



# **PARKSON HOLDINGS BERHAD**

(Incorporated in Malaysia)

(89194-P)

## **Interim Financial Report for the First Quarter Ended 30 September 2012**

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**PARKSON HOLDINGS BERHAD (89194-P)**

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
<b>Gross sales proceeds</b>		<b>2,686,792</b>	<b>2,506,396</b>	<b>2,686,792</b>	<b>2,506,396</b>
<b>Revenue</b>	7	<b>836,939</b>	<b>791,631</b>	<b>836,939</b>	<b>791,631</b>
Operating expenses		<b>(778,687)</b>	(658,118)	<b>(778,687)</b>	(658,118)
Finance income		<b>27,382</b>	41,533	<b>27,382</b>	41,533
Other operating income		<b>76,776</b>	70,617	<b>76,776</b>	70,617
Operating profit		<b>162,410</b>	245,663	<b>162,410</b>	245,663
Finance costs		<b>(13,696)</b>	(35,442)	<b>(13,696)</b>	(35,442)
Share of results of associates		<b>680</b>	43	<b>680</b>	43
<b>Profit before tax</b>	23	<b>149,394</b>	<b>210,264</b>	<b>149,394</b>	<b>210,264</b>
Income tax expense	16	<b>(43,435)</b>	(55,095)	<b>(43,435)</b>	(55,095)
Profit for the period		<b>105,959</b>	155,169	<b>105,959</b>	155,169
Profit for the period attributable to :					
- <b>Owners of the parent</b>		<b>59,039</b>	<b>90,289</b>	<b>59,039</b>	<b>90,289</b>
- Non-controlling interests		<b>46,920</b>	64,880	<b>46,920</b>	64,880
		<b>105,959</b>	155,169	<b>105,959</b>	155,169
Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	<b>5.44</b>	8.28	<b>5.44</b>	8.28
- Diluted	21	<b>5.44</b>	8.28	<b>5.44</b>	8.28

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)

**PARKSON HOLDINGS BERHAD (89194-P)**

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
<b>Profit for the period</b>	<b>105,959</b>	<b>155,169</b>	<b>105,959</b>	<b>155,169</b>
<u>Other comprehensive income/(loss)</u>				
- Foreign currency translation and cash flow hedges	<b>(72,398)</b>	241,197	<b>(72,398)</b>	241,197
- Gain/(Loss) on fair value changes	<b>1,981</b>	(4,136)	<b>1,981</b>	(4,136)
Other comprehensive (loss)/income for the period, net of tax	<b>(70,417)</b>	237,061	<b>(70,417)</b>	237,061
<b>Total comprehensive income for the period</b>	<b>35,542</b>	<b>392,230</b>	<b>35,542</b>	<b>392,230</b>
Total comprehensive income for the period attributable to :				
- <b>Owners of the parent</b>	<b>18,508</b>	<b>221,401</b>	<b>18,508</b>	<b>221,401</b>
- Non-controlling interests	<b>17,034</b>	170,829	<b>17,034</b>	170,829
	<b>35,542</b>	<b>392,230</b>	<b>35,542</b>	<b>392,230</b>

