



**Interim Financial Report
for the First Quarter Ended
30 September 2013**

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PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.9.2013 RM'000	30.9.2012 RM'000 (Restated)	30.9.2013 RM'000	30.9.2012 RM'000 (Restated)
Gross sales proceeds		2,672,184	2,634,393	2,672,184	2,634,393
Revenue	7	831,322	824,108	831,322	824,108
Other operating income		75,938	75,452	75,938	75,452
Operating expenses :					
- Employee share-based payments (*)		(3,471)	-	(3,471)	-
- Others		(833,359)	(769,339)	(833,359)	(769,339)
Operating profit		70,430	130,221	70,430	130,221
Finance income		25,360	26,563	25,360	26,563
Finance costs		(21,665)	(13,696)	(21,665)	(13,696)
Share of results of associates		773	680	773	680
Share of results of a jointly controlled entity	1	4,380	4,780	4,380	4,780
Profit before tax	23	79,278	148,548	79,278	148,548
Income tax expense	16	(31,776)	(42,589)	(31,776)	(42,589)
Profit for the period		47,502	105,959	47,502	105,959
Profit for the period attributable to :					
- Owners of the parent		30,738	59,039	30,738	59,039
- Non-controlling interests		16,764	46,920	16,764	46,920
		47,502	105,959	47,502	105,959
Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	2.85	5.44	2.85	5.44
- Diluted	21	2.85	5.44	2.85	5.44

(*) 3 months and year-to-date ended 30.9.2013 : Arising from share options granted by Parkson Retail Group Limited, a 51.6% 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 2013 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2013 RM'000	30.9.2012 RM'000	30.9.2013 RM'000	30.9.2012 RM'000
Profit for the period	47,502	105,959	47,502	105,959
<u>Other comprehensive income/(loss)</u>				
- Gain on fair value changes	-	1,981	-	1,981
- Foreign currency translation and cash flow hedges	76,924	(72,398)	76,924	(72,398)
Other comprehensive income/(loss) for the period, net of tax, representing items that may be reclassified subsequently to profit or loss	76,924	(70,417)	76,924	(70,417)
Total comprehensive income for the period	124,426	35,542	124,426	35,542
Total comprehensive income for the period attributable to :				
- Owners of the parent	73,698	18,508	73,698	18,508
- Non-controlling interests	50,728	17,034	50,728	17,034
	124,426	35,542	124,426	35,542

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	AS AT 30.9.2013 RM'000	AS AT 30.6.2013 RM'000 (Restated)
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,224,343	2,150,278
Investment properties		259,089	259,247
Intangible assets		1,370,917	1,344,035
Land use rights		267,357	262,379
Investments in associates		71,353	70,270
Investment in a jointly controlled entity	1	15,517	20,953
Deferred tax assets		101,920	97,900
Other assets and derivative		219,592	182,495
Investment securities		30,236	30,233
		4,560,324	4,417,790
Current Assets			
Inventories		316,387	290,223
Receivables (#)		886,779	845,177
Deposits, cash and bank balances		3,046,694	2,986,540
		4,249,860	4,121,940
TOTAL ASSETS		8,810,184	8,539,730
EQUITY AND LIABILITIES			
Share capital		1,093,902	1,093,902
Other reserves		1,688,923	1,654,940
Retained profits		61,441	31,822
Equity attributable to owners of the parent		2,844,266	2,780,664
Non-controlling interests		1,677,745	1,625,336
Total equity		4,522,011	4,406,000
Non-Current Liabilities			
Deferred tax liabilities		131,813	134,122
Loans and borrowings	18	1,614,032	1,579,669
Long term payables		234,454	214,799
		1,980,299	1,928,590
Current Liabilities			
Payables and other liabilities		2,272,458	2,164,252
Loans and borrowings	18	20	20
Tax payables		35,396	40,868
		2,307,874	2,205,140
Total Liabilities		4,288,173	4,133,730
TOTAL EQUITY AND LIABILITIES		8,810,184	8,539,730
Net assets per share attributable to owners of the parent (RM)		2.64	2.57

(#) Comprises deposit paid for acquisition of land and building in Qingdao, China of RM213 million (30.6.2013 : RM207 million)

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←	Attributable to owners of the parent					→	Non-controlling 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	
30 September 2013									
At 1 July 2013		1,093,902	3,731,416	(58,172)	(2,018,304)	31,822	2,780,664	1,625,336	4,406,000
Total comprehensive income for the period		-	-	-	42,960	30,738	73,698	50,728	124,426
Transfer to capital reserves		-	-	-	1,119	(1,119)	-	-	-
Employee share-based payments		-	-	-	1,790	-	1,790	1,681	3,471
Purchase of treasury shares	5	-	-	(11,886)	-	-	(11,886)	-	(11,886)
At 30 September 2013		1,093,902	3,731,416	(70,058)	(1,972,435)	61,441	2,844,266	1,677,745	4,522,011
30 September 2012									
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		-	-	(912)	-	-	(912)	-	(912)
At 30 September 2012		1,093,902	3,731,416	(46,596)	(2,532,929)	457,891	2,703,684	1,551,169	4,254,853

