the period		**93,367**	**184,668**	**-49%**	**563,370**	**592,558**	**-5%**
Profit attributable to:							
Owners of the Company		146,907	117,029	26%	515,063	401,059	28%
Non-controlling interests		11,863	10,513	13%	93,079	73,808	26%
Profit for the period		**158,770**	**127,542**	**24%**	**608,142**	**474,867**	**28%**
Total comprehensive income attributable to:							
Owners of the Company		129,948	305,918	-58%	541,947	601,526	-10%
Non-controlling interests		(36,581)	(121,250)	70%	21,423	(8,968)	NM
Total comprehensive income for the period		**93,367**	**184,668**	**-49%**	**563,370**	**592,558**	**-5%**
Earnings per share (sen)							
Basic	8	1.80	1.44	25%	6.31	4.95	28%
Diluted	8	1.79	1.43	25%	6.29	4.92	28%

Note: "Acibadem Holdings" as referred to throughout this financial report includes the wholly-owned Integrated Healthcare Turkey Yatirimlari Limited Group, which owns 60% effective interest in Acıbadem Sağlık Yatırımları Holding A.Ş. Group

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

SUPPLEMENTARY INFORMATION

		3rd quarter ended			Financial period ended		
		30 Sept 2014 RM'000	30 Sept 2013 RM'000	Variance %	30 Sept 2014 RM'000	30 Sept 2013 RM'000	Variance %
Profit attributable to owners of the Company		**146,907**	**117,029**	**26%**	**515,063**	**401,059**	**28%**
Add back/(less): Exceptional items ("EI")							
Professional and consultancy fees for acquisitions		343	2,771		1,141	3,353	
Change in fair value of contingent consideration payable[i]		-	39		-	(4,003)	
Property, plant and equipment written off		208	30		403	190	
Loss/(gain) on disposal of property, plant and equipment		101	(1,757)		(2,233)	(3,214)	
Gain on disposal of assets held for sale		-	-		-	(67)	
Gain on disposal of subsidiaries		-	(4,376)		-	(4,376)	
Exchange loss on net borrowings[ii]	3	61,025	67,032		53,732	135,796	
Tax refund relating to a prior year[iii]		-	-		-	(22,000)	
		61,677	63,739		53,043	105,679	
Less: Tax effects on EI		(12,205)	(13,406)		(10,746)	(27,159)	
Less: Non-controlling interests' share of EI		(19,514)	(20,774)		(16,566)	(41,133)	
		29,958	29,559		25,731	37,387	
Profit attributable to owners of the Company, excluding EI[iv]		**176,865**	**146,588**	**21%**	**540,794**	**438,446**	**23%**
Earnings per share, excluding EI[iv] (sen)							
Basic	8	2.16	1.80	20%	6.63	5.41	23%
Diluted	8	2.16	1.79	21%	6.61	5.38	23%

NM: Not meaningful

Note:
i. Fair valuation of contingent consideration payable relate to the acquisition of Bodrum Tedavi
ii. Relates to exchange differences arising from foreign currency denominated borrowings/payables net of foreign currency denominated cash/receivables, recognised by Acibadem Holdings
iii. The Group recognised a tax credit of RM22.0 million during 2013 as a result of successful recovery of tax paid in a prior year
iv. Exceptional items, net of tax and non-controlling interests

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the 2013 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

EXPLANATORY NOTES TO THE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Refer to Section B1 for performance review of the Group's major operating segments.

1. Other operating income and other operating expenses include exceptional items as detailed on Page 2.

2. Staff costs increased as a result of salary and wage increase driven by the higher demand for trained healthcare professionals. The Group also increased its headcount to staff Acibadem Atakent Hospital and Pantai Hospital Manjung, which commenced operations in January 2014 and May 2014 respectively.

3. Acibadem recognises exchange gain or loss arising from the translation of its non-Turkish Lira ("TL") denominated borrowings/payables net of its non-TL denominated cash/receivables as finance income or finance cost respectively.

   In Q3 2014, exchange losses of RM53.7 million and RM7.3 million were recognized on translation of such non-TL balances in the finance costs and finance income respectively as compared to RM67.0 million in finance cost in Q3 2013. Exchange losses of RM53.7 million was recognized in the finance costs in YTD 2014 compared with RM135.8 million in YTD 2013.

   Parkway HK Holdings Limited recognised an exchange gain of RM4.4 million in the finance income for its non-Hong Kong Dollars ("HKD") denominated borrowings in Q3 2014 and YTD 2014.

   Refer to section B14 for details.

4. In 2013, the Group recognised a loss on its share of results of Kyami Pty Ltd, a 30% indirectly-owned associate of the Group. Kyami Pty Ltd's losses arose from tax paid on dividend income received from its subsidiaries.

5. Parkway Life Real Estate Investment Trust ("PLife REIT"), an indirect 35.8% owned subsidiary of the Group, hedges its interest in the net assets of its Japanese operations and the effective portion of the hedge is recognised as a hedge of net investments in the statement of other comprehensive income. The Group's foreign currency translation differences from foreign operations arise mainly from the translation of the net assets of its Singapore and Turkish operations.

6. Fair value change of available-for-sale financial assets arose from the mark-to-market of the Group's 10.9% investment in Apollo Hospitals Enterprise Limited.

7. In Q2 2014, the Group re-designated the use of a few medical suites units at Mount Elizabeth Novena Specialist Centre from held for own use to held for rental and had accordingly reclassified them from property, plant and equipment to investment properties. The difference in the carrying value of these medical suites units immediately prior to the transfer and its fair value was recognised directly in equity as a revaluation of property, plant and equipment.

8. The Group's EPS was computed based on an enlarged share capital base in comparison to last year. Refer to Section B12 for details.

Note:
Key average exchange rates used to translate the YTD results of overseas subsidiaries into RM:

	30 Sept 2014	30 Sept 2013
1 Singapore Dollar ("SGD")	2.5793	2.5029
1 Turkish Lira ("TL")	1.5004	1.6738

IHH HEALTHCARE BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014

	Note	30 Sept 2014 RM'000	31 Dec 2013 RM'000
Assets			
Property, plant and equipment		9,399,319	9,365,720
Investment properties	1	2,028,582	1,922,721
Goodwill on consolidation		8,744,848	8,881,234
Intangible assets		2,522,189	2,628,126
Interests in associates		5,563	4,497
Interests in joint ventures		174,589	170,069
Other financial assets	2	900,500	758,037
Other receivables		50,236	36,312
Derivative assets		17,296	15,949
Deferred tax assets		65,030	77,567
Total non-current assets		**23,908,152**	**23,860,232**
Inventories		167,487	152,991
Trade and other receivables	3	1,075,263	1,002,152
Tax recoverable		48,014	62,368
Other financial assets		28,398	38,476
Derivative assets		1,335	233
Cash and cash equivalents		2,159,719	2,144,827
Total current assets		**3,480,216**	**3,401,047**
Total assets		**27,388,368**	**27,261,279**
Equity			
Share capital		8,178,570	8,134,974
Share premium		8,059,027	7,992,299
Other reserves		284,331	265,729
Retained earnings		2,028,164	1,682,143
Total equity attributable to owners of the Company		**18,550,092**	**18,075,145**
Non-controlling interests		1,743,310	1,847,802
Total equity		**20,293,402**	**19,922,947**
Liabilities			
Loans and borrowings	4	3,650,811	4,170,246
Employee benefits		29,488	23,144
Trade and other payables		377,420	363,119
Derivative liabilities		5,864	3,566
Deferred tax liabilities		919,093	935,103
Total non-current liabilities		**4,982,676**	**5,495,178**
Loans and borrowings	4	450,439	291,035
Trade and other payables	5	1,427,241	1,331,175
Derivative liabilities		899	3,121
Employee benefits		37,246	38,928
Tax payable		196,465	178,895
Total current liabilities		**2,112,290**	**1,843,154**
Total liabilities		**7,094,966**	**7,338,332**
Total equity and liabilities		**27,388,368**	**27,261,279**
Net assets per share attributable to owners of the Company[1] (RM)		2.27	2.22

[1]: Based on 8,178.6 million and 8,135.0 million shares in issue as at 30 September 2014 and 31 December 2013 respectively

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the 2013 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITION

1. The increase in investment properties was mainly due to PLife REIT's acquisition of three Japanese properties during the period, for a consideration equivalent to almost RM100.0 million.

