



PARKSON HOLDINGS BERHAD

(Incorporated in Malaysia)

(89194-P)

Interim Financial Report for the Third Quarter Ended 31 March 2012

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PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

| | Note | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|---|------|---------------------|---------------------|---------------------|---------------------|
| | | 31.3.2012 RM'000 | 31.3.2011 RM'000 | 31.3.2012 RM'000 | 31.3.2011 RM'000 |
| Gross sales proceeds | | 3,056,207 | 2,721,096 | 8,582,878 | 7,275,787 |
| Revenue | 7 | 918,206 | 801,325 | 2,621,019 | 2,214,190 |
| Operating expenses | | (778,097) | (629,288) | (2,207,056) | (1,799,915) |
| Finance income | | 30,996 | 36,745 | 107,685 | 93,035 |
| Other operating income | | 92,164 | 73,486 | 253,122 | 242,071 |
| Operating profit | | 263,269 | 282,268 | 774,770 | 749,381 |
| Finance costs | | (13,487) | (36,042) | (74,778) | (129,862) |
| Share of results of an associate | | 33 | 32 | 130 | 96 |
| Profit before tax | 23 | 249,815 | 246,258 | 700,122 | 619,615 |
| Income tax expense | 16 | (62,973) | (61,370) | (171,497) | (146,695) |
| Profit for the period | | 186,842 | 184,888 | 528,625 | 472,920 |
| Profit for the period attributable to : | | | | | |
| - Owners of the parent | | 102,360 | 105,172 | 298,372 | 275,162 |
| - Minority interests | | 84,482 | 79,716 | 230,253 | 197,758 |
| | | 186,842 | 184,888 | 528,625 | 472,920 |
| Earnings per share attributable to owners of the parent (sen) : | | | | | |
| - Basic | 21 | 9.41 | 9.64 | 27.40 | 25.64 |
| - Diluted | 21 | 9.41 | 9.64 | 27.40 | 25.52 |

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 31.3.2012 RM'000 | 31.3.2011 RM'000 | 31.3.2012 RM'000 | 31.3.2011 RM'000 |
| Profit for the period | 186,842 | 184,888 | 528,625 | 472,920 |
| <u>Other comprehensive income/(loss)</u> | | | | |
| - Foreign currency translation and cash flow hedges | (126,141) | (39,503) | 118,618 | (116,837) |
| - Gain/(Loss) on fair value changes | 2,012 | - | (987) | - |
| Other comprehensive income/(loss) for the period, net of tax | (124,129) | (39,503) | 117,631 | (116,837) |
| Total comprehensive income for the period | 62,713 | 145,385 | 646,256 | 356,083 |
| Total comprehensive income for the period attributable to : | | | | |
| - Owners of the parent | 31,756 | 79,060 | 358,240 | 199,702 |
| - Minority interests | 30,957 | 66,325 | 288,016 | 156,381 |
| | 62,713 | 145,385 | 646,256 | 356,083 |

