



PARKSON HOLDINGS BERHAD

(Incorporated in Malaysia)

(89194-P)

Interim Financial Report for the Third Quarter Ended 31 March 2013

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PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Gross sales proceeds		3,153,753	3,056,207	8,879,393	8,582,878
Revenue	7	932,848	918,206	2,700,193	2,621,019
Operating expenses :					
- Employee share-based payments (*)		(3,746)	(52)	(13,128)	(155)
- Others		(835,855)	(778,045)	(2,444,589)	(2,206,901)
Finance income		28,121	30,996	81,180	107,685
Other operating income		88,131	92,164	250,287	253,122
Operating profit		209,499	263,269	573,943	774,770
Finance costs		(13,174)	(13,487)	(40,885)	(74,778)
Share of results of associates		83	33	1,752	130
Profit before tax	23	196,408	249,815	534,810	700,122
Income tax expense	16	(53,218)	(62,973)	(155,173)	(171,497)
Profit for the period		143,190	186,842	379,637	528,625
Profit for the period attributable to :					
- Owners of the parent		76,919	102,360	210,205	298,372
- Non-controlling interests		66,271	84,482	169,432	230,253
		143,190	186,842	379,637	528,625
Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	7.09	9.41	19.38	27.40
- Diluted	21	7.09	9.41	19.38	27.40

(*) 3 months and year-to-date ended 31.3.2013 : Arising from share options granted by Parkson Retail Group Limited, a 51.5% owned subsidiary of the Company, to its eligible employees

(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 third quarter ended 31 March 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Profit for the period	143,190	186,842	379,637	528,625
<u>Other comprehensive income/(loss)</u>				
- Foreign currency translation and cash flow hedges	36,326	(126,141)	(44,827)	118,618
- Gain/(Loss) on fair value changes	3,335	2,012	6,145	(987)
Other comprehensive income/(loss) for the period, net of tax	39,661	(124,129)	(38,682)	117,631
Total comprehensive income for the period	182,851	62,713	340,955	646,256
Total comprehensive income for the period attributable to :				
- Owners of the parent	100,626	31,756	187,580	358,240
- Non-controlling interests	82,225	30,957	153,375	288,016
	182,851	62,713	340,955	646,256

(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 third quarter ended 31 March 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 31.3.2013 RM'000	AS AT 30.6.2012 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,239,421	1,719,704
Investment properties		165,554	173,951
Intangible assets		1,304,918	1,309,512
Land use rights		255,000	281,737
Investment in associates		69,931	1,163
Deferred tax assets		83,361	61,949
Other assets and derivative (**)		115,214	364,443
Investment securities		30,231	43,416
		4,263,630	3,955,875
Current Assets			
Inventories		294,530	280,476
Receivables (#)		914,370	519,004
Deposits, cash and bank balances		3,112,167	3,030,992
		4,321,067	3,830,472
TOTAL ASSETS		8,584,697	7,786,347
EQUITY AND LIABILITIES			
Share capital		1,093,902	1,093,902
Other reserves		1,177,884	1,193,334
Retained profits		509,024	398,852
Equity attributable to owners of the parent		2,780,810	2,686,088
Non-controlling interests		1,614,083	1,534,135
Total equity		4,394,893	4,220,223
Non-Current Liabilities			
Deferred tax liabilities		149,521	119,714
Loans and borrowings	18	74	1,260,620
Long term payables		181,892	122,953
		331,487	1,503,287
Current Liabilities			
Payables and other liabilities		2,360,879	2,017,557
Loans and borrowings	18	1,436,709	171
Tax payables		60,729	45,109
		3,858,317	2,062,837
Total Liabilities		4,189,804	3,566,124
TOTAL EQUITY AND LIABILITIES		8,584,697	7,786,347
Net assets per share attributable to owners of the parent (RM)		2.56	2.48

(**) 30.6.2012 : Comprises prepayment for acquisition of land and building in Tianjin, China of RM211 million

(#) 31.3.2013 : Comprises prepayment for acquisition of land and building in Qingdao, China of RM199 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 third quarter ended 31 March 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to owners of the parent					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Other reserves RM'000	Retained profits RM'000			
31 March 2013									
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		-	-	-	(22,625)	210,205	187,580	153,375	340,955
Transfer to capital reserves		-	-	-	2,266	(2,266)	-	-	-
Dilution of interest in subsidiaries	9(viii)	-	-	-	-	10,672	10,672	(10,672)	-
Purchase of treasury shares	5	-	-	(1,856)	-	-	(1,856)	-	(1,856)
Employee share-based payments		-	-	-	6,765	-	6,765	6,363	13,128
Dividends to non-controlling interests		-	-	-	-	-	-	(69,118)	(69,118)
Dividend paid	6	-	-	-	-	(108,439)	(108,439)	-	(108,439)
At 31 March 2013		1,093,902	3,731,416	(47,540)	(2,505,992)	509,024	2,780,810	1,614,083	4,394,893
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
Dilution of interest in a subsidiary		-	-	-	-	212,588	212,588	133,523	346,111
Purchase of treasury shares		-	-	(16,392)	-	-	(16,392)	-	(16,392)
Employee share-based payments		215	1,349	-	(423)	-	1,141	-	1,141
Dividends to non-controlling interests		-	-	-	-	-	-	(58,531)	(58,531)
Dividends paid		-	-	-	-	(163,178)	(163,178)	-	(163,178)
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