   In addition, the Group re-designated the use of a few medical suites units at Mount Elizabeth Novena Specialist Centre from held for own use to held for rental and had accordingly reclassified them from property, plant and equipment to investment properties.

2. The increase in the non-current other financial assets was mostly due to the fair valuation gain of RM154.1 million for the Group's available for sale financial instruments in Apollo Hospitals Enterprise Limited.

3. Trade and other receivables increased in line with higher revenues during the period.

4. During the period, borrowings decreased as Parkway Pantai Limited repaid approximately RM321.6 million of borrowings, which was partly offset by PLife REIT's and Acibadem's draw down of their loan facilities to finance the above-mentioned acquisition of investment properties, capital expenditure and working capital.

5. IMU Health and Shenton Insurance Pte. Ltd. recognised accrued revenue arising from upfront billings which increased the Group's trade and other payables as at 30 September 2014. These payables will be recognised as revenue in the income statement as service is rendered.

   Construction and renovation projects within the Group resulted in approximately RM17.8 million higher capital expenditure payable as at 30 September 2014.

Note:
Key closing exchange rates used to translate the financial position of overseas subsidiaries into RM:

	30 Sept 2014	31 Dec 2013
1 Singapore Dollar ("SGD")	2.5602	2.5780
1 Turkish Lira ("TL")	1.4496	1.5277

IHH HEALTHCARE BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	<------ Attributable to owners of the Company ------>											
	<------ Non-distributable ------>								Distributable			
	Share capital RM'000	**Share premium RM'000**	**Share option reserve RM'000**	**Fair value reserve RM'000**	**Revaluation reserve RM'000**	**Hedge reserve RM'000**	**Capital and legal reserve RM'000**	**Foreign currency translation reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 January 2014	8,134,974	7,992,299	33,295	216,082	205	16,150	(293,386)	293,383	1,682,143	18,075,145	1,847,802	19,922,947
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	(176,429)	-	(176,429)	(96,140)	(272,569)
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	14,377	-	14,377	25,840	40,217
Net change in fair value of available-for-sale financial assets	-	-	-	154,140	-	-	-	-	-	154,140	-	154,140
Cash flow hedge	-	-	-	-	-	(602)	-	-	-	(602)	(1,073)	(1,675)
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	-	(425)	(425)	(283)	(708)
Revaluation of property, plant and equipment upon reclassification to investment properties	-	-	-	-	35,823	-	-	-	-	35,823	-	35,823
Total other comprehensive income for the period	-	-	-	154,140	35,823	(602)	-	(162,052)	(425)	26,884	(71,656)	(44,772)
Profit for the period	-	-	-	-	-	-	-	-	515,063	515,063	93,079	608,142
Total comprehensive income for the period	**-**	**-**	**-**	**154,140**	**35,823**	**(602)**	**-**	**(162,052)**	**514,638**	**541,947**	**21,423**	**563,370**
Contributions by and distributions to owners of the Company												
- Share options exercised	34,000	48,574	-	-	-	-	-	-	-	82,574	-	82,574
- Share-based payment	-	-	20,505	-	-	-	-	-	-	20,505	-	20,505
- Cancellation of share options	-	13	(13)	-	-	-	-	-	-	-	-	-
- Dividends to owners of the Company	-	-	-	-	-	-	-	-	(163,500)	(163,500)	-	(163,500)
	34,000	48,587	20,492	-	-	-	-	-	(163,500)	(60,421)	-	(60,421)
Transfer to share capital and share premium on share options exercised	9,596	18,141	(27,737)	-	-	-	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	-	-	-	-	1	(6,770)	190	-	(6,579)	(24,210)	(30,789)
Transfer per statutory requirements	-	-	-	-	-	-	5,117	-	(5,117)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(101,705)	(101,705)
Total transactions with owners of the Company	**43,596**	**66,728**	**(7,245)**	**-**	**-**	**1**	**(1,653)**	**190**	**(168,617)**	**(67,000)**	**(125,915)**	**(192,915)**
At 30 September 2014	**8,178,570**	**8,059,027**	**26,050**	**370,222**	**36,028**	**15,549**	**(295,039)**	**131,521**	**2,028,164**	**18,550,092**	**1,743,310**	**20,293,402**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	<---------------------------------- Attributable to owners of the Company ------------------------------>											
	<--- Non-distributable --------------------------->							Distributable				
	Share capital RM'000	Share premium RM'000	Share option reserve RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Capital and legal reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2013	8,055,445	7,890,224	32,810	177,859	-	15,867	(246,610)	143,075	1,062,330	17,131,000	2,044,763	19,175,763
Foreign currency translation differences from foreign operations	-	-	-	-	-	-	-	140,171	-	140,171	(152,121)	(11,950)
Hedge of net investments in foreign operations	-	-	-	-	-	-	-	38,377	-	38,377	68,872	107,249
Net change in fair value of available-for-sale financial assets	-	-	-	21,451	-	-	-	-	-	21,451	-	21,451
Cash flow hedge	-	-	-	-	-	263	-	-	-	263	473	736
Revaluation of property, plant and equipment upon reclassification to investment properties	-	-	-	-	205	-	-	-	-	205	-	205
Total other comprehensive income for the period	-	-	-	21,451	205	263	-	178,548	-	200,467	(82,776)	117,691
Profit for the period	-	-	-	-	-	-	-	-	401,059	401,059	73,808	474,867
Total comprehensive income for the period	**-**	**-**	**-**	**21,451**	**205**	**263**	**-**	**178,548**	**401,059**	**601,526**	**(8,968)**	**592,558**
Contributions by and distributions to owners of the Company												
- Share options exercised	72,250	86,700	-	-	-	-	-	-	-	158,950	-	158,950
- Share-based payment	-	-	16,471	-	-	-	-	-	-	16,471	-	16,471
	72,250	86,700	16,471	-	-	-	-	-	-	175,421	-	175,421
Transfer to share capital and share premium on share options exercised	7,279	15,375	(22,654)	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	170	(111)	-	59	(8,094)	(8,035)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(43,121)	6	-	(43,115)	(21,509)	(64,624)
Transfer per statutory requirements	-	-	-	-	-	-	8,282	-	(8,282)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(81,948)	(81,948)
Total transactions with owners of the Company	**79,529**	**102,075**	**(6,183)**	**-**	**-**	**-**	**(34,669)**	**(105)**	**(8,282)**	**132,365**	**(111,551)**	**20,814**
At 30 September 2013	**8,134,974**	**7,992,299**	**26,627**	**199,310**	**205**	**16,130**	**(281,279)**	**321,518**	**1,455,107**	**17,864,891**	**1,924,244**	**19,789,135**

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the 2013 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

IHH HEALTHCARE BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	Financial period ended	
	30 Sept 2014 RM'000	**30 Sept 2013 RM'000**
Cash flows from operating activities		
Profit before tax	792,177	591,367
Adjustments for:		
Dividend income	(4,654)	(4,169)
Finance income	(43,060)	(51,259)
Finance costs	153,541	243,844
Depreciation and impairment losses of property, plant and equipment	413,969	397,868
Amortisation and impairment losses of intangible assets	49,838	52,321
Write-off:		
- Property, plant and equipment	403	190
- Inventories	464	299
- Trade and other receivables	3,250	-
Gain on disposal of property, plant and equipment	(2,233)	(3,214)
Gain on disposal of subsidiaries	-	(4,376)
Gain on disposal of assets held for sale	-	(67)
Impairment loss made/(written back):		
- Trade and other receivables	15,955	26,490
- Amounts due from associates	(1,021)	(1,239)
- Investment in joint ventures	-	2,545
- Other financial assets	-	(2,545)
Change in fair value of contingent consideration payable	-	(4,003)
Share of (profits)/losses of associates (net of tax)	(1,316)	2,651
Share of profits of joint ventures (net of tax)	(10,337)	(10,483)
Equity-settled share-based payment	20,505	16,471
Net unrealised foreign exchange differences	(55,222)	(17,247)
Operating profit before changes in working capital	**1,332,259**	**1,235,444**
Changes in working capital		
Trade and other receivables	(74,347)	(228,707)
Inventories	(13,787)	(9,580)
Trade and other payables	50,245	(17,446)
Cash flows from operations	**1,294,370**	**979,711**
Net income tax paid	(135,501)	(139,317)
Net cash generated from operating activities	**1,158,869**	**840,394**
Cash flows from investing activities		
Interest received	33,979	34,275
Capital injection into joint ventures	-	(10,875)
Disposal of subsidiary, net of cash and cash equivalents acquired	-	2,058
Development and purchase of intangible assets	(7,759)	(10,700)
Purchase of property, plant and equipment	(590,549)	(1,116,600)
Purchase of investment properties	(106,254)	(214,229)
Proceeds from disposal of property, plant and equipment	28,505	8,686
Proceeds from disposal of assets held for sale	-	233
Proceeds from disposal of intangible assets	1,018	-
Net repayment from associates	943	1,169
Net repayment from joint ventures	6,843	310
Dividends received from available for sale instruments	4,654	4,169
Dividends received from associates	-	1,159
Dividends received from joint ventures	1,682	1,539
Refund of deposits paid to non-controlling shareholders of subsidiaries	25,591	43,032
Net cash used in investing activities	**(601,347)**	**(1,255,774)**