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | <u>Note</u> | AS AT 31.3.2012 RM'000 | AS AT 30.6.2011 RM'000 |
|--|-------------|---------------------------------------|---------------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | | 1,653,106 | 1,493,277 |
| Investment properties | | 184,310 | 178,200 |
| Intangible assets | | 1,278,578 | 1,235,534 |
| Land use rights | | 276,076 | 272,005 |
| Investment in an associate | | 1,106 | 937 |
| Deferred tax assets | | 48,428 | 38,106 |
| Other assets and derivatives (**) | | 297,941 | 97,259 |
| Investment securities | | 44,149 | 14,543 |
| | | 3,783,694 | 3,329,861 |
| Current Assets | | | |
| Inventories | | 283,730 | 246,240 |
| Receivables | | 545,750 | 349,697 |
| Investment securities | | - | 604,447 |
| Deposits, cash and bank balances | | 3,128,279 | 2,740,698 |
| | | 3,957,759 | 3,941,082 |
| TOTAL ASSETS | | 7,741,453 | 7,270,943 |
| EQUITY AND LIABILITIES | | | |
| Share capital | | 1,093,888 | 1,093,673 |
| Other reserves | | 988,787 | 944,385 |
| Retained profits | | 545,814 | 198,032 |
| Equity attributable to owners of the parent | | 2,628,489 | 2,236,090 |
| Minority interests | | 1,510,283 | 1,147,275 |
| Total equity | | 4,138,772 | 3,383,365 |
| Non-Current Liabilities | | | |
| Long term borrowings | 18 | 1,220,477 | 761,387 |
| Long term payables | | 85,754 | 73,050 |
| Deferred tax liabilities | | 112,800 | 114,085 |
| | | 1,419,031 | 948,522 |
| Current Liabilities | | | |
| Payables and other liabilities | | 2,094,826 | 1,703,585 |
| Short term borrowings and notes | 18 | 36 | 1,188,974 |
| Tax payables | | 88,788 | 46,497 |
| | | 2,183,650 | 2,939,056 |
| Total Liabilities | | 3,602,681 | 3,887,578 |
| TOTAL EQUITY AND LIABILITIES | | 7,741,453 | 7,270,943 |
| Net assets per share attributable to owners of the parent (RM) | | 2.42 | 2.05 |

(**) 31.3.2012 : Comprises prepayment of RM206 million for purchase of land and building in China

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | ← | Attributable to owners of the parent | | | | | → | Minority Interests | Total Equity |
|--|------|--------------------------------------|------------------|-----------------|--------------------|------------------|------------------|--------------------|------------------|
| | | Share Capital | Share Premium | Treasury Shares | Other Reserves | Retained Profits | | | |
| Note | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| 31 March 2012 | | | | | | | | | |
| At 1 July 2011 | | 1,093,673 | 3,729,979 | (13,707) | (2,771,887) | 198,032 | 2,236,090 | 1,147,275 | 3,383,365 |
| Total comprehensive income for the period | | - | - | - | 59,868 | 298,372 | 358,240 | 288,016 | 646,256 |
| Purchase of treasury shares | 5 | - | - | (16,392) | - | - | (16,392) | - | (16,392) |
| Employee share-based payments | 5 | 215 | 1,349 | - | (423) | - | 1,141 | - | 1,141 |
| Dividends to minority interests | | - | - | - | - | - | - | (58,531) | (58,531) |
| Dividends paid | 6 | - | - | - | - | (163,178) | (163,178) | - | (163,178) |
| Dilution of interest in a subsidiary | 9(v) | - | - | - | - | 212,588 | 212,588 | 133,523 | 346,111 |
| At 31 March 2012 | | 1,093,888 | 3,731,328 | (30,099) | (2,712,442) | 545,814 | 2,628,489 | 1,510,283 | 4,138,772 |
| 31 March 2011 | | | | | | | | | |
| At 1 July 2010 | | 1,036,410 | 3,593,554 | (60,929) | (2,923,812) | 237,457 | 1,882,680 | 990,957 | 2,873,637 |
| Total comprehensive income/(loss) for the period | | - | - | - | (75,460) | 275,162 | 199,702 | 156,381 | 356,083 |
| Appropriation of profit to capital reserves | | - | - | - | 4,199 | (4,199) | - | - | - |
| Conversion of RCCLS | | 57,200 | 184,713 | - | (13,589) | - | 228,324 | - | 228,324 |
| Purchase of treasury shares | | - | - | (1,462) | - | - | (1,462) | - | (1,462) |
| Employee share-based payments | | 40 | 249 | - | (78) | - | 211 | - | 211 |
| Dividends to minority interests | | - | - | - | - | - | - | (45,163) | (45,163) |
| Dividends paid : | | | | | | | | | |
| - Cash dividend | | - | - | - | - | (172,808) | (172,808) | - | (172,808) |
| - Share dividend | | - | (48,684) | 48,684 | - | - | - | - | - |
| Dilution of interest in a subsidiary | | - | - | - | - | 4,412 | 4,412 | 4,157 | 8,569 |
| At 31 March 2011 | | 1,093,650 | 3,729,832 | (13,707) | (3,008,740) | 340,024 | 2,141,059 | 1,106,332 | 3,247,391 |