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	Note	
	30.9.2013	30.9.2012
	RM'000	RM'000
		(Restated)
OPERATING ACTIVITIES		
Profit before tax	79,278	148,548
Adjustments for :		
Non-cash items	60,446	55,071
Non-operating items	(8,848)	(18,300)
Operating profit before working capital changes	130,876	185,319
Changes in working capital :		
Net changes in assets	(59,019)	(186,091)
Net changes in liabilities	55,581	315,418
Others (mainly interest and tax paid)	(42,669)	(41,398)
	84,769	273,248
INVESTING ACTIVITIES		
Acquisition of an associate	-	(37,297)
Prepayment for acquisition of land and building	-	(96,494)
Changes in deposits with banks	(77,834)	(6,539)
Others (mainly purchase of property, plant and equipment)	(82,568)	(45,772)
	(160,402)	(186,102)
FINANCING ACTIVITIES		
Purchase of treasury shares	(15,797)	(912)
Loans and borrowings	(5)	(10)
	(15,802)	(922)
Net changes in cash and cash equivalents	(91,435)	86,224
Effects of changes in exchange rates	29,469	(18,603)
Cash and cash equivalents at beginning of period	1,238,078	1,303,296
Cash and cash equivalents at end of period	1,176,112	1,370,917
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	3,046,694	3,014,335
Less : Deposits with banks with original maturity of more than three months when acquired	(1,870,582)	(1,643,418)
	1,176,112	1,370,917

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2013 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 2013

(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 Malaysian Financial Reporting Standard ("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 ("IASB").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2013. 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 2013.

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 2013 except for the adoption of the following MFRSs and Amendments to MFRSs effective for the financial period beginning 1 July 2013 :

MFRS 3 *Business Combinations (IFRS 3 issued by IASB in March 2004)*
MFRS 10 *Consolidated Financial Statements*
MFRS 11 *Joint Arrangements*
MFRS 12 *Disclosure of Interests in Other Entities*
MFRS 13 *Fair Value Measurement*
MFRS 119 *Employee Benefits*
MFRS 127 *Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)*
MFRS 127 *Separate Financial Statements (IAS 27 as amended by IASB in May 2011)*
MFRS 128 *Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)*
Amendments to MFRS 1 *First-time Adoption of MFRSs - Government Loans*
Amendments to MFRS 1 *First-time Adoption of MFRSs (Annual Improvements 2009-2011 Cycle)*
Amendments to MFRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 10 *Consolidated Financial Statements: Transition Guidance*
Amendments to MFRS 11 *Joint Arrangements: Transition Guidance*
Amendments to MFRS 12 *Disclosure of Interests in Other Entities: Transition Guidance*
Amendments to MFRS 101 *Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)*
Amendments to MFRS 116 *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*
Amendments to MFRS 132 *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*
Amendments to MFRS 134 *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*

The adoption of the above mentioned MFRSs and Amendments to MFRSs did not have any significant effect on the financial performance, position or presentation of financials of the Group, except as discussed below :

MFRS 11 Joint Arrangements

MFRS 11 removes the option to account for jointly controlled entity ("JCE") using proportionate consolidation. Instead, JCE that meets the definition of a joint venture must be accounted for using the equity method.

Prior to the adoption of MFRS 11, the Group's share of the assets, liabilities, revenue, income and expenses of a JCE were proportionately consolidated in the consolidated financial statements. Upon the adoption of MFRS 11, the Group has determined its interest to be a joint venture and accordingly accounted for the investment using the equity method.

1. Accounting policies and methods of computation (Cont'd.)

The Group has adopted MFRS 11 and applied this standard retrospectively during the current period. The financial effects on initial adoption of MFRS 11, together with certain reclassification made to conform with current period's presentation are as follows :