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	Financial period ended	
	30 Sept 2014	**30 Sept 2013**
	RM'000	**RM'000**
Cash flows from financing activities		
Interest paid	(89,471)	(92,096)
Proceeds from exercise of share options	82,574	158,950
Loan from non-controlling interests of a subsidiary	23,708	291,146
Repayment of loans and borrowings	(1,095,437)	(1,358,780)
Buy-back of floating rate notes	-	(35,271)
Proceeds from loans and borrowings	828,676	2,328,337
Dividends paid to non-controlling shareholders	(101,705)	(81,948)
Dividends paid to owners of Company	(163,500)	-
Acquisition of non-controlling interests	(31,867)	(65,327)
Proceeds from dilution of interest in subsidiaries	-	703
Change in pledged deposits	1,293	58,756
Net cash (used in)/from financing activities	**(545,729)**	**1,204,470**
Net increase in cash and cash equivalents	**11,793**	**789,090**
Effect of exchange rate fluctuations on cash and cash equivalents held	4,392	8,256
Cash and cash equivalents at beginning of the period	2,135,609	1,552,854
Cash and cash equivalents at end of the period	**2,151,794**	**2,350,200**

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprises of:

	30 Sept 2014	**30 Sept 2013**
	RM'000	**RM'000**
Cash and bank balances	679,351	786,008
Fixed deposits placed with licensed banks	1,480,368	1,575,050
	2,159,719	2,361,058
Less:		
- Bank overdrafts	-	(797)
- Deposits pledged	(4,604)	(5,115)
- Cash collateral received	(3,321)	(4,946)
Cash and cash equivalents at end of the period	**2,151,794**	**2,350,200**

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the 2013 Audited Financial Statements and the accompanying explanatory notes attached to this financial report.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

A1 BASIS OF PREPARATION

a) Basis of accounting

These condensed consolidated financial report are unaudited and prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134: Interim Financial Reporting in Malaysia and IAS 34: Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2013 ("2013 Audited Financial Statements").

The 2013 Audited Financial Statements were prepared under Malaysian Financial Reporting Standards ("MFRS").

b) Significant accounting policies

The accounting policies and presentation adopted for this unaudited condensed consolidated interim financial report are consistent with those adopted for the 2013 Audited Financial Statements, except for the adoption of the new, revised and amendments to MFRS effective as of 1 January 2014 as issued by the Malaysian Accounting Standards Board, which does not have any impact on the financial statements of the Group.

A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited financial statements for the financial year ended 31 December 2013 were not subjected to any qualification.

A3 SEASONALITY OF OPERATIONS

Inpatient and outpatient revenue and volume are generally lower during festive periods and summer months in each of the relevant countries in which the Group operates and other holiday periods. Conversely, patient volumes and thus inpatient and outpatient revenue are highest during the winter months. As the Group is continuously expanding, the effects of seasonality may not be obvious from the Group's financial statements.

A4 SIGNIFICANT UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 September 2014.

A5 CHANGE IN ACCOUNTING ESTIMATES

There were no changes in the estimates of amounts reported in prior financial years that may have a material effect in the current quarter and financial period.

In preparing the unaudited condensed consolidated interim financial report, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimating uncertainty were consistent with those applied to 2013 Audited Financial Statements.

A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

A6 DEBT AND EQUITY SECURITIES

(a) Between 1 January to 30 September 2014, the Company issued:

i) 34,000,000 new ordinary shares of RM1.00 each pursuant to the exercise of vested EPP options; and

ii) 9,596,018 new ordinary shares of RM1.00 each pursuant to the surrender of vested LTIPs units.

(b) On 29 April 2014, the Company granted a total of 5,424,000 LTIP units to eligible employees of the Group. Out of the total 5,424,000 units granted, 110,000 units were granted under a cash option pursuant to the terms and conditions of the LTIP Bye Laws.

(c) On 2 July 2014, the Company granted 2,451,000 LTIP units to the executive directors of the Company, pursuant to the shareholders' approval obtained at the Company's 4th AGM held on 20 June 2014.

Except as disclosed above, there were no other issuance of shares, share buy-backs, and repayments of debt and equity securities by the Company during the financial period ended 30 September 2014.

As at 30 September 2014, the issued and paid-up share capital of the Company amounted to RM8,178,569,889 comprising 8,178,569,889 ordinary shares of RM1.00 each.

A7 DIVIDENDS PAID

	Per ordinary share	Total amount	
	Sen	**RM'000**	**Date of payment**
First and final single tier cash dividend for financial year ended 31 December 2013	2.0	163,500	16-Jul-14

A8 SEGMENT REPORTING

There had been no changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the 2013 Audited Financial Statements.

Management monitors the operating results of each business unit for the purpose of making decisions on resources allocation and performance assessment. Performance is measured based on segment EBITDA.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

A8 SEGMENT REPORTING

Financial period ended 30 September 2014

	Parkway Pantai RM'000	Acibadem Holdings RM'000	IMU Health RM'000	PLife REIT RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue and expenses							
Revenue from external customers	3,236,133	1,932,395	161,996	71,430	4,654	-	5,406,608
Inter-segment revenue	65,687	-	2,242	122,500	34,135	(224,564)	-
Total segment revenue	3,301,820	1,932,395	164,238	193,930	38,789	(224,564)	5,406,608
EBITDA	872,538	327,775	64,540	157,458	10,924	(81,752)	1,351,483
Depreciation and impairment losses of property, plant and equipment	(210,735)	(170,844)	(9,119)	(22,973)	(298)	-	(413,969)
Amortisation and impairment losses of intangibles	(24,359)	(25,215)	(264)	-	-	-	(49,838)
Net foreign exchange (loss)/gain	(1,125)	362	1	4,267	(865)	-	2,640
Finance income	13,654	8,538	3,658	15	17,195	-	43,060
Finance costs	(13,675)	(121,616)	(122)	(18,114)	(14)	-	(153,541)
Share of profits of associates (net of tax)	1,316	-	-	-	-	-	1,316
Share of profits of joint ventures (net of tax)	10,337	-	-	-	-	-	10,337
Others	(846)	1,570	(24)	-	(11)	-	689
Profit/(losses) before tax	647,105	20,570	58,670	120,653	26,931	(81,752)	792,177
Income tax expense	(147,412)	(7,652)	(16,101)	(9,098)	(3,776)	4	(184,035)
Profit/(losses) for the period	499,693	12,918	42,569	111,555	23,155	(81,748)	608,142
Assets and liabilities							
Cash and cash equivalents	855,653	248,614	171,550	88,373	795,529	-	2,159,719
Other assets	15,221,546	5,217,889	405,467	3,489,766	915,646	(21,665)	25,228,649
Segment assets as at 30 September 2014	16,077,199	5,466,503	577,017	3,578,139	1,711,175	(21,665)	27,388,368
Loans and borrowings	607,634	2,114,206	976	1,378,434	-	-	4,101,250
Other liabilities	1,740,683	848,462	147,240	266,288	12,708	(21,665)	2,993,716
Segment liabilities as at 30 September 2014	2,348,317	2,962,668	148,216	1,644,722	12,708	(21,665)	7,094,966