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)*

**PARKSON HOLDINGS BERHAD (89194-P)**

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 30.9.2012 RM'000</b>	<b>AS AT 30.6.2012 RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		1,680,247	1,719,704
Investment properties		172,047	173,951
Intangible assets		1,285,232	1,309,512
Land use rights		273,190	281,737
Investment in associates		39,108	1,163
Deferred tax assets		61,342	61,949
Other assets and derivative (**)		426,728	364,443
Investment securities		45,112	43,416
		<b>3,983,006</b>	<b>3,955,875</b>
<b>Current Assets</b>			
Inventories		298,844	280,476
Receivables		710,803	519,004
Deposits, cash and bank balances		3,082,273	3,030,992
		<b>4,091,920</b>	<b>3,830,472</b>
<b>TOTAL ASSETS</b>		<b>8,074,926</b>	<b>7,786,347</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		1,093,902	1,093,902
Other reserves		1,151,891	1,193,334
Retained profits		457,891	398,852
Equity attributable to owners of the parent		<b>2,703,684</b>	<b>2,686,088</b>
Non-controlling interests		1,551,169	1,534,135
Total equity		<b>4,254,853</b>	<b>4,220,223</b>
<b>Non-Current Liabilities</b>			
Deferred tax liabilities		117,811	119,714
Loans and borrowings	18	1,238,017	1,260,620
Long term payables		117,544	122,953
		<b>1,473,372</b>	<b>1,503,287</b>
<b>Current Liabilities</b>			
Payables and other liabilities		2,308,739	2,017,557
Loans and borrowings	18	27	171
Tax payables		37,935	45,109
		<b>2,346,701</b>	<b>2,062,837</b>
<b>Total Liabilities</b>		<b>3,820,073</b>	<b>3,566,124</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,074,926</b>	<b>7,786,347</b>
Net assets per share attributable to owners of the parent (RM)		<b>2.49</b>	<b>2.48</b>

(\*\*) Comprises prepayment for acquisition of land and building in China  
(30.9.2012 : RM303 million ; 30.6.2012 : RM211 million)

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)

**PARKSON HOLDINGS BERHAD (89194-P)**

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the parent →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000	
	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Other reserves RM'000				Retained profits RM'000
<b>30 September 2012</b>									
At 1 July 2012		1,093,902	3,731,416	(45,684)	(2,492,398)	398,852	2,686,088	1,534,135	4,220,223
Total comprehensive income/ (loss) for the period		-	-	-	(40,531)	59,039	18,508	17,034	35,542
Purchase of treasury shares	5	-	-	(912)	-	-	(912)	-	(912)
<b>At 30 September 2012</b>		<b>1,093,902</b>	<b>3,731,416</b>	<b>(46,596)</b>	<b>(2,532,929)</b>	<b>457,891</b>	<b>2,703,684</b>	<b>1,551,169</b>	<b>4,254,853</b>
<b>30 September 2011</b>									
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		-	-	-	131,112	90,289	221,401	170,829	392,230
Purchase of treasury shares		-	-	(5,395)	-	-	(5,395)	-	(5,395)
Employee share-based payments		6	37	-	(12)	-	31	-	31
<b>At 30 September 2011</b>		<b>1,093,679</b>	<b>3,730,016</b>	<b>(19,102)</b>	<b>(2,640,787)</b>	<b>288,321</b>	<b>2,452,127</b>	<b>1,318,104</b>	<b>3,770,231</b>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)

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Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	YEAR-TO-DATE ENDED	
		30.9.2012 RM'000	30.9.2011 RM'000
<b>OPERATING ACTIVITIES</b>			
Profit before tax		149,394	210,264
Adjustments for :			
Non-cash items		54,029	41,159
Non-operating items		(14,366)	(6,134)
Operating profit before working capital changes		189,057	245,289
Changes in working capital :			
Net changes in assets		(188,438)	(167,327)
Net changes in liabilities		327,433	321,502
Others (mainly interest and tax paid)		(41,398)	(42,916)
		<b>286,654</b>	<b>356,548</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(45,772)	(57,637)
Acquisition of an associate	9(iii)	(37,297)	-
Prepayment for acquisition of land and building		(96,494)	-
Purchase of investment securities		-	(30,000)
Changes in deposits with banks	1	(6,539)	(290,634)
		<b>(186,102)</b>	<b>(378,271)</b>
<b>FINANCING ACTIVITIES</b>			
Issue of shares		-	31
Purchase of treasury shares		(912)	(5,395)
Loans and borrowings		(10)	(11)
		<b>(922)</b>	<b>(5,375)</b>
Net changes in cash and cash equivalents		99,630	(27,098)
Effects of changes in exchange rates	1	(18,603)	58,233
Cash and cash equivalents at beginning of period	1	1,357,828	1,115,524
Cash and cash equivalents at end of period	1	<b>1,438,855</b>	<b>1,146,659</b>
Cash and cash equivalents at end of period comprise the following :			
Deposits, cash and bank balances		3,082,273	3,185,378
Less : Deposits with banks with original maturity of more than three months when acquired		(1,643,418)	(2,038,719)
		<b>1,438,855</b>	<b>1,146,659</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)

# PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 1. Accounting policies and methods of computation

#### **First-time adoption of Malaysian Financial Reporting Standards ("MFRS")**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. For the periods up to and including the financial year ended 30 June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The interim financial statements are the Group's first MFRS compliant interim financial statements for part of the periods covered by the Group's first MFRS annual financial statements for the financial year ending 30 June 2013 and hence MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012. 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 2012.

The MFRS is effective for the Group from 1 July 2012 and the date of transition to the MFRS framework for the purpose of the first MFRS compliant interim financial statements is 1 July 2011. As at that date of transition, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1.

#### **Significant accounting policies and application of MFRS 1**

The audited financial statements of the Group for the financial year ended 30 June 2012 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, 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 2012 except as discussed below :

#### Definition of cash and cash equivalents

Under FRS, the Group defined cash and cash equivalents as cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, less bank overdrafts that form an integral part of the Group's cash management.

Upon transition to MFRS, the Group redefined its cash and cash equivalents as cash at bank and on hand, demand deposits, and short-term deposits for purposes of meeting short-term funding requirements, less bank overdrafts. The comparative information for the relevant periods in the condensed consolidated statement of cash flows has been restated accordingly :

	<b>FRS</b>		<b>MFRS</b>
	<b>for period</b>		<b>for period</b>
	<b>ended</b>		<b>ended</b>
	<b>30.9.2011</b>	<b>Reclassification</b>	<b>30.9.2011</b>
	RM'000	RM'000	RM'000
Changes in deposits with banks	-	(290,634)	(290,634)
Effects of changes in exchange rates	183,667	(125,434)	58,233
Cash and cash equivalents at beginning of period	2,738,175	(1,622,651)	1,115,524
Cash and cash equivalents at end of period	<u>3,185,378</u>	<u>(2,038,719)</u>	<u>1,146,659</u>

**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 Note 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 current quarter and financial year-to-date, the Company repurchased a total of 200,000 ordinary shares of its issued ordinary shares from the open market at an average price of RM4.56 per share. The total consideration paid for the repurchase including transaction costs amounting to RM0.91 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 30 September 2012, the number of treasury shares held were 9,503,231 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. Dividend**

An interim single tier dividend of 10 sen per ordinary share amounting to approximately RM108 million in respect of the financial year ending 30 June 2013 was declared by the Company on 12 November 2012 and will be paid on 10 December 2012.

**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)	2,315,651	
Less : Cost of concessionaire sales	<u>(1,849,853)</u>	
Commissions from concessionaire sales		465,798
Sales of goods - Direct sales		324,842
Others (including rental income and management service fees)		46,299
		<u><u>836,939</u></u>



## 7. Revenue and segmental information (Cont'd)

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
<b>Revenue</b>						
Total sales	222,242	543,893	28,704	34,254	9,085	<b>838,178</b>
Inter-segment sales	-	-	-	-	(1,239)	<b>(1,239)</b>
External sales	<b>222,242</b>	<b>543,893</b>	<b>28,704</b>	<b>34,254</b>	<b>7,846</b>	<b>836,939</b>
<b>Results</b>						
Segment profit	33,951	93,992	1,435	5,177	473	<b>135,028</b>
Finance income						<b>27,382</b>
Operating profit						<b>162,410</b>
Finance costs						<b>(13,696)</b>
Share of results of associates						<b>680</b>
Profit before tax						<b>149,394</b>
Total assets	<b>609,507</b>	<b>6,363,816</b>	<b>192,820</b>	<b>119,130</b>	<b>789,653</b>	<b>8,074,926</b>

## 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) Dissolution of Beijing Century Parkson E-Business Co Ltd, an indirect wholly-owned subsidiary of Parkson Retail Group Limited, a 51.5% owned subsidiary of the Company.
- ii) Incorporation of Parkson Myanmar Co Pte Ltd in Singapore by Parkson Retail Asia Limited ("Parkson Asia"), a 67.6% owned subsidiary of the Company.
- iii) Acquisition by Parkson Asia on 31 July 2012 of a total of 61,150,896 ordinary shares in Odel PLC ("Odel") ("Shares") representing 42.19% of the issued and paid-up share capital of Odel, a company listed on the Colombo Stock Exchange in Sri Lanka.

