



Interim Financial Report
for the First Quarter Ended
30 September 2014

Condensed Consolidated Statement of Profit or Loss	1
Condensed Consolidated Statement of Other Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5
Notes to the Condensed Financial Statements	6 - 14

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Gross sales proceeds		2,626,407	2,672,184	2,626,407	2,672,184
Revenue	7	848,618	831,322	848,618	831,322
Other operating income		62,486	75,938	62,486	75,938
Operating expenses		(868,832)	(836,830)	(868,832)	(836,830)
Operating profit		42,272	70,430	42,272	70,430
Finance income		24,490	25,360	24,490	25,360
Finance costs		(20,519)	(21,665)	(20,519)	(21,665)
Share of results of associates		62	773	62	773
Share of results of joint ventures		3,748	4,380	3,748	4,380
Profit before tax	23	50,053	79,278	50,053	79,278
Income tax expense	16	(20,184)	(31,776)	(20,184)	(31,776)
Profit for the period		29,869	47,502	29,869	47,502
Profit for the period attributable to :					
- Owners of the parent		20,215	30,738	20,215	30,738
- Non-controlling interests		9,654	16,764	9,654	16,764
		29,869	47,502	29,869	47,502
Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	1.90	2.85	1.90	2.85
- Diluted	21	1.90	2.85	1.90	2.85

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Profit for the period	29,869	47,502	29,869	47,502
<u>Other comprehensive income</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	112,028	76,924	112,028	76,924
Total comprehensive income for the period	141,897	124,426	141,897	124,426
Total comprehensive income for the period attributable to :				
- Owners of the parent	81,529	73,698	81,529	73,698
- Non-controlling interests	60,368	50,728	60,368	50,728
	141,897	124,426	141,897	124,426

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 30.9.2014 RM'000	AS AT 30.6.2014 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,153,866	2,090,548
Investment properties		109,791	109,036
Intangible assets		1,382,965	1,336,182
Land use rights		262,051	255,163
Investments in associates		69,369	69,282
Investments in joint ventures		38,460	33,976
Deferred tax assets		119,295	120,447
Other assets and derivatives		430,351	430,108
Investment securities		30,233	30,233
		4,596,381	4,474,975
Current Assets			
Inventories		341,382	325,759
Receivables (#)		918,974	816,700
Deposits, cash and bank balances		2,790,441	2,626,096
		4,050,797	3,768,555
Non-current assets classified as held for sale		225,511	225,273
		4,276,308	3,993,828
TOTAL ASSETS		8,872,689	8,468,803
EQUITY AND LIABILITIES			
Share capital		1,093,902	1,093,902
Other reserves		1,469,383	1,425,524
Retained profits		89,613	69,398
Equity attributable to owners of the parent		2,652,898	2,588,824
Non-controlling interests		1,665,053	1,604,685
Total equity		4,317,951	4,193,509
Non-Current Liabilities			
Deferred tax liabilities		137,962	141,050
Loans and borrowings	18	1,631,467	1,575,169
Long term payables		370,840	322,630
		2,140,269	2,038,849
Current Liabilities			
Payables and other liabilities		2,174,720	2,063,338
Loans and borrowings	18	208,777	143,452
Tax payables		30,972	29,655
		2,414,469	2,236,445
Total Liabilities		4,554,738	4,275,294
TOTAL EQUITY AND LIABILITIES		8,872,689	8,468,803
Net assets per share attributable to owners of the parent (RM)		2.44	2.50

(#) Comprises prepayment for acquisition of land and building in Qingdao, China of RM404 million (30.6.2014 : RM317 million)

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2014

(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			
30 September 2014									
At 1 July 2014		1,093,902	3,536,816	(166,672)	(1,944,620)	69,398	2,588,824	1,604,685	4,193,509
Total comprehensive income for the period		-	-	-	61,314	20,215	81,529	60,368	141,897
Purchase of treasury shares	5	-	-	(17,455)	-	-	(17,455)	-	(17,455)
Dividend paid - Share dividend	6	-	(171,380)	171,380	-	-	-	-	-
At 30 September 2014		1,093,902	3,365,436	(12,747)	(1,883,306)	89,613	2,652,898	1,665,053	4,317,951
30 September 2013									
At 1 July 2013		1,093,902	3,731,416	(58,172)	(2,018,313)	10,318	2,759,151	1,625,336	4,384,487
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		-	-	(11,886)	-	-	(11,886)	-	(11,886)
At 30 September 2013		1,093,902	3,731,416	(70,058)	(1,972,444)	39,937	2,822,753	1,677,745	4,500,498