	As previously reported	Effects	Restated
	RM'000	RM'000	RM'000
Condensed Consolidated Income Statement			
<u>3 months and year-to-date ended 30.9.2012</u>			
Revenue	836,939	(12,831)	824,108
Share of results of a jointly controlled entity	-	4,780	4,780
Profit before tax	<u>149,394</u>	<u>(846)</u>	<u>148,548</u>
Condensed Consolidated Statement of Financial Position			
<u>As at 30.6.2013</u>			
Assets	8,585,842	(67,065)	8,518,777
Investment in a jointly controlled entity	-	20,953	20,953
Liabilities	<u>4,179,842</u>	<u>(46,112)</u>	<u>4,133,730</u>
Condensed Consolidated Statement of Cash Flows			
<u>3 months and year-to-date ended 30.9.2012</u>			
Net changes in cash and cash equivalents	99,630	(13,406)	86,224
Cash and cash equivalents at beginning of period	1,357,828	(54,532)	1,303,296
Cash and cash equivalents at end of period	<u>1,438,855</u>	<u>(67,938)</u>	<u>1,370,917</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 3,319,200 ordinary shares of its issued ordinary shares from the open market at an average price of RM3.58 per share. The total consideration paid for the repurchase including transaction costs amounting to RM11.89 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 2013, the number of treasury shares held were 15,708,831 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 paid

There was no dividend paid during the current quarter and financial year-to-date.

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)	2,291,746	
Less : Cost of concessionaire sales	<u>(1,840,862)</u>	
Commissions from concessionaire sales		450,884
Sales of goods - Direct sales		323,354
Others (including rental income and management service fees)		57,084
		<u><u>831,322</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 and Myanmar	Indonesia		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Total sales	214,746	543,075	27,528	37,769	9,496	832,614
Inter-segment sales	-	-	-	-	(1,292)	(1,292)
External sales	<u>214,746</u>	<u>543,075</u>	<u>27,528</u>	<u>37,769</u>	<u>8,204</u>	<u>831,322</u>
Results						
Segment profit	29,693	37,216	(1,504)	4,466	4,030	73,901
Employee share-based payments						(3,471)
Operating profit						70,430
Finance income						25,360
Finance costs						(21,665)
Share of results of associates						773
Share of results of a jointly controlled entity						4,380
Profit before tax						<u>79,278</u>
Total assets	<u>676,913</u>	<u>6,986,324</u>	<u>210,419</u>	<u>116,310</u>	<u>820,218</u>	<u>8,810,184</u>

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) Incorporation of Zhongshan Parkson Retail Co Ltd in the People's Republic of China ("PRC" or "China") by Nanning Brilliant Parkson Commercial Co Ltd, a wholly-owned subsidiary of Parkson Retail Group Limited ("Parkson Retail"), a 51.6% owned subsidiary of the Company.
- ii) Incorporation of Qingdao Parkson Retail Development Co Ltd in the PRC by Hefei Parkson Xiaoyao Plaza Co Ltd, a wholly-owned subsidiary of Parkson Retail.
- iii) Incorporation of Parkson SGN Co Ltd in Vietnam by Parkson Corporation Sdn Bhd, a wholly-owned subsidiary of Parkson Retail Asia Limited, a 67.6% owned subsidiary of the Company.

10. Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since 30 June 2013.

11. Performance review

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2013 RM'000	30.9.2012 RM'000	30.9.2013 RM'000	30.9.2012 RM'000
Revenue				
Retailing :				
- Malaysia	214,746	222,157	214,746	222,157
- China	543,075	532,339	543,075	532,339
- Vietnam and Myanmar	27,528	26,583	27,528	26,583
- Indonesia	37,769	35,183	37,769	35,183
	823,118	816,262	823,118	816,262
Property and investment holding	8,204	7,846	8,204	7,846
	831,322	824,108	831,322	824,108
Segment profit/(loss)				
Retailing :				
- Malaysia	29,693	33,951	29,693	33,951
- China	37,216	89,185	37,216	89,185
- Vietnam and Myanmar	(1,504)	1,435	(1,504)	1,435
- Indonesia	4,466	5,177	4,466	5,177
	69,871	129,748	69,871	129,748
Property and investment holding	4,030	473	4,030	473
	73,901	130,221	73,901	130,221

For the quarter under review, the Group's **Retailing** Division registered a marginal increase in revenue to RM823 million while profit before tax decreased by 46% to RM70 million as compared to the previous year. Our Parkson operations continued to experience weak consumer sentiments amidst the following challenging retail environment :

- Malaysia

The tightening measures to curb household debt by the Malaysian central bank and the hike in fuel price due to the reduction in subsidy by the Government have affected the local consumer sentiments, resulting in same store sales ("SSS") growth remaining unchanged. Weak performance recorded during the current quarter was also due to the temporary closure of three performing stores for major renovation.

- China

Parkson China registered a marginally higher revenue for the current quarter contributed by the new stores despite a negative SSS growth of 4% resulting from the weaker operating environment. Operating profit was however 58% lower as compared to that recorded a year ago due mainly to the impact from the new stores' losses and certain non-comparable expenses as well as temporary closure of the Shanghai flagship store for renovation. After excluding these impacts, the operating profit on same store basis would have a lesser decline of about 15%.

- Vietnam and Myanmar

The recovery in retail spending is patchy despite signs of economic stability in Vietnam. Parkson Vietnam recorded a marginal negative SSS growth of 1%. Revenue contribution of the maiden store in Myanmar which was launched in May 2013 was still negligible to the Group.