Parkson Asia is required under the Sri Lankan Company Take-Overs and Mergers Code 1995 (As amended in 2003) to make a mandatory offer ("Offer") for all of the remaining Shares. As at 11 September 2012, being the closing date of the Offer, 3,424,536 Shares representing 2.36% of the issued and paid-up share capital of Odel had been accepted under the Offer ("Completion of the Offer"). Following the Completion of the Offer, Parkson Asia owns a total of 64,575,432 Shares representing 44.55% of the issued and paid-up share capital of Odel.

- iv) Acquisition by Dyna Puncak Sdn Bhd, a wholly-owned subsidiary of the Company, of 100% equity interest in Magna Rimbun Sdn Bhd, the legal and beneficial owner of the entire equity interest in Megan Mastika Sdn Bhd.

**10. Changes in contingent liabilities and contingent assets**

There were no material changes in contingent liabilities or contingent assets since 30 June 2012.

**11. Performance review**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
<b>Revenue</b>				
Retailing :				
- Malaysia	222,242	207,411	222,242	207,411
- China	543,893	526,822	543,893	526,822
- Vietnam	28,704	23,732	28,704	23,732
- Indonesia	34,254	33,666	34,254	33,666
	829,093	791,631	829,093	791,631
Property and investment holding	7,846	-	7,846	-
	<b>836,939</b>	<b>791,631</b>	<b>836,939</b>	<b>791,631</b>
<b>Segment profit/(loss)</b>				
Retailing :				
- Malaysia	33,951	33,484	33,951	33,484
- China	93,992	166,411	93,992	166,411
- Vietnam	1,435	4,335	1,435	4,335
- Indonesia	5,177	4,222	5,177	4,222
	134,555	208,452	134,555	208,452
Property and investment holding	473	(4,270)	473	(4,270)
	<b>135,028</b>	<b>204,182</b>	<b>135,028</b>	<b>204,182</b>

The **Retailing** Division registered a 5% revenue growth to RM829.1 million for the first quarter ended 30 September 2012. The improvement was mainly contributed by our local and Indonesia retail operations which began the financial year with strong same store sales growth ("SSSG") of 6% and 9% respectively, and the new stores' contribution. The China and Vietnam Parkson operations however faced tough trading conditions due to the weak economy leading to reduced consumer spending. SSSG for China and Vietnam declined by 1% and 6% respectively. Coupled with initial losses of new stores, a lower operating profit was reported for the quarter under review.

KL Festival City which commenced operation in October 2011 continued to maintain high occupancy rate of 99% with a revenue of RM7.8 million. Contribution from this retail mall has enabled the **Property and Investment Holding** Division to register a profit of RM0.5 million for the first three months of the financial year.

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

	Revenue RM'000	Profit Before Tax RM'000
Current quarter (30 September 2012)	836,939	149,394
Immediate preceding quarter (30 June 2012)	826,505	182,241

The Group reported a higher revenue of RM836.9 million in the current quarter as our retail operations in Malaysia and Indonesia saw stronger consumer spending during the Muslim festive season. Profit before tax was however lower at RM149.4 million mainly due to weaker consumption sentiment for China retail operation.

Our newly acquired associate, Odel, has performed well and contributed a profit of RM0.7 million post the Group's acquisition at the end of July 2012, as mentioned in Note 9(iii).

**13. a) Prospects**

The operating environment for the Group's regional retail operations is expected to remain challenging as the woes affecting Europe and the United States continue unabated. Asia's economy is expected to register a lower growth rate and consumer spending is not expected to be as robust as in prior years. However, our performance for the next quarter is anticipated to be better as the coming year-end festive and holiday seasons will help boost the flagging consumer spending sentiments.