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Financial period ended 30 September 2013

	Parkway Pantai RM'000	Acibadem Holdings RM'000	IMU Health RM'000	PLife REIT RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue and expenses							
Revenue from external customers	2,863,583	1,901,325	148,886	58,355	4,169	-	4,976,318
Inter-segment revenue	58,588	-	2,088	113,351	699,788	(873,815)	-
Total segment revenue	2,922,171	1,901,325	150,974	171,706	703,957	(873,815)	4,976,318
EBITDA	739,545	333,974	59,687	140,252	677,161	(742,887)	1,207,732
Depreciation and impairment losses of property, plant and equipment	(200,477)	(165,672)	(9,491)	(22,111)	(117)	-	(397,868)
Amortisation and impairment losses of intangibles	(24,252)	(27,847)	(222)	-	-	-	(52,321)
Net foreign exchange gain	1,851	630	1,099	1,634	5,246	-	10,460
Finance income	7,194	23,543	1,675	4,805	14,042	-	51,259
Finance costs	(28,647)	(200,726)	(292)	(14,171)	(8)	-	(243,844)
Share of losses of associates (net of tax)	(2,651)	-	-	-	-	-	(2,651)
Share of profits of joint ventures (net of tax)	10,483	-	-	-	-	-	10,483
Others	4,593	5,803	112	-	(2,391)	-	8,117
Profit/(loss) before tax	507,639	(30,295)	52,568	110,409	693,933	(742,887)	591,367
Income tax (expense)/credit	(95,841)	4,531	(14,333)	(7,544)	(3,313)	-	(116,500)
Net profit/(loss) for period	411,798	(25,764)	38,235	102,865	690,620	(742,887)	474,867
Assets and liabilities							
Cash and cash equivalents	867,524	416,433	136,445	100,922	839,734	-	2,361,058
Other assets	15,165,391	5,336,136	413,159	3,496,256	742,880	(12,527)	25,141,295
Segment assets as at 30 September 2013	16,032,915	5,752,569	549,604	3,597,178	1,582,614	(12,527)	27,502,353
Loans and borrowings	1,377,743	2,047,227	1,608	1,377,053	-	-	4,803,631
Other liabilities	1,629,134	870,281	143,422	255,494	23,783	(12,527)	2,909,587
Segment liabilities as at 30 September 2013	3,006,877	2,917,508	145,030	1,632,547	23,783	(12,527)	7,713,218

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

A9 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group does not adopt a revaluation policy on its property, plant and equipment.

A10 SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties transactions have been entered into in the normal course of business under negotiated terms. Other than the remuneration paid to the Key Management Personnel, the significant related party transactions of the Group are as follows:

	Financial period ended	
	30 Sept 2014 RM'000	**30 Sept 2013 RM'000**
Transactions with substantial shareholders and their related companies		
- Sales and provision of services	160,000	2,963
- Purchase and consumption of services	(37,110)	(419)
Transactions with Key Management Personnel and their related companies		
- Sales and provision of services	29,711	249,605
- Purchase and consumption of services	(30,554)	(41,972)

A11 CHANGES IN THE COMPOSITION OF THE GROUP

(a) On 7 January 2014, East Shore Medical Holdings Pte Ltd, Mount Elizabeth Healthcare Holdings Limited and Parkway Novena Holdings Pte Ltd were struck off from the Register of Companies of Singapore as part of the Group’s streamlining exercise.

(b) On 30 January 2014, Acibadem Saglik Hizmetleri ve Ticaret A.S. (“ASH”) acquired 82.22% equity interest in Acibadem Mobil Saglik Hizmetleri A.S. (“Acibadem Mobil”), an indirect subsidiary of ASH, from Acibadem Poliklinikleri A.S., a direct subsidiary of ASH, for a total consideration of TL3,700,000. Consequential thereto, Acibadem Mobil became a direct wholly-owned subsidiary of ASH.

(c) On 13 March 2014, Parkway Life Japan2 Pte. Ltd. (“TK Investor”) entered into two *Tokumei Kumiai* agreements (or silent partnership agreements, collectively, the “TK Agreements”) with Godo Kaisha Tenshi 1 and Godo Kaisha Tenshi 2 (collectively, the “TK Operators”). Pursuant to the TK Agreements, the TK Investor has injected funds into the respective TK Operators in relation to the acquisition of two nursing homes and one extended-stay lodging facility for the elderly located in Japan by the TK Operators at a total purchase price of approximately ¥3,000,000,000 (approximately RM95,820,000). Due to the nature of the arrangements under the TK Agreements, the TK Operators are under established terms that impose strict limitations on decision-making powers of the TK Operators’ management, resulting in the Group receiving the majority of the benefits relating to the TK Operators’ operations and net assets, being exposed to the majority of the risks incident to the TK Operators’ activities and retaining the majority of the residual or ownership risks related to the TK Operators and their assets. Consequently, the TK Operators are regarded as subsidiaries of the Group pursuant to MFRS 10: Consolidated Financial Statements.

(d) On 17 March 2014, Swiss Zone Sdn Bhd (“Swiss Zone”), an indirect wholly-owned subsidiary of IHH, was dissolved pursuant to members' voluntary winding up. The dissolution of Swiss Zone is part of the Group’s streamlining exercise.

(e) On 18 March 2014, IMU Healthcare Sdn Bhd (“IMU Healthcare”), an indirect wholly-owned subsidiary of IHH, formed a 60%-owned company, IMU Dialysis Sdn Bhd, pursuant to the Joint Venture Agreement dated 4 March 2014 entered into between IMU Healthcare and Advance Renal Care (Asia) Pte Ltd (“ARCA”). The remaining 40% equity stake in IMU Dialysis Sdn Bhd is owned by ARCA. IMU Dialysis Sdn Bhd has an initial paid-up capital of RM5.00 and its principal activities are establishing, operating and managing dialysis centre(s) for the provision of haemodialysis and its related services.

(f) On 26 March 2014, Pantai Group Resources Sdn. Bhd. (“PGRSB”) acquired another 15.00% equity interest in Twin Towers Healthcare Sdn. Bhd. (“TTHSB”) pursuant to the Share Sale Agreement dated 31 January 2012, for a total consideration of RM3,777,000. The said acquisition increased PGRSB’s shareholdings in TTHSB from 85.00% to 100.00%.

(g) On 31 March 2014, Parkway Pantai Limited (“PPL”) subscribed for 19,500,000 ordinary shares of SGD4.90 each in Parkway Group Healthcare Pte Ltd ("PGH"), for a total consideration of SGD95,550,000 (equivalent to RM248,229,000) (“Internal Reorganisation”). Prior to the Internal Reorganisation, PGH was a direct wholly-owned subsidiary of Parkway Holdings Limited (“PHL”) which in turn is a direct wholly-owned subsidiary of PPL. Upon completion of the Internal Reorganisation, PGH has become a 70% direct owned subsidiary of PPL while the remaining 30% is held by PHL.

(h) On 1 April 2014, Pantai Premier Pathology Sdn Bhd, an indirect wholly-owned subsidiary of the Company, acquired 2 ordinary shares of RM1.00 each, representing 100% of the total issued and paid-up share capital of Orifolio Options Sdn Bhd from Mount Elizabeth Health Care Services Sdn Bhd, an indirect wholly-owned subsidiary of the Company, for a total cash consideration of RM2.00.

(i) On 9 April 2014, Acıbadem Labmed Sağlık Hizmetleri A.Ş. formed a wholly-owned subsidiary, Histogenetics Acıbadem Laboratuvar Hizmetleri A.Ş. (“Histogenetics”), in Turkey. Histogenetics has an initial paid-up capital of TL50,000 and its principal activity is provision of laboratory services.

(j) On 9 April 2014, Parkway Trust Management Limited (“PTM”) transferred 146,000 PLife REIT units that it owned to its eligible employees in accordance to PTM’s Long Term Incentive Plan. Consequential thereto, IHH Group’s effective interest in PLife REIT was diluted from 35.78% to 35.76%.