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.9.2014 RM'000	30.9.2013 RM'000
OPERATING ACTIVITIES		
Profit before tax	50,053	79,278
Adjustments for :		
Non-cash items	60,540	60,446
Non-operating items	(7,781)	(8,848)
Operating profit before working capital changes	102,812	130,876
Changes in working capital :		
Net changes in assets	1,379	(59,019)
Net changes in liabilities	96,738	55,581
Others (mainly interest and tax paid)	(21,683)	(42,669)
	179,246	84,769
INVESTING ACTIVITIES		
Prepayment for acquisition of land and building	(75,705)	-
Changes in deposits with banks	(155,080)	(77,834)
Others (mainly purchase of property, plant and equipment)	(59,591)	(82,568)
	(290,376)	(160,402)
FINANCING ACTIVITIES		
Purchase of treasury shares	(17,455)	(15,797)
Loans and borrowings	42,386	(5)
	24,931	(15,802)
Net changes in cash and cash equivalents	(86,199)	(91,435)
Effects of changes in exchange rates	19,596	29,469
Cash and cash equivalents at beginning of period	979,590	1,238,078
Cash and cash equivalents at end of period	912,987	1,176,112
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	2,790,441	3,046,694
Less : Bank overdrafts	(17,883)	-
Less : Deposits with banks with original maturity of more than three months when acquired	(1,859,571)	(1,870,582)
	912,987	1,176,112

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2014 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 2014

(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 2014. 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 2014.

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 2014 except for the adoption of the following Amendments to MFRSs and IC Interpretation effective for the financial period beginning 1 July 2014 :

Amendments to MFRS 10, 12, 127 *Investment Entities*
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
Amendments to MFRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
IC Interpretation 21 *Levies*
Amendment to MFRS 2 *Share-based Payment (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendment to MFRS 3 *Business Combinations (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendment to MFRS 3 *Business Combinations (Annual Improvements to MFRSs 2011-2013 Cycle)*
Amendment to MFRS 8 *Operating Segments (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendment to MFRS 13 *Fair Value Measurement (Annual Improvements to MFRSs 2011-2013 Cycle)*
Amendment to MFRS 116 *Property, Plant and Equipment (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendments to MFRS 119 *Defined Benefit Plans: Employee Contributions*
Amendment to MFRS 124 *Related Party Disclosures (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendment to MFRS 138 *Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)*
Amendment to MFRS 140 *Investment Property (Annual Improvements to MFRSs 2011-2013 Cycle)*

The adoption of the above mentioned Amendments to MFRSs and IC Interpretation did not have any significant effect on the financial performance, position or presentation of 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 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 6,752,700 ordinary shares of its issued ordinary shares from the open market at an average price of RM2.58 per share. The total consideration paid for the repurchase including transaction costs amounting to RM17.5 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.

A total of 61,703,857 treasury shares were distributed as share dividend on 8 August 2014 on the basis of three (3) treasury shares for every fifty (50) ordinary shares of RM1.00 each held in the Company, fractions of treasury shares being disregarded.

As at 30 September 2014, the number of treasury shares held after deducting share dividend distributed were 4,556,529 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 paid

In respect of the financial year ending 30 June 2015, a total of 61,703,857 treasury shares were distributed as share dividend on 8 August 2014 as mentioned in Note 5.