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

PARKSON HOLDINGS BERHAD (89194-P)

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Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | YEAR-TO-DATE ENDED | |
|---|---------------------|---------------------|
| | 31.3.2012 RM'000 | 31.3.2011 RM'000 |
| OPERATING ACTIVITIES | | |
| Profit before tax | 700,122 | 619,615 |
| Adjustments for : | | |
| Non-cash items | 141,751 | 84,443 |
| Non-operating items | (33,037) | 36,731 |
| Operating profit before working capital changes | 808,836 | 740,789 |
| Changes in working capital : | | |
| Net changes in assets | (213,418) | (94,060) |
| Net changes in liabilities | 357,925 | 399,311 |
| Others (mainly interest and tax paid) | (99,187) | (172,264) |
| | 854,156 | 873,776 |
| INVESTING ACTIVITIES | | |
| Proceeds from disposal of a jointly controlled entity | - | 27,721 |
| Purchase of investments | (30,000) | - |
| Prepayment for purchase of land and building | (205,588) | - |
| Others (mainly purchase of property, plant and equipment) | (265,221) | (151,416) |
| | (500,809) | (123,695) |
| FINANCING ACTIVITIES | | |
| Dividends paid to : | | |
| - Shareholders of the Company | (163,178) | (172,808) |
| - Minority shareholders | (58,531) | (45,163) |
| Issue of shares | 1,141 | 10,919 |
| Purchase of treasury shares | (16,392) | (1,462) |
| Borrowings and notes | (166,773) | 239,386 |
| Net proceeds from listing of a subsidiary | 346,111 | - |
| | (57,622) | 30,872 |
| Net changes in cash and cash equivalents | 295,725 | 780,953 |
| Effects of changes in exchange rates | 94,379 | (82,047) |
| Cash and cash equivalents at beginning of period | 2,738,175 | 2,273,802 |
| Cash and cash equivalents at end of period | 3,128,279 | 2,972,708 |

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Accounting policies and methods of computation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2011. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2011.

The significant accounting policies adopted in the interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2011 except for the adoption of the following FRSs and IC Interpretations effective for the financial period beginning 1 July 2011 :

Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions

Amendments to FRS 3: Business Combinations

Amendments to FRS 7: Improving Disclosures about Financial Instruments

Improvements to FRSs issued in 2010

IC Interpretation 4: Determining Whether an Arrangement Contains a Lease

IC Interpretation 18: Transfers of Assets from Customers

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

The adoption of the above mentioned FRSs and IC Interpretations did not have any significant effect on the financial performance, position or presentation of the financials of the Group.

2. Comments about seasonal or cyclical factors

The Group's retail operations generally perform better with higher sales generated during the festive and holiday seasons.

3. Unusual items due to their nature, size or incidence

Other than as disclosed in Notes 9(v) and 23 , there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year-to-date.

4. Changes in estimates

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

5. Debt and equity securities

During the financial year-to-date :

- i) The issued and paid-up share capital of the Company was increased from RM1,093,673,250 to RM1,093,888,050 by the issuance of 214,800 new ordinary shares of RM1.00 each in the Company at an issue price of RM5.31 per share for cash pursuant to the Executive Share Option Scheme of the Company.
- ii) The Company repurchased a total of 3,051,600 ordinary shares of its issued ordinary shares from the open market at an average price of RM5.37 per share. The total consideration paid for the repurchase including transaction costs amounting to RM16.39 million was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. As at 31 March 2012, the number of treasury shares held were 6,069,231 shares.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date.

6. Dividends paid

A final single tier dividend of 5 sen per ordinary share amounting to RM54 million in respect of the financial year ended 30 June 2011 was paid by the Company on 21 December 2011.