(k) On 22 April 2014, Parkway (Shanghai) Hospital Management Ltd. received the business license from Suzhou New District (Hu Qiu) Administration of Industry and Commerce for the establishment of a foreign wholly-owned enterprise reinvestment clinic named Suzhou Xin Hui Clinic Co., Ltd. (“Xin Hui Clinic”) in the People’s Republic of China with a registered capital of RMB3,000,000. The principal activity of Xin Hui Clinic is provision of medical and healthcare outpatient services. The validity period of the licence is from 22 April 2014 to 21 April 2034.

(l) On 29 May 2014, Shanghai Mai Kang Hospital Investment Management Co., Ltd (“Shanghai Mai Kang”) acquired the remaining 15% equity interest in Shanghai Rui Hong Clinic Co. Ltd (“Shanghai Rui Hong”) for a purchase consideration of RMB4,050,000 (equivalent to RM2,085,000). Upon completion of the acquisition, Shanghai Rui Hong became an indirect wholly-owned subsidiary of the Company with 70% equity interest held through Medical Resources International Pte Ltd and the remaining 30% held through Shanghai Mai Kang.

(m) On 30 May 2014, Shanghai Mai Kang acquired the remaining 15% equity interest in Shanghai Xin Rui Healthcare Co. Ltd (“Shanghai Xin Rui”) for a purchase consideration of RMB41,210,000 (equivalent to RM21,215,000). Upon completion of the acquisition, Shanghai Xin Rui became an indirect wholly-owned subsidiary of the Company with 70% equity interest held through Medical Resources International Pte Ltd and the remaining 30% held through Shanghai Mai Kang.

(n) On 21 July 2014, PPL acquired 100% equity interest in Pantai Holdings Berhad (“PHB”) from Pantai Irama Ventures Sdn Bhd (“PIVSB”) (“Internal Reorganisation 2”). Prior to the Internal Reorganisation 2, PHB was a direct wholly-owned subsidiary of PIVSB which in turn is a direct wholly-owned subsidiary of PPL.

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

(o) On 30 September 2014, Acibadem Poliklinikleri merged with its direct wholly-owned subsidiary, Konur Saglik Hizmetleri A.S. ("Konur Saglik"). All assets and liabilities of Konur Saglik were transferred to Acibadem Poliklinikleri and Konur Saglik was subsequently dissolved. The internal reorganisation was undertaken in order to streamline the Acibadem group structure and management.

(p) ASH shares have ceased to be traded on the Istanbul Stock Exchange ("ISE") after the second session of 4 October 2012. Following this, the delisting process has been successfully completed. Any shareholders that were unable to redeem their shares during MTO and VTO have the right to sell their shares for a three-year period from 26 July 2012, being the date ISE granted its approval of ASH's delisting. As at 30 September 2014, ASYH's equity interest in ASH is 99.37%, following the tender of shares.

The above changes in the composition of the Group are not expected to have material effect on the earnings and net assets of the Group.

A12 SUBSEQUENT EVENTS

(a) On 13 October 2014, PGH incorporated a foreign wholly-owned subsidiary named Parkway China Holding Co. Pte. Ltd. ("Parkway China") in Singapore. Parkway China has a paid-up capital of RMB6,165,000 (equivalent to RM3,282,246) and its intended principal activity is investment holding.

(b) On 30 October 2014, Parkway China acquired 100% equity interest in M&P Investments Pte Ltd ("M&P"), an indirect wholly-owned subsidiary of the Company, from PHL, for a total consideration of SGD2.00 (equivalent to RM5.15). Consequential thereto, M&P became a direct wholly-owned subsidiary of Parkway China.

(c) On 31 October 2014, Parkway China subscribed for 99% equity interest in MRI, at the subscription price of RMB10 (equivalent to RM5.37). Upon completion of the subscription, MRI has become a 99% direct owned subsidiary of Parkway China while the remaining 1% is held by PGH.

A13 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material changes in the contingent liabilities or contingent assets as at 18 November 2014 from that disclosed in the 2013 Audited Financial Statements.

A14 CAPITAL COMMITMENTS

	30 Sept 2014 RM'000	**31 Dec 2013 RM'000**
Capital expenditure commitments not provided for in the interim financial report:		
Property, plant and equipment and investment properties		
- Authorised and contracted for	474,439	425,493
- Authorised but not contracted for	2,478,433	1,157,038
	2,952,872	1,582,531

**A NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

A15 FAIR VALUE HIEARACHY

Fair value hierarchy

The table below analyses investment properties and financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
As at 30 Sept 2014				
Assets				
Investment properties	-	-	2,028,582	2,028,582
Quoted available-for-sale investment	899,653	-	-	899,653
Derivative assets	-	18,631	-	18,631
Liabilities				
Derivative liabilities	-	(6,763)	-	(6,763)
As at 31 December 2013				
Assets				
Investment properties	-	-	1,922,721	1,922,721
Quoted available-for-sale investment	743,887	-	-	743,887
Derivative assets	-	16,182	-	16,182
Liabilities				
Derivative liabilities	-	(6,687)	-	(6,687)

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

	3rd quarter ended			Financial period ended		
	30 Sept 2014 RM'000	**30 Sept 2013 RM'000**	**Variance %**	**30 Sept 2014 RM'000**	**30 Sept 2013 RM'000**	**Variance %**
REVENUE[1]						
Parkway Pantai	1,084,762	987,252	10%	3,236,133	2,863,583	13%
Acibadem Holdings	616,621	612,020	1%	1,932,395	1,901,325	2%
IMU Health	54,057	48,019	13%	161,996	148,886	9%
Others^	4,654	4,169	12%	4,654	4,169	12%
	1,760,094	**1,651,460**	**7%**	**5,335,178**	**4,917,963**	**8%**
PLife REIT total revenue	64,595	58,967	10%	193,930	171,706	13%
PLife REIT inter-segment revenue	(40,746)	(38,709)	-5%	(122,500)	(113,351)	-8%
Total	**1,783,943**	**1,671,718**	**7%**	**5,406,608**	**4,976,318**	**9%**
EBITDA[2]						
Parkway Pantai[3]	269,291	241,766	11%	824,921	696,445	18%
Acibadem Holdings	89,171	91,156	-2%	327,775	333,974	-2%
IMU Health	19,577	18,050	8%	64,540	59,687	8%
Others^	(3,509)	(5,333)	34%	(23,211)	(22,626)	-3%
	374,530	**345,639**	**8%**	**1,194,025**	**1,067,480**	**12%**
PLife REIT[4]	52,432	48,279	9%	157,458	140,252	12%
Total	**426,962**	**393,918**	**8%**	**1,351,483**	**1,207,732**	**12%**

[1]: *Relates to external revenue only*
It excludes PLife REIT's rental income earned from Parkway Pantai
Similarly, it excludes Parkway Pantai's dividend and management fee income earned from PLife REIT
[2]: *Relates to the EBITDA performance of each SBUs, after elimination of dividend income from within the Group*
[3]: *Includes rental expense incurred for lease of hospitals from PLife REIT*
[4]: *Includes rental income earned from lease of hospitals to Parkway Pantai*
^: *Others comprise mainly IHH Group's corporate office as well as other investment holding entities*

Q3 2014 vs Q3 2013

The Group achieved revenue and EBITDA growth of 7% and 8% respectively in Q3 2014 over the same period last year. The increase in Q3 2014 revenue was attributed to year-on-year growth in patient volume and revenue intensity of existing operations and the commencement of operations of Acibadem Atakent Hospital and Pantai Hospital Manjung in January 2014 and May 2014 respectively.

As a result of the EBITDA growth and the 14% reduction in the net finance costs, the Group's Q3 2014 PATMI increased 26% to RM146.9 million. PATMI excluding exceptional items increased 21% to RM176.9 million over the same period last year.

Parkway Pantai

Parkway Pantai's revenue grew 10% to RM1,084.8 million in Q3 2014 whilst its EBITDA grew 11% to RM269.3 million in Q3 2014. Parkway Pantai's strong performance was the result of the continuous ramp up of its Mount Elizabeth Novena Hospital in Singapore as well as from its other hospitals and healthcare businesses. Mount Elizabeth Novena Hospital's revenue increased by 72% in Q3 2014 to RM95.6 million as compared to Q3 2013, and it achieved approximately RM24.9 million EBITDA in Q3 2014 as compared to RM11.9 million EBITDA in Q3 2013.