- Indonesia

The consumption spending in Indonesia remains robust with our operation recording a decent SSS growth of 4%. However, profit before tax declined by 14% due mainly to the pre-opening expenses incurred on a new store.

KL Festival City shopping mall continued to generate a stable revenue of RM8 million with an impressive occupancy rate of about 99%. This has enabled the **Property and Investment Holding** Division to post a higher operating profit of RM4 million. Lower profit recorded in the previous year corresponding period was mainly due to the foreign exchange loss.

12. Comment on material change in profit before tax

	<u>Revenue</u> RM'000	<u>Profit Before Tax</u> RM'000
Current quarter (30 September 2013)	831,322	79,278
Immediate preceding quarter (30 June 2013)	801,484	88,019

The Group reported a higher revenue of RM831 million in the current quarter following the stronger consumer spending during the Muslim festive season which has benefited our retail operations in Malaysia and Indonesia. Profit before tax was however lower at RM79 million mainly due to the challenging operating conditions as mentioned in Note 11.

13. a) Prospects

The Group's performance is expected to improve in the coming quarter in view of the anticipated better consumer sentiments during the year-end festivities and holiday seasons as well as the re-opening of the newly renovated stores.

In its efforts to address the challenges faced by the Retailing Division, the Group is adjusting its strategies which include, among others:

- (i) investing in exclusive brands to increase competitiveness;
- (ii) realigning retail floor space allocation to improve productivity; and
- (iii) taking actions on non-performing stores to avoid further losses.

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

	<u>3 MONTHS ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>30.9.2013</u> RM'000	<u>30.9.2012</u> RM'000	<u>30.9.2013</u> RM'000	<u>30.9.2012</u> RM'000
Income tax expense comprises :				
Current year income tax :				
- Arising in Malaysia	10,833	11,214	10,833	11,214
- Arising outside Malaysia	20,943	31,375	20,943	31,375
	31,776	42,589	31,776	42,589

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>20</u>	<u>1,614,032</u>	<u>1,614,052</u>

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

	Foreign Currency	RM'000
- Ringgit Malaysia	'000	84
- US Dollar	500,000	<u>1,613,968</u>
		<u>1,614,052</u>

19. Changes in material litigation

There was no material litigation since 30 June 2013.

20. Dividend proposed

The Board of Directors does not recommend any dividend for the current quarter and financial year-to-date.

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.

	<u>3 MONTHS ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Profit attributable to owners of the parent (RM'000)	<u>30,738</u>	59,039	<u>30,738</u>	59,039
Weighted average number of ordinary shares in issue ('000)	<u>1,079,704</u>	1,084,549	<u>1,079,704</u>	1,084,549
Basic EPS (sen)	<u>2.85</u>	5.44	<u>2.85</u>	5.44

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	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Profit attributable to owners of the parent (RM'000)	30,738	59,039	30,738	59,039
Weighted average number of ordinary shares in issue ('000)	1,079,704	1,084,549	1,079,704	1,084,549
Effect of dilution ('000)	-	-	-	-
	1,079,704	1,084,549	1,079,704	1,084,549
Diluted EPS (sen)	2.85	5.44	2.85	5.44

22. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2013 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	
	30.9.2013 RM'000	30.9.2012 RM'000	30.9.2013 RM'000	30.9.2012 RM'000
a) Interest income	25,360	26,563	25,360	26,563
b) Other income including investment income	75,938	75,452	75,938	75,452
c) Interest expense	(21,665)	(13,696)	(21,665)	(13,696)
d) Depreciation and amortisation	(56,975)	(54,029)	(56,975)	(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 gain/(loss)	2,036	(1,951)	2,036	(1,951)
j) Gain/(Loss) on derivatives	-	-	-	-
k) Exceptional item : Employee share-based payments	(3,471)	-	(3,471)	-

24. Disclosure of realised and unrealised profits/losses

	AS AT 30.9.2013	AS AT 30.6.2013
	RM'000	RM'000
Total retained profits/(losses) of Parkson Holdings Berhad and its subsidiaries :		
- Realised	62,506	34,077
- Unrealised	(6,312)	(9,661)
Total share of retained profits from associates :		
- Realised	2,740	1,964
- Unrealised	-	-
Total share of retained profits from a jointly controlled entity :		
- Realised	1,985	4,960
- Unrealised	522	482
Total Group retained profits	61,441	31,822

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2013

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 30 September 2013

	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	45.47	45.47	-	-	-	-
- Deferred payment	8.00	-	No fixed timeframe	N/A	N/A	-
	<u>53.47</u>	<u>45.47</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	131.13		36.42	-	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>209.45</u>				