(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 third quarter ended 31 March 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	YEAR-TO-DATE ENDED	
		31.3.2013 RM'000	31.3.2012 RM'000
OPERATING ACTIVITIES			
Profit before tax		534,810	700,122
Adjustments for :			
Non-cash items		169,936	141,751
Non-operating items		(42,047)	(33,037)
Operating profit before working capital changes		662,699	808,836
Changes in working capital :			
Net changes in assets		(176,536)	(213,418)
Net changes in liabilities		416,562	357,925
Others (mainly interest and tax paid)		(89,190)	(99,187)
		813,535	854,156
INVESTING ACTIVITIES			
Acquisition of an associate	9(iii)	(68,062)	-
Prepayment for acquisition of land and building		(199,280)	(205,588)
Purchase of investment securities		-	(30,000)
Proceeds from disposal of investment securities		19,283	-
Changes in deposits with banks	1	(255,790)	(8,492)
Others (mainly purchase of property, plant and equipment)		(447,381)	(265,221)
		(951,230)	(509,301)
FINANCING ACTIVITIES			
Dividends paid to :			
- Shareholders of the Company		(108,439)	(163,178)
- Non-controlling interests		(69,118)	(58,531)
Issue of shares		25	1,141
Net proceeds from listing of a subsidiary		-	346,111
Purchase of treasury shares		(1,856)	(16,392)
Loans and borrowings		156,048	(166,773)
		(23,340)	(57,622)
Net changes in cash and cash equivalents		(161,035)	287,233
Effects of changes in exchange rates	1	(7,750)	27,319
Cash and cash equivalents at beginning of period	1	1,357,828	1,115,524
Cash and cash equivalents at end of period	1	1,189,043	1,430,076
Cash and cash equivalents at end of period comprise the following :			
Deposits, cash and bank balances		3,112,167	3,128,279
Less : Deposits with banks with original maturity of more than three months when acquired		(1,923,124)	(1,698,203)
		1,189,043	1,430,076

(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)

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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 financial 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 :

	FRS		MFRS
	for period		for period
	ended		ended
	31.3.2012	Reclassification	31.3.2012
	RM'000	RM'000	RM'000
Changes in deposits with banks	-	(8,492)	(8,492)
Effects of changes in exchange rates	94,379	(67,060)	27,319
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>3,128,279</u>	<u>(1,698,203)</u>	<u>1,430,076</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 financial year-to-date, the Company repurchased a total of 404,600 ordinary shares of its issued ordinary shares from the open market at an average price of RM4.59 per share. The total consideration paid for the repurchase including transaction costs amounting to RM1.86 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 2013, the number of treasury shares held were 9,707,831 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

In respect of the financial year ending 30 June 2013 :

- a) An interim single tier dividend of 10 sen per ordinary share amounting to RM108 million was declared by the Company on 12 November 2012 and paid on 10 December 2012; and
- b) A second interim single tier dividend of 8 sen per ordinary share amounting to RM87 million was declared by the Company on 24 April 2013 and paid on 22 May 2013.

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)	7,668,904	
Less : Cost of concessionaire sales	<u>(6,179,200)</u>	
Commissions from concessionaire sales		1,489,704
Sales of goods - Direct sales		1,055,485
Others (including rental income and management service fees)		155,004
		<u><u>2,700,193</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
Revenue						
Total sales	674,565	1,814,503	91,255	96,200	27,513	2,704,036
Inter-segment sales	-	-	-	-	(3,843)	(3,843)
External sales	674,565	1,814,503	91,255	96,200	23,670	2,700,193
Results						
Segment profit	100,855	385,368	6,289	12,701	678	505,891
Finance income						81,180
Employee share-based payments						(13,128)
Operating profit						573,943
Finance costs						(40,885)
Share of results of associates						1,752
Profit before tax						534,810
Total assets	634,536	6,815,788	193,947	116,537	823,889	8,584,697

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 ("Parkson Retail"), a 51.5% owned subsidiary of the Company.
- ii) Incorporation of Parkson Myanmar Co Pte Ltd ("Parkson Myanmar") 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 then issued and paid-up share capital of Odel, a company listed on the Colombo Stock Exchange in Sri Lanka.