Parkway Pantai's Singapore hospitals saw an overall 12.1% increase in inpatient admissions to 16,741 inpatient admissions in Q3 2014. The increase was attributed mainly to local patients as well as foreign patients from non-traditional markets such as the Middle East and Myanmar. Meanwhile, inpatient admissions at Parkway Pantai's Malaysia hospitals grew 10.2% to 45,719 inpatient admissions in Q3 2014. The healthy revenue growth at Parkway Pantai was also driven by higher revenue intensities that resulted from more complex cases undertaken by the hospitals and price increases to compensate for cost inflation. Q3 2014 revenue per inpatient admission

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

increased 2.5% to RM21,979 in Singapore and increased 7.8% to RM4,968 in Malaysia compared to Q3 2013.

Despite the increase in nurses' salaries and benefits in Q3 2014, EBITDA of Parkway Pantai's operations grew on the back of higher revenues and operating leverage from the higher patient volumes. EBITDA growth was also driven by the significant improvement in Mount Elizabeth Novena Hospital's EBITDA as the hospital ramps up its revenue and optimises its resources with the increasing patient volumes. Parkway Pantai achieved strong EBITDA growth despite the RM1.3 million start-up EBITDA loss incurred by Pantai Hospital Manjung in Q3 2014 and RM1.7 million higher pre-operating EBITDA expenses of GHK Hospital Limited ("GHK").

Acibadem Holdings

Acibadem Holdings' revenue grew by 1% to RM616.6 million while its EBITDA reduced by 2% to RM89.2 million in Q3 2014. Excluding the effects of the depreciation of the TL on translation of Acibadem Holdings' results, Acibadem Holdings' Q3 2014 revenues increased by 12% whilst its Q3 2014 EBITDA increased by 8% over last year despite the RM0.3 million start-up EBITDA losses incurred by the newly opened Acibadem Atakent Hospital.

Revenue growth against last year was driven by strong performance at its existing hospitals, the continuous ramp up of Acibadem Bodrum Hospital and Acibadem Ankara Hospital as well as revenue contribution from the newly opened Acibadem Atakent Hospital. Acibadem Holdings' inpatient admissions grew 10.5% to 31,279 in Q3 2014, which resulted in greater operating leverage. Acibadem Holdings' average inpatient revenue per inpatient admission also increased by 1.7% to RM9,034 in Q3 2014 as a result of case mix where more complex cases were undertaken. Acibadem Holdings' revenue increased despite the decrease in revenue upon the completion of the Acibadem University construction project in early 2014. Revenue from construction projects decreased by approximately RM52.5 million to RM7.9 mil in Q3 2014.

IMU Health

IMU Health's revenue grew 13% to RM54.1 million in Q3 2014 whilst its EBITDA increased by 8% to RM19.6 million in Q3 2014.

IMU Health's revenue and EBITDA growth was driven by higher student intake and increase in course fees for IMU Health's medical programmes.

PLife REIT

PLife REIT's external revenue grew 18% to RM23.8 million in Q3 2014 whilst its EBITDA grew 9% to RM52.4 million in Q3 2014.

PLife REIT's external revenue grew on the back of rental income contribution from the Japanese properties acquired in the first quarter of 2014.

The growth in the revenue resulted in EBITDA growth.

Others

Others comprise mainly the IHH Group corporate office as well as other investment holding entities. The Group received 12% more dividend income from its investment in Apollo Hospitals Enterprise Limited in Q3 2014 compared to Q3 2013.

EBITDA losses reduced by 34% to RM3.5 million in Q3 2014 due to a catch up recharge of corporate expenses amounting to RM1.4 mil from IHH corporate office to PPL Group in September 2014.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

<u>YTD 2014 vs YTD 2013</u>

The Group achieved revenue and EBITDA growth of 9% and 12% respectively in YTD 2014 over the same period last year. The increase in YTD 2014 revenue was attributed to year-on-year growth in patient volume and revenue intensity of existing operations and opening of Acibadem Atakent Hospital and Pantai Hospital Manjung in January 2014 and May 2014 respectively.

As a result of its EBITDA growth, and the 43% reduction in net finance costs, the Group's YTD 2014 PATMI increased 28% to RM515.1 million. PATMI excluding exceptional items increased 23% to RM540.8 million over the same period last year.

Parkway Pantai

Parkway Pantai's revenue grew 13% to RM3,236.1 million in YTD 2014 whilst its EBITDA grew 18% to RM824.9 million in YTD 2014. Parkway Pantai's strong performance was the result of the continuous ramp up of its Mount Elizabeth Novena Hospital in Singapore as well as from its other hospitals and healthcare businesses. Mount Elizabeth Novena Hospital's revenue increased by 87% in YTD 2014 to RM254.9 million as compared to YTD 2013, and it achieved an EBITDA of RM61.4 million in YTD 2014 as compared to RM11.5 million EBITDA gain in YTD 2013.

Parkway Pantai's Singapore hospitals saw an overall 10.0% increase in inpatient admissions to 48,459 inpatient admissions in YTD 2014. The increase was attributed mainly to local patients as well as foreign patients from non-traditional markets such as the Middle East and Myanmar. Meanwhile, inpatient admissions at Parkway Pantai's Malaysia hospitals grew 10.9% to 137,812 inpatient admissions in YTD 2014. The healthy revenue growth at Parkway Pantai was also driven by higher revenue intensities that resulted from more complex cases undertaken by the hospitals and price increases to compensate for cost inflation. YTD 2014 revenue per inpatient admission increased 3.5% to RM22,036 in Singapore and increased 8.3% to RM4,876 in Malaysia.

Despite increasing cost pressures, EBITDA of Parkway Pantai's operations grew on the back of higher revenues and operating leverage from the higher patient volumes. The EBITDA growth was also driven by the significant improvements in Mount Elizabeth Novena Hospital's EBITDA as the hospital ramps up its revenue and optimizes its resources with the increasing patient volumes. Parkway Pantai achieved strong EBITDA growth despite the RM4.1 million start-up EBITDA losses and RM3.7 million pre-operating EBITDA losses incurred by Pantai Hospital Manjung and GHK in YTD 2014 respectively.

Acibadem Holdings

Acibadem Holdings' revenue grew by 2% to RM1,932.4 million in YTD 2014 whilst its EBITDA decreased 2% to RM327.8 million. Excluding the effects of the depreciation of the TL on translation of Acibadem Holdings' results, Acibadem Holdings' YTD 2014 revenues increased by 13%. Acibadem Holdings' revenue growth was slightly eroded when Acibadem Proje Yonetimi A.S., a subsidiary of Acibadem Holdings, completed a construction project for Acibadem University in early 2014. On constant currency terms, Acibadem Holdings' YTD 2014 EBITDA grew 9% as compared to last year despite the RM13.0 million start-up EBITDA losses incurred by the newly opened Acibadem Atakent Hospital.

Revenue growth against last year was driven by strong performance at its existing hospitals, the continuous ramp up of Acibadem Bodrum Hospital and Acibadem Ankara Hospital as well as revenue contribution from the newly opened Acibadem Atakent Hospital. Acibadem Holdings' inpatient admissions grew 8.1% to 97,037 in YTD 2014, which resulted in greater operating leverage. Acibadem Holdings' average inpatient revenue per inpatient admission grew 2.6% to RM8,849 in YTD 2014 as a result of more foreign patients seeking medical treatment at Acibadem Holdings' hospitals this year.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

IMU Health

IMU Health's revenue grew 9% to RM162.0 million in YTD 2014 whilst it's EBITDA increased by 8% to RM64.5 million in YTD 2014.

IMU Health's revenue growth was driven by higher student intake and increase in course fees for IMU Health's medical programmes.

PLife REIT

PLife REIT's external revenue grew 22% to RM71.4 million in YTD 2014 whilst its EBITDA grew 12% to RM157.5 million in YTD 2014.

PLife REIT's external revenue grew on the back of rental income contribution from the Japanese properties acquired in the second half of 2013 and first quarter of 2014.

The growth in the revenue resulted in EBITDA growth.

Others

Higher expenses were incurred at the corporate office due to increased headcounts and operating costs.