An interim single tier dividend of 10 sen per ordinary share amounting to RM109 million in respect of the financial year ending 30 June 2012 was paid by the Company on 22 December 2011.

7. Revenue and segmental information

The Group's revenue for the financial year-to-date was as follows :

| | RM'000 | RM'000 |
|--|--------------------|-------------------------|
| Concessionaire sales (gross) | 7,416,374 | |
| Less : Cost of concessionaire sales | <u>(5,961,859)</u> | |
| Commissions from concessionaire sales | | 1,454,515 |
| Sales of goods - Direct sales | | 1,028,568 |
| Others (including rental income and management service fees) | | 137,936 |
| | | <u><u>2,621,019</u></u> |

The Group's segmental information for the financial year-to-date was as follows :

| | ← Retailing → | | | | Property and investment holding | Total |
|----------------------------------|-----------------------|----------------------------------|----------------------|-----------------------|--|-------------------------|
| | Malaysia | People's Republic of China | Vietnam | Indonesia | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Revenue</u> | | | | | | |
| Total sales | 632,334 | 1,792,752 | 82,618 | 100,787 | 14,265 | 2,622,756 |
| Inter-segment sales | - | - | - | - | (1,737) | (1,737) |
| External sales | <u>632,334</u> | <u>1,792,752</u> | <u>82,618</u> | <u>100,787</u> | <u>12,528</u> | <u>2,621,019</u> |
| <u>Results</u> | | | | | | |
| Segment profit/(loss) | 104,169 | 547,355 | 10,974 | 10,725 | (5,983) | 667,240 |
| Finance income | | | | | | 107,685 |
| Employee share-based payments | | | | | | (155) |
| Operating profit | | | | | | 774,770 |
| Finance costs | | | | | | (74,778) |
| Share of results of an associate | | | | | | 130 |
| Profit before tax | | | | | | 700,122 |
| Total assets | <u>500,371</u> | <u>6,199,329</u> | <u>188,296</u> | <u>102,791</u> | <u>750,666</u> | 7,741,453 |

8. Subsequent events

There were no material events subsequent to the end of the current quarter.

9. Changes in composition of the Group

There were no material changes in the composition of the Group during the financial year-to-date other than the following :

- i) Acquisition by the Company of 100% equity interest in Puncak Pelita Sdn Bhd.
- ii) Incorporation of Liupanshui Parkson Retail Co Ltd in the People's Republic of China ("PRC" or "China") by Kunming Yun Shun He Retail Development Co Ltd ("Kunming Yun Shun He"), a wholly-owned subsidiary of Parkson Retail Group Limited ("Parkson Retail"), a 51.5% owned subsidiary of the Company.
- iii) Incorporation of Kunshan Parkson Retail Development Co Ltd in the PRC by Kunming Yun Shun He.
- iv) Incorporation of Tianjin Parkson Shopping Mall Co Ltd in the PRC by Parkson Retail Development Co Ltd ("Parkson Retail Development"), a wholly-owned subsidiary of Parkson Retail.
- v) Dilution of equity interest in Parkson Retail Asia Limited ("Parkson Asia") from 90.1% to 67.6% following the listing of and quotation for Parkson Asia shares on the Main Board of the Singapore Exchange Securities Trading Limited on 3 November 2011.
- vi) Incorporation of Zhangjiakou Shishang Parkson Shopping Mall Co Ltd in the PRC by Parkson Retail Development.
- vii) Acquisition by Parkson Corporation Sdn Bhd, a wholly-owned subsidiary of Parkson Asia, of 100% equity interest in Orion Lifestyle Sdn Bhd (now known as Parkson Online Sdn Bhd).
- viii) Incorporation of Parkson HBT Properties Co Ltd in Vietnam by Parkson TSN Holdings Co Ltd, a wholly-owned subsidiary of the Company.
- ix) Incorporation of Changzhou Shishang Parkson Retail Development Co Ltd in the PRC by Shanghai Hongqiao Parkson Development Co Ltd, a wholly-owned subsidiary of Parkson Retail.

10. Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since 30 June 2011.

11. Performance review

| | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 31.3.2012 RM'000 | 31.3.2011 RM'000 | 31.3.2012 RM'000 | 31.3.2011 RM'000 |
| Revenue | | | | |
| Retailing : | | | | |
| - Malaysia | 196,660 | 184,652 | 632,334 | 574,299 |
| - China | 652,581 | 590,015 | 1,792,752 | 1,562,627 |
| - Vietnam | 29,847 | 26,658 | 82,618 | 77,264 |
| - Indonesia | 31,749 | - | 100,787 | - |
| | 910,837 | 801,325 | 2,608,491 | 2,214,190 |
| Property and investment holding | 7,369 | - | 12,528 | - |
| | 918,206 | 801,325 | 2,621,019 | 2,214,190 |
| Segment profit/(loss) | | | | |
| Retailing : | | | | |
| - Malaysia | 27,031 | 22,101 | 104,169 | 76,745 |
| - China | 200,845 | 218,384 | 547,355 | 565,074 * |
| - Vietnam | 1,105 | 6,660 | 10,974 | 18,089 |
| - Indonesia | 2,438 | - | 10,725 | - |
| | 231,419 | 247,145 | 673,223 | 659,908 |
| Property and investment holding | 906 | (638) | (5,983) | (2,256) |
| | 232,325 | 246,507 | 667,240 | 657,652 |

* 31.3.2011 : Inclusive of RM21 million gain on disposal of a jointly controlled entity

For the 9 months ended 31 March 2012, the Group's **Retailing** Division generated a revenue of RM2,608 million, representing a growth of 18% over the last corresponding period of RM2,214 million. The increase was contributed by the same store sales growth across its retail operations in Malaysia (10%), China (7%), Vietnam (12%) and Indonesia (10%), the inclusion of the Indonesia operation which was acquired in June 2011 and the sales performance of new stores. Accordingly, the Retailing Division posted a higher profit of RM673 million for the financial period under review.

The Group's first local self-owned and managed retail mall, KL Festival City, has been progressing well with an increasing number of tenants since its opening in October 2011. Since the commencement of the operation, the retail mall has generated a revenue of RM12.5 million to the **Property and Investment Holding** Division. On the back of encouraging revenue and improving operating efficiencies, the retail mall had contributed positively to the Group in the current quarter under review.

12. Comment on material change in profit before tax

| | Revenue RM'000 | Profit Before Tax RM'000 |
|--|-------------------|--------------------------------|
| Current quarter (31 March 2012) | 918,206 | 249,815 |
| Immediate preceding quarter (31 December 2011) | 911,182 | 240,043 |

The March quarter was traditionally a peak season for our retail operations, spurred by the Lunar New Year festive demand. However, the slower regional growth and the early arrival of the Lunar New Year have resulted in a planned shift of the Group's promotional calendar, with the Group's operations in China, Malaysia and Vietnam experiencing lower number of sale promotion days in the current quarter. As a result, as compared to the immediate preceding quarter, revenue only increased marginally to RM918 million in this quarter with profit before tax increasing to RM250 million.

13. a) Prospects

The Group believes the robust consumer sentiment in the middle class income segments across Southeast Asia will continue its strong growth and further propel the Group's retail operations in Malaysia, Vietnam and Indonesia. Parkson China is also anticipated to perform satisfactorily in the next quarter.

b) Forecast or target previously announced

The disclosure requirements are not applicable for the current quarter and financial year-to-date.

14. Statement of the Board of Directors' opinion on achievement of forecast or target

The disclosure requirements are not applicable for the current quarter and financial year-to-date.

15. Profit forecast or profit guarantee

No profit forecast or profit guarantee was published.