Parkson Asia was 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 then 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 owned a total of 64,575,432 Shares representing 44.55% of the then issued and paid-up share capital of Odel.

Odel had undertaken a one-for-one rights issue of Shares ("Odel Rights Issue"), where Parkson Asia had subscribed for its full entitlement of 64,575,432 new Shares. Subsequent to the Odel Rights Issue, Parkson Asia owned a total of 129,150,864 Shares representing 47.46% of the issued and paid-up share capital of Odel.

- iv) Acquisition by Dyna Puncak Sdn Bhd ("Dyna Puncak"), 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.

9. Changes in composition of the Group (Cont'd)

- v) Incorporation by Parkson Myanmar and its joint venture partners of a joint venture company, Parkson Myanmar Investment Company Pte Ltd ("PMIC"), and its wholly-owned subsidiary, Parkson Myanmar Asia Pte Ltd ("PMA"), both in Singapore.

Consequent to the increase in the share capital of PMIC from US\$3 to US\$3 million, PMIC and PMA became subsidiaries of Parkson Asia and the Company.

- vi) Incorporation of Panzhuhua Parkson Retail Development Co Ltd in the People's Republic of China by Kunming Yun Shun He Retail Development Co Ltd, a wholly-owned subsidiary of Parkson Retail.

- vii) Acquisition by Dyna Puncak of 100% equity interest in Gema Binari Sdn Bhd, the legal and beneficial owner of the entire equity interest in Dimensi Armani Sdn Bhd.

- viii) Disposal by East Crest International Limited, a wholly-owned subsidiary of the Company, of its entire 100% equity interest in Victor Crest Limited ("Victor Crest") to Grand Parkson Retail Group Limited, a wholly-owned subsidiary of Parkson Retail ("Disposal"). Victor Crest is the sole legal and beneficial owner of the 100% equity interest in Wide Crest Limited ("Wide Crest"), which in turn is the sole legal and beneficial owner of the 100% equity interest in Parkson Venture Pte Ltd ("Parkson Venture"), Sea Coral Limited ("Sea Coral") and Wide Field International Limited ("Wide Field").

Parkson Venture is the legal and beneficial owner of the 95.91% equity interest in Qingdao No. 1 Parkson Co Ltd ("Qingdao Parkson"). Sea Coral is the sole legal and beneficial owner of the 100% equity interest in Dalian Parkson Retail Development Co Ltd ("Dalian Parkson"). Wide Field is the sole legal and beneficial owner of the 100% equity interest in Shenyang Parkson Shopping Plaza Co Ltd ("Shenyang Parkson").

On completion of the Disposal, Victor Crest and its subsidiaries namely Wide Crest, Parkson Venture, Sea Coral, Wide Field, Qingdao Parkson, Dalian Parkson and Shenyang Parkson became subsidiaries of Parkson Retail and they remain subsidiaries of the Company.

- ix) Acquisition by Dyna Puncak of 100% equity interest in True Excel Investments Limited.

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	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
<u>Revenue</u>				
Retailing :				
- Malaysia	210,387	196,660	674,565	632,334
- China	653,171	652,581	1,814,503	1,792,752
- Vietnam	31,526	29,847	91,255	82,618
- Indonesia	29,858	31,749	96,200	100,787
	924,942	910,837	2,676,523	2,608,491
Property and investment holding	7,906	7,369	23,670	12,528
	932,848	918,206	2,700,193	2,621,019
<u>Segment profit/(loss)</u>				
Retailing :				
- Malaysia	27,987	27,031	100,855	104,169
- China	152,031	200,845	385,368	547,355
- Vietnam	2,560	1,105	6,289	10,974
- Indonesia	2,914	2,438	12,701	10,725
	185,492	231,419	505,213	673,223
Property and investment holding	(368)	906	678	(5,983)
	185,124	232,325	505,891	667,240

11. Performance review (Cont'd)

For the 9 months ended 31 March 2013, our retail operations in China and Vietnam continued to experience weak consumer sentiments amidst the slow economic growth which resulted in negative same store sales growth ("SSSG") of -2% and -1% respectively. Our markets in Malaysia and Indonesia, on the other hand, managed to sustain their strong performance with SSSG of 6% and 5% respectively. Coupled with the new stores' contribution, revenue for the **Retailing** Division improved marginally by 3% to RM2,677 million as against RM2,608 million a year ago. Operating profit was however, significantly lower compared to that recorded a year ago as the operating environment for the retail industry in China continue to remain soft due to weak demand and higher marketing and promotional costs incurred.