B2 MATERIAL CHANGE IN QUARTERLY RESULTS

	3rd quarter ended 30 Sept 2014 RM'000	**2nd quarter ended 30 Jun 2014 RM'000**	**Variance %**
REVENUE[1]			
Parkway Pantai	1,084,762	1,107,119	-2%
Acibadem Holdings	616,621	675,612	-9%
IMU Health	54,057	57,648	-6%
Others^	4,654	-	-
	1,760,094	**1,840,379**	**-4%**
PLife REIT total revenue	64,595	65,454	-1%
PLife REIT inter-segment revenue	(40,746)	(40,780)	**0%**
Total	**1,783,943**	**1,865,053**	**-4%**
EBITDA[2]			
Parkway Pantai[3]	269,291	296,702	-9%
Acibadem Holdings	89,171	123,617	-28%
IMU Health	19,577	23,793	-18%
Others^	(3,509)	(9,257)	62%
	374,530	**434,855**	**-14%**
PLife REIT[4]	52,432	53,174	-1%
Total	**426,962**	**488,029**	**-13%**

[1]: *Relates to external revenue only*
It excludes PLife REIT's rental income earned from Parkway Pantai
Similarly, it excludes Parkway Pantai's dividend and management fee income earned from PLife REIT
[2]: *Relates to the EBITDA performance of each SBUs, after elimination of dividend income from within the Group*
[3]: *Includes rental expense incurred for lease of hospitals from PLife REIT*
[4]: *Includes rental income earned from lease of hospitals to Parkway Pantai*
^: *Others comprise mainly IHH Group's corporate office as well as other investment holding entities*

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Q3 2014 vs Q2 2014

The Group's Q3 2014 revenue reduced by 4% quarter-on-quarter as Q3 2014 is a seasonally slow quarter due to the summer months in Turkey and seasonality in Singapore and Malaysia. The lower revenue and higher salaries and benefits in Q3 2014, resulted in 13% decrease in Q3 2014 EBITDA quarter-on-quarter.

Q3 2014 PATMI excluding exceptional items decreased by 8% quarter-on-quarter due to the lower EBITDA offset partially by the 7% reduction in the net finance costs excluding the exchange gain and losses on non-TL borrowings.

Parkway Pantai

Parkway Pantai's 2% quarter-on-quarter revenue reduction was due to lower inpatient admissions in Malaysia and partially offset by higher revenue per inpatient admissions in Singapore and Malaysia. The Singapore operations' quarter-on-quarter inpatient admissions increased 1.5% and its revenue per inpatient admission increased by 2.8%. The Malaysian operations' quarter-on-quarter inpatient admissions reduced by 3.7%, but revenue per inpatient admission grew 1.4% due to more complex cases undertaken in this quarter.

Parkway Pantai's quarter-on-quarter EBITDA reduced by 9% due to lower revenue from Malaysia and higher nurses' salaries and benefits in Q3 2014 compared to Q2 2014.

Acibadem Holdings

Acibadem Holdings' revenue reduced by 9% whilst EBITDA reduced by 28% quarter-on-quarter. Excluding the effects of the depreciation of the TL on translation of the Acibadem Holdings' results, Acibadem Holdings' Q3 2014 revenue and EBITDA reduced by 6% and 25% quarter-on-quarter respectively.

Due to the summer months in Turkey, Q3 2014 inpatient admissions reduced 5.2%, which was partially offset by the 4.8% increase in the revenue per inpatient admissions in Q3 2014 as compared to Q2 2014. Revenue intensity increased due to case mix where more complex cases were undertaken in Q3 2014.

Acibadem Holding's lower EBITDA was a result of the lower revenue in Q3 2014. The reduction in EBITDA was partially offset by the improved performance of Acibadem Bodrum Hospital, Acibadem Ankara Hospital, and Acibadem Atakent Hospital. The ramp up of patient volumes at Acibadem Atakent Hospital reduced its start-up EBITDA losses from RM2.8 million in Q2 2014 to RM0.3 million in Q3 2014.

IMU Health

IMU Health's registered 6% declined in its quarter-on-quarter revenue as Q3 usually coincided with the semester breaks for some of its major medical courses. As a result EBITDA decreased.

PLife REIT

PLife REIT's external revenue and EBITDA declined by 3% and 1% quarter-on-quarter respectively, mostly due to the depreciation of the Japanese Yen, which resulted in smaller RM revenue recognised in Q3 2014.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B3 CURRENT YEAR PROSPECTS

Parkway Pantai

Parkway Pantai expects continued revenue, EBITDA and earnings growth for the rest of the year due to the growing demand for private healthcare services across its home markets and the region. Mount Elizabeth Novena Hospital will continue to contribute to Parkway Pantai's growth with the progressive opening of additional wards and beds during the year to meet increased growing patient demand. The newly opened Pantai Hospital Manjung will also contribute to the Group's revenues. Ongoing hospital projects in Malaysia and Hong Kong are progressing well. However, one of its greenfield projects is facing delays.

Acibadem Holdings

Acibadem Holdings' patient volumes, and hence revenues in TL, is expected to grow due to continued demand and increased affordability of private healthcare. The ramp up of the newly opened Acibadem Atakent Hospital will continue to contribute to Acibadem Holdings' growth for the rest of the year. Ongoing hospital projects are progressing well.

Overall IHH Group Prospects

The Group expects higher staff costs and other inflationary pressures to affect the Group for the rest of the year. While such sustained cost pressures may reduce the Group's EBITDA and margins, the Group expects to mitigate these effects through price adjustments and through its operating leverage as volumes continue to grow and margins of new hospitals improve with the ramp up of inpatient admissions.

Given the Group's geographical footprints across Asia as well as the Central and Eastern Europe, Middle East and North Africa ("CEEMENA") and South Asia regions, the Group is susceptible to currency volatility in the countries that it operates. Movements in the Singapore Dollar, TL, US Dollar, Japanese Yen, Chinese Renminbi, Indian Rupee, etc. would result in translation differences in the Group's balance sheet and income statement. In addition, significant currency volatility against the Ringgit Malaysia may affect the comparability of the Group's financial performance across periods.

The Group continues to actively monitor its currency risks and will take proactive steps where possible to minimise such risks by borrowing in the functional currency of the borrowing entity or by borrowing in the same currency as its foreign investment (i.e. hedge of net investments). Acibadem Holdings, which holds non-TL denominated loans, will monitor its liquidity position to hedge its cash flows by conserving hard currency receipts from its medical travellers to service these debts and interest payments.

The Group is confident that its strong balance sheet and operating cash flows would enable it to support its expansion plans. Barring unforeseen circumstances, the Group expects that it would continue to achieve earnings growth for the year ahead.

B4 PROFIT FORECAST/GUARANTEE

Not applicable as no profit forecast/guarantee was issued.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B5 TAXATION

	3rd quarter ended		Financial period ended	
	30 Sep 2014 RM'000	30 Sep 2013 RM'000	30 Sep 2014 RM'000	30 Sep 2013 RM'000
Current tax expense	51,048	49,630	172,655	105,608
Deferred tax expense	(4,012)	(7,534)	11,380	10,892
	47,036	42,096	184,035	116,500

The Group's effective tax rate, after adjusting for the share of profits of associates and joint ventures, was 23.4% for Q3 2014 and 23.6% for YTD 2014. It is lower than the Malaysian statutory tax rate mainly due to the effects of lower tax rate in certain countries that the Group operates.

B6 STATUS OF CORPORATE PROPOSALS

On 12 September 2014, Medi-Rad Associates Ltd ("Medi-Rad"), an indirect wholly-owned subsidiary of IHH, entered into a Sale and Purchase Agreement ("SPA") with Fortis Healthcare Singapore Pte. Limited to acquire 100% equity interest in Radlink-Asia Pte Ltd ("Radlink") comprising of 29,382,081 ordinary shares at a purchase consideration of SGD137,000,000 (equivalent to RM346,527,800) ("Proposed Acquisition"). The purchase consideration is subject to transactional adjustments which will only be determined upon completion of the Proposed Acquisition.

Under the terms of the SPA, the completion of the Proposed Acquisition is subject to satisfaction of certain conditions precedent, which includes the Competition Commission of Singapore making a favourable decision in respect of the Proposed Acquisition.