16. Income tax expense

| | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 31.3.2012 RM'000 | 31.3.2011 RM'000 | 31.3.2012 RM'000 | 31.3.2011 RM'000 |
| Income tax expense comprises : | | | | |
| Current year income tax : | | | | |
| - Arising in Malaysia | 9,013 | 5,950 | 33,168 | 21,283 |
| - Arising outside Malaysia | 53,960 | 55,420 | 138,329 | 125,412 |
| | 62,973 | 61,370 | 171,497 | 146,695 |

The effective tax rate of the Group for the current quarter was higher than the Malaysian statutory tax rate mainly due to certain expenses which were not deductible for tax purposes. The effective tax rate of the Group for the financial year-to-date was lower than the Malaysian statutory tax rate mainly due to lower tax rate for retail operations in China and certain profit not taxable for tax purposes.

17. Corporate proposals**a) Status of corporate proposals**

There were no corporate proposals pending completion for the current quarter and financial year-to-date.

b) Status of utilisation of proceeds

Please refer to Appendix attached.

18. Borrowings and debt securities

The Group's borrowings as at end of the reporting period were as follows :

| | <u>Short Term</u> | <u>Long Term</u> | <u>Total</u> |
|---------|-------------------|------------------|------------------|
| | RM'000 | RM'000 | RM'000 |
| Secured | <u>36</u> | <u>1,220,477</u> | <u>1,220,513</u> |

The Group's borrowings were denominated in the following currencies :

| | Foreign Currency | RM'000 |
|--------------------|-----------------------------|------------------|
| - Ringgit Malaysia | '000 | RM'000 |
| - US Dollar | - | 130 |
| | 400,000 | <u>1,220,383</u> |
| | | <u>1,220,513</u> |

During the financial year-to-date :

- i) Parkson Retail has fully redeemed and repaid the US\$200 million senior guaranteed notes and the PRC bank loans amounting to approximately Rmb1.2 billion.
- ii) Parkson Retail has entered into a Facility Agreement to upsize the syndicated loan from the original sum of US\$250 million to US\$400 million. The additional syndicated loan of US\$150 million is for general corporate and working capital needs. The entire US\$400 million of the syndicated loan is due for full repayment in November 2013.

19. Changes in material litigation

There were no material litigation since 30 June 2011.

20. Dividend proposed

- a) The Board of Directors has declared a second interim single tier dividend in respect of the current financial year as follows :
 - Amount per share : 6 sen per share, single tier;
 - Payment date : 20 June 2012; and
 - Entitlement date : 6 June 2012.
- b) Total dividend for the current financial period :
 - First interim single tier dividend of 10 sen per share amounting to RM109 million paid in December 2011; and
 - Second interim single tier dividend of 6 sen per share amounting to RM65 million to be paid on 20 June 2012.
- c) Total dividend for the previous corresponding period :
 - Interim single tier dividend of 10 sen per share amounting to RM108 million.

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

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

| | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|--|------------------|-----------|--------------------|-----------|
| | 31.3.2012 | 31.3.2011 | 31.3.2012 | 31.3.2011 |
| Profit attributable to owners of the parent (RM'000) | 102,360 | 105,172 | 298,372 | 275,162 |
| Weighted average number of ordinary shares in issue ('000) | 1,087,865 | 1,090,660 | 1,088,805 | 1,073,131 |
| Basic EPS (sen) | 9.41 | 9.64 | 27.40 | 25.64 |

Diluted

For the purpose of calculating diluted EPS, the profit for the period attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. redeemable convertible secured loan stocks ("RCSLS") and shares granted under the Executive Share Option Scheme.

| | 3 MONTHS ENDED | | YEAR-TO-DATE ENDED | |
|--|------------------|-----------|--------------------|-----------|
| | 31.3.2012 | 31.3.2011 | 31.3.2012 | 31.3.2011 |
| Profit attributable to owners of the parent (RM'000) | 102,360 | 105,172 | 298,372 | 275,162 |
| After-tax effect of interest on RCSLS (RM'000) | - | - | - | 1,574 |
| | 102,360 | 105,172 | 298,372 | 276,736 |
| Weighted average number of ordinary shares in issue ('000) | 1,087,865 | 1,090,660 | 1,088,805 | 1,073,131 |
| Effect of dilution ('000) | 193 | 209 | 240 | 11,314 |
| | 1,088,058 | 1,090,869 | 1,089,045 | 1,084,445 |
| Diluted EPS (sen) | 9.41 | 9.64 | 27.40 | 25.52 |

22. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2011 was not qualified.