Driven by the encouraging occupancy rate of the *KL Festival City* shopping mall, the **Property and Investment Holding** Division reported higher revenue of RM8 million and RM24 million for the current quarter and financial year-to-date respectively. The mall has been performing well since its opening in October 2011. The marginal loss for the current quarter was mainly due to non-operational and head office corporate expenses (Profit for the 3 months ended 31 March 2012 was mainly due to the foreign exchange gain in relation to balances within subsidiaries of the Group).

12. Comment on material change in profit before tax

	<u>Revenue</u> RM'000	<u>Profit Before Tax</u> RM'000
Current quarter (31 March 2013)	932,848	196,408
Immediate preceding quarter (31 December 2012)	930,406	189,008

As expected, the Group sustained its satisfactory results in the current quarter following the strong consumer spending during the Lunar New Year festive occasion while last quarter's performance was contributed by the year-end holidays and promotions. Revenue increased marginally to RM933 million with profit before tax improving by 4% to RM196 million.

13. a) Prospects

A seasonal lower performance is expected in the next quarter in view of the absence of major festivities. Nevertheless, the Group's performance is expected to remain satisfactory despite the slower pace in the recovery of China's economy.

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	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Income tax expense comprises :				
Current year income tax :				
- Arising in Malaysia	11,753	9,013	36,340	33,168
- Arising outside Malaysia	41,465	53,960	118,833	138,329
	53,218	62,973	155,173	171,497

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 :

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	1,280,634	74	1,280,708
Unsecured	156,075	-	156,075
	1,436,709	74	1,436,783

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

	Foreign Currency '000	RM'000
- Ringgit Malaysia	-	94
- US Dollar	400,000	1,280,039
- Hong Kong Dollar	390,000	156,650
		1,436,783

19. Changes in material litigation

There was 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 31 March 2013.

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	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Profit attributable to owners of the parent (RM'000)	76,919	102,360	210,205	298,372
Weighted average number of ordinary shares in issue ('000)	1,084,236	1,087,865	1,084,381	1,088,805
Basic EPS (sen)	7.09	9.41	19.38	27.40

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	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Profit attributable to owners of the parent (RM'000)	76,919	102,360	210,205	298,372
Weighted average number of ordinary shares in issue ('000)	1,084,236	1,087,865	1,084,381	1,088,805
Effect of dilution ('000)	-	193	-	240
	1,084,236	1,088,058	1,084,381	1,089,045
Diluted EPS (sen)	7.09	9.41	19.38	27.40

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	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
a) Interest income	28,121	30,996	81,180	107,685
b) Other income including investment income	83,493	92,164	245,649	253,122
c) Interest expense	(13,174)	(13,487)	(40,885)	(74,778)
d) Depreciation and amortisation	(54,985)	(48,931)	(161,303)	(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	4,638	-	4,638	-
h) Impairment of assets	-	-	-	-
i) Foreign exchange gain/(loss)	(1,739)	1,232	(4,178)	(1,558)
j) Gain/(Loss) on derivatives	-	-	-	-
k) Exceptional item : Employee share-based payments	(3,746)	(52)	(13,128)	(155)

24. Disclosure of realised and unrealised profits/losses

	AS AT	AS AT
	31.3.2013 RM'000	30.6.2012 RM'000
Total retained profits/(losses) of Parkson Holdings Berhad and its subsidiaries :		
- Realised	515,524	395,253
- Unrealised	(14,672)	(7,022)
Total share of retained profits from associates :		
- Realised	1,814	265
- Unrealised	-	-
Total share of retained profits from a jointly controlled entity :		
- Realised	5,940	9,996
- Unrealised	418	360
Total Group retained profits	509,024	398,852

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the third quarter ended 31 March 2013

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 31 March 2013

	<u>Proposed Utilisation</u>	<u>Actual Utilisation</u>	<u>Intended Timeframe for Utilisation</u>	<u>Deviation</u>		<u>Explanations</u>
	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") :						
▶ Opening of new stores in Malaysia, Indonesia, Vietnam and Cambodia	119.80	13.42	Within 24 months from the date of completion of the Parkson Asia Listing	106.38	-	Not fully utilised
▶ Investment in information technology	12.20	-		12.20	-	Not utilised
▶ Investment in business opportunities in Sri Lanka and Myanmar	36.84	36.60		0.24	-	Not fully utilised
▶ General investments including acquisition, development and management of retail malls within commercial and residential centre developments	167.55	93.00		74.55	-	Not fully utilised
▶ Working capital and defraying expenses incurred in connection with the Parkson Asia Listing	31.09	28.30		2.79	-	Not fully utilised
	<u>367.48</u>	<u>171.32</u>				