Upon completion of the Proposed Acquisition, Radlink, its subsidiaries and associate company will be consolidated as subsidiaries and associate of IHH. Radlink has an issued and paid-up capital of SGD18,307,904.36. Radlink is an investment holding company and its principal activity (through its subsidiaries) is the provision of healthcare services including the provision of outpatient diagnostic and molecular imaging services in Singapore.

Except as disclosed above, there were no other corporate proposals announced but not completed as at 18 November 2014.

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B7 LOANS AND BORROWINGS

(a) Breakdown of the Group's loans and borrowings:

	30 Sept 2014 RM'000	31 Dec 2013 RM'000
Non-current		
Secured		
Bank borrowings	1,100,905	1,134,517
Financial lease liabilities	116,486	160,809
Unsecured		
Bank borrowings	2,433,420	2,874,920
	3,650,811	4,170,246
Current		
Secured		
Bank borrowings	150,895	158,480
Financial lease liabilities	52,507	59,152
Unsecured		
Bank borrowings	247,037	73,403
	450,439	291,035
Total	4,101,250	4,461,281

(b) Breakdown of the Group's loans and borrowings by the source currency of loans, in RM equivalent:

	30 Sep 2014 RM'000	31 Dec 2013 RM'000
Singapore Dollar	1,493,822	1,810,262
Ringgit Malaysia	81,373	85,425
US Dollar	1,055,848	1,159,080
Macedonian Denar	5,888	8,943
Swiss Franc	60,715	73,384
Euro	208,341	168,949
Turkish Lira	215,715	73,363
Japanese Yen	943,119	1,076,189
Others*	36,429	5,686
	4,101,250	4,461,281

** Others include Hong Kong Dollar and Brunei Dollar*

Key exchange rates as at 30 September 2014:

1 SGD	= RM2.5602
1 TL	= RM1.4496
1 USD	= RM3.2430

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B8 FINANCIAL DERIVATIVE INSTRUMENTS

The Group's outstanding net derivative financial instruments as at 30 September 2014:

	Notional amount as at 30 Sept 2014 RM'000	Fair value amount as at 30 Sept 2014 RM'000
Derivative assets		
Foreign exchange forward contracts		
- Within 1 year	4,974	1,335
- Between 1 - 3 years	40,768	10,232
- More than 3 years	231,992	7,064
	277,734	18,631
Derivative liabilities		
Interest rate swaps		
- Within 1 year	768,912	(899)
- Between 1 - 3 years	137,199	(797)
- More than 3 years	707,172	(5,067)
	1,613,283	(6,763)

Foreign exchange forward contracts

Foreign exchange forward contracts are entered by the Group to hedge against exchange rate exposures on some balances denominated in currencies other than the functional currency of the entity that recognised the foreign currency balances. The fair value of foreign exchange forward contract is determined based on prevailing market rate.

Interest rate swaps

Interest rate swaps are entered by the Group to hedge against interest rate fluctuations on some floating rate borrowings. The fair value of interest rate swaps is determined based on bank quotes.

There are no changes to the Group's financial risk management policies and objectives in managing these derivative financial instruments and its related accounting policies. Refer to Section B14 for the fair value gain/loss recognised in the statement of profit or loss during the period.

B9 FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

Other than derivatives mentioned in Section B8 the Group does not remeasure its financial liabilities at reporting date.

B10 CHANGES IN MATERIAL LITIGATIONS

There is no litigation or arbitration as at 18 November 2014, which has a material effect on the financial position of the Group and the Board is not aware of any material proceedings pending or threatening or of any fact likely to give rise to any proceedings.

B11 DIVIDENDS

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

No dividends were declared by the Company in the financial period ended 30 September 2014.

For details of the dividends paid during the period, refer to section A7.

B12 EARNINGS PER SHARE ("EPS")

Basic earnings per share were calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

	3rd quarter ended		**Financial period ended**	
	30 Sept 2014 RM'000	**30 Sept 2013 RM'000**	**30 Sept 2014 RM'000**	**30 Sept 2013 RM'000**
Basic and diluted earnings per share is based on:				
Net profit attributable to ordinary shareholders	146,907	117,029	515,063	401,059
Net profit attributable to ordinary shareholders (excluding EI)	176,865	146,588	540,794	438,446

i **Basic EPS**

	'000	**'000**	**'000**	**'000**
Weighted average number of shares	8,178,101	8,134,233	8,159,798	8,106,554
	Sen	**Sen**	**Sen**	**Sen**
Basic EPS	1.80	1.44	6.31	4.95
Basic EPS (excluding EI)	2.16	1.80	6.63	5.41

ii. **Diluted earnings per share**

For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

	3rd quarter ended		**Financial period ended**	
	30 Sept 2014 '000	**30 Sept 2013 '000**	**30 Sept 2014 '000**	**30 Sept 2013 '000**
Weighted average number of ordinary shares used in calculation of basic earnings per share	8,178,101	8,134,233	8,159,798	8,106,554
Weighted number of unissued ordinary shares from units under LTIP	6,325	10,698	7,280	10,064
Weighted number of unissued ordinary shares from share options under EPP	5,533	21,888	15,031	28,047
Weighted average number of dilutive ordinary shares for computation of diluted EPS	8,189,959	8,166,819	8,182,109	8,144,665
	Sen	**Sen**	**Sen**	**Sen**
Diluted EPS	1.79	1.43	6.29	4.92
Diluted EPS (excluding EI)	2.16	1.79	6.61	5.38

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B13 SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

The following analysis of realised and unrealised retained earnings is prepared pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No.1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	As at 30 Sept 2014 RM'000	**As at 31 Dec 2013 RM'000**
Total retained earnings of the Company and its subsidiaries		
- Realised	2,260,808	1,811,234
- Unrealised	162,948	183,393
	2,423,756	1,994,627
Total share of retained earnings from associates		
- Realised	(1,764)	(3,079)
- Unrealised	(24)	(24)
	(1,788)	(3,103)
Total share of retained earnings from joint ventures		
- Realised	41,573	32,918
- Unrealised	-	-
	41,573	32,918
Less consolidation adjustments	(435,377)	(342,299)
Total Group retained earnings	2,028,164	1,682,143

B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

B14 NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Pursuant to the amendment to paragraph 9.22 of Bursa Malaysia listing requirements which is effective from 3rd January 2012, the following amounts have been (debited)/credited in arriving at the Total Comprehensive Income for the period:

	3rd quarter ended		Financial period ended	
	30 Sept 2014 RM'000	**30 Sept 2013 RM'000**	**30 Sept 2014 RM'000**	**30 Sept 2013 RM'000**
Other operating income	38,573	19,706	114,203	101,586
Net foreign exchange gain	1,474	933	2,640	10,460
Impairment loss (made)/written back:				
- Trade and other receivables	(2,228)	(6,342)	(15,955)	(26,490)
- Amounts due from associates	(6)	14	1,021	1,239
Write (off)/ back				
- Property, plant and equipment	(208)	(30)	(403)	(190)
- Inventories	(184)	(299)	(464)	(299)
- Trade and other receivables	(1,545)	-	(3,250)	-
- Investment in joint ventures	-	(2,524)	-	(2,524)
- Other financial assets	-	2,524	-	2,524
(Loss)/gain on disposal of property, plant and equipment	(101)	1,757	2,233	3,214
Gain on disposal of subsidiary	-	4,376	-	4,376
Professional and consultancy fees for acquisition	(343)	(2,771)	(1,141)	(3,353)
Changes in fair value of contingent consideration payable	-	(39)	-	4,003
Gain on disposal of assets held for sale	-	-	-	67
Finance costs				
Interest expense on loans and borrowing	(28,456)	(33,114)	(89,527)	(90,471)
Fair value gain of financial instruments	2,240	-	(1,806)	-
Exchange loss on net borrowings	(53,732)	(67,032)	(53,732)	(135,796)
Other finance costs	(2,701)	(3,249)	(8,476)	(17,577)
	(82,649)	(103,395)	(153,541)	(243,844)
Finance income				
Interest income				
- Banks and financial institutions	11,877	13,615	36,009	35,004
- Others	154	97	436	295
Exchange (loss)/gain on net borrowings	(2,878)	-	4,415	-
Fair value gain of financial instruments	(16)	4,643	2,200	15,960
	9,137	18,355	43,060	51,259