23. Profit before tax

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

| | 3 MONTHS ENDED 31.3.2012 | YEAR-TO-DATE ENDED 31.3.2012 |
|---|---|---|
| | RM'000 | RM'000 |
| a) Interest income | 30,996 | 107,685 |
| b) Other income including investment income | 92,164 | 253,122 |
| c) Interest expense | (13,487) | (74,778) |
| d) Depreciation and amortisation | (48,931) | (138,839) |
| e) Provision for and write off of receivables | (2) | (254) |
| f) Provision for and write off of inventories | - | - |
| g) Gain/(Loss) on disposal of quoted or unquoted investments or properties | - | - |
| h) Impairment of assets | - | - |
| i) Foreign exchange gain/(loss) | 1,232 | (1,558) |
| j) Gain/(Loss) on derivatives | - | - |
| k) Exceptional items | - | - |
| | ===== | ===== |

24. Disclosure of realised and unrealised profits/losses

| | AS AT 31.3.2012 | AS AT 30.6.2011 |
|---|--------------------------------|--------------------------------|
| | RM'000 | RM'000 |
| Total retained profits of Parkson Holdings Berhad and its subsidiaries : | | |
| - Realised | 548,689 | 211,025 |
| - Unrealised | (8,750) | (19,774) |
| Total share of retained profits from an associate : | | |
| - Realised | 232 | 98 |
| - Unrealised | - | - |
| Total share of retained profits from jointly controlled entities : | | |
| - Realised | 5,404 | 6,508 |
| - Unrealised | 239 | 175 |
| Total Group retained profits | ===== 545,814 | ===== 198,032 |

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2012

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 31 March 2012

| | Proposed Utilisation | Actual Utilisation | Intended Timeframe for Utilisation | Deviation | | Explanations |
|---|----------------------|--------------------|--|-----------|-----|--------------------|
| | RM'Million | RM'Million | | Amount | % | |
| i) Disposal by the Company of its entire equity interest in Bright Steel Sdn Bhd to Total Triumph Investments Limited, a wholly-owned subsidiary of Lion Corporation Berhad, for a cash consideration of RM53.47 million : | | | | | | |
| ▶ Defray expenses and working capital : | | | | | | |
| - Amount received | 41.47 | 41.47 | - | - | - | - |
| - Deferred payment | 12.00 | - | No fixed timeframe | N/A | N/A | - |
| | <u>53.47</u> | <u>41.47</u> | | | | |
| ii) Listing of Parkson Retail Asia Limited on the Main Board of the Singapore Exchange Securities Trading Limited which raised a gross proceeds (including proceeds raised by East Crest International Limited as a result of the exercise of the over-allotment option) totalling approximately SGD150.62 million (equivalent to approximately RM367.48 million) (collectively the "Parkson Asia Listing") : | | | | | | |
| ▶ Open new stores in Malaysia, Vietnam, Indonesia and Cambodia | 146.39 | - | Within 24 months from the date of completion of the Parkson Asia Listing | 146.39 | - | Not utilised |
| ▶ Information technology investment | 12.20 | - | | 12.20 | - | Not utilised |
| ▶ Part of maintenance capital expenditure in Malaysia, Vietnam and Indonesia | 10.25 | - | | 10.25 | - | Not utilised |
| ▶ General investments including acquisition, development and management of retail malls within commercial and residential centre developments | 167.55 | - | | 167.55 | - | Not utilised |
| ▶ Working capital and defraying expenses incurred in connection with the Parkson Asia Listing | 31.09 | 22.05 | | 9.04 | - | Not fully utilised |
| | <u>367.48</u> | <u>22.05</u> | | | | |