**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**

Income tax expense comprises :	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
Current year income tax :				
- Arising in Malaysia	11,214	10,844	11,214	10,844
- Arising outside Malaysia	32,221	44,251	32,221	44,251
	<b>43,435</b>	55,095	<b>43,435</b>	55,095

The effective tax rate of the Group for the current quarter and financial year-to-date were higher than the Malaysian statutory tax rate mainly due to certain expenses which were not deductible 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>27</u>	<u>1,238,017</u>	<u>1,238,044</u>

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

	<b>Foreign Currency</b>	RM'000
- Ringgit Malaysia	'000	RM'000
- US Dollar	-	111
- Hong Kong Dollar	350,000	1,082,873
	390,000	155,060
		<u>1,238,044</u>

**19. Changes in material litigation**

There were no material litigation since 30 June 2012.

**20. Dividend proposed**

Other than as disclosed in Note 6, the Board of Directors does not recommend any dividend for the financial quarter ended 30 September 2012.

**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.

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.9.2012</b>	<b>30.9.2011</b>	<b>30.9.2012</b>	<b>30.9.2011</b>
Profit attributable to owners of the parent (RM'000)	<b>59,039</b>	90,289	<b>59,039</b>	90,289
Weighted average number of ordinary shares in issue ('000)	<b>1,084,549</b>	1,090,504	<b>1,084,549</b>	1,090,504
Basic EPS (sen)	<b>5.44</b>	8.28	<b>5.44</b>	8.28

**21. Earnings per share ("EPS") (Cont'd)****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. shares granted under the Executive Share Option Scheme.

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
Profit attributable to owners of the parent (RM'000)	59,039	90,289	59,039	90,289
Weighted average number of ordinary shares in issue ('000)	1,084,549	1,090,504	1,084,549	1,090,504
Effect of dilution ('000)	-	280	-	280
	1,084,549	1,090,784	1,084,549	1,090,784
Diluted EPS (sen)	5.44	8.28	5.44	8.28

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

The auditors' report on the financial statements for the financial year ended 30 June 2012 was not qualified.

**23. Profit before tax**

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

	3 MONTHS ENDED	YEAR-TO-DATE ENDED
	30.9.2012	30.9.2012
	RM'000	RM'000
a) Interest income	27,382	27,382
b) Other income including investment income	76,776	76,776
c) Interest expense	(13,696)	(13,696)
d) Depreciation and amortisation	(54,029)	(54,029)
e) Provision for and write off of receivables	-	-
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 loss	(1,951)	(1,951)
j) Gain/(Loss) on derivatives	-	-
k) Exceptional items	-	-

**24. Disclosure of realised and unrealised profits/losses**

	<b>AS AT 30.9.2012</b>	<b>AS AT 30.6.2012</b>
	RM'000	RM'000
Total retained profits/(losses) of Parkson Holdings Berhad and its subsidiaries :		
- Realised	<b>455,499</b>	395,253
- Unrealised	<b>(7,272)</b>	(7,022)
Total share of retained profits from associates :		
- Realised	<b>920</b>	265
- Unrealised	<b>-</b>	-
Total share of retained profits from a jointly controlled entity :		
- Realised	<b>8,385</b>	9,996
- Unrealised	<b>359</b>	360
Total Group retained profits	<b>457,891</b>	398,852

## PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2012

(The figures have not been audited)

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 30 September 2012

	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation		Explanations
	RM'Million	RM'Million		Amount	%	
				RM'Million		
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	43.47	43.47	-	-	-	-
- Deferred payment	10.00	-	No fixed timeframe	N/A	N/A	-
	<u>53.47</u>	<u>43.47</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	12.20	Within 24 months from the date of completion of the Parkson Asia Listing	134.19	-	Not fully 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	22.06		9.03	-	Not fully utilised
	<u>367.48</u>	<u>34.26</u>				