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)	2,231,393	
Less : Cost of concessionaire sales	<u>(1,777,789)</u>	
Commissions from concessionaire sales		453,604
Sales of goods - Direct sales		333,931
Others (including rental income and management service fees)		<u>61,083</u>
		<u>848,618</u>

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

	← Retailing →				Property and others	Total
	Malaysia	People's Republic of China	Vietnam and Myanmar	Indonesia		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>						
Total sales	212,237	557,475	28,174	41,301	10,747	849,934
Inter-segment sales	-	-	-	-	(1,316)	(1,316)
External sales	<u>212,237</u>	<u>557,475</u>	<u>28,174</u>	<u>41,301</u>	<u>9,431</u>	<u>848,618</u>
<u>Results</u>						
Segment profit/(loss)	26,812	16,281	(3,128)	306	2,001	42,272
Finance income						24,490
Finance costs						(20,519)
Share of results of associates						62
Share of results of joint ventures						3,748
Profit before tax						<u>50,053</u>
Total assets	<u>698,897</u>	<u>7,228,691</u>	<u>217,996</u>	<u>165,313</u>	<u>561,792</u>	<u>8,872,689</u>

8. Subsequent events

Other than as disclosed in Note 17(a), 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 acquisition by Gema Binari Sdn Bhd, a wholly-owned subsidiary of the Company, of 60% equity interest in Giftmate Sdn Bhd.

10. Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since 30 June 2014.

11. Performance review

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
<u>Revenue</u>				
Retailing :				
- Malaysia	212,237	214,746	212,237	214,746
- China	557,475	543,075	557,475	543,075
- Vietnam and Myanmar	28,174	27,528	28,174	27,528
- Indonesia	41,301	37,769	41,301	37,769
	839,187	823,118	839,187	823,118
Property and others	9,431	8,204	9,431	8,204
	848,618	831,322	848,618	831,322
<u>Segment profit/(loss)</u>				
Retailing :				
- Malaysia	26,812	29,693	26,812	29,693
- China	16,281	37,216	16,281	37,216
- Vietnam and Myanmar	(3,128)	(1,504)	(3,128)	(1,504)
- Indonesia	306	4,466	306	4,466
	40,271	69,871	40,271	69,871
Property and others	2,001	4,030	2,001	4,030
	42,272	73,901	42,272	73,901

11. Performance review (Cont'd.)

For the 3 months ended 30 September 2014, the Group's **Retailing** Division registered a marginal growth in revenue of 2% to RM839 million whilst operating profit declined by 42% to RM40 million. The weaker results were attributable to a combination of the following factors :

- Malaysia

Locally, Parkson operations were affected by weaker consumer sentiments due to the rising cost of living and the Malaysian Central Bank's announcement on the hike in overnight policy rate in July 2014. Accordingly, Parkson Malaysia reported a negative same store sales ("SSS") growth of 4% for the quarter under review.

- China

The competition within the retail sector in China in particular the proliferation of e-commerce operation and the generally weak discretionary spending had continued to post a negative impact on Parkson China's SSS growth. On the back of the negative SSS growth of 4% and increased operating costs, Parkson China reported a lower operating profit of RM16 million.

- Vietnam and Myanmar

The trading environment of the Vietnam operations remained challenging amid the weak discretionary retail spending and stiff competition following significant increase of new retail players in the country. As a result, for the quarter under review, Parkson Vietnam recorded a negative SSS growth of 5% with higher operating losses.

Our flagship store in Myanmar saw a strong ramp-up in sales with a SSS growth of 33%. The contribution was however, negligible to the Group.

- Indonesia

Our retailing operations in Indonesia continued to perform well with strong SSS growth of 6%, riding on improved consumer sentiments during the quarter under review. Operating profit, however, declined significantly over that recorded in the previous year corresponding period due largely to the new stores' losses.

The **Property and Others** Division which constitutes mainly *KL Festival City* shopping mall, reported a revenue of RM9 million with an operating profit of RM2 million. Higher profit recorded in the previous year corresponding period was mainly due to the foreign exchange gain.

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 2014)	848,618	50,053
Immediate preceding quarter (30 June 2014)	813,526	70,918

The Group reported a higher revenue of RM849 million in the current quarter following the strong consumer spending during the Muslim's festive season in Malaysia and Indonesia. However, profit before tax decreased by 29% to RM50 million due mainly to the challenging retailing operations in China as mentioned in Note 11.

13. a) Prospects

The Group's performance is anticipated to improve in the next quarter in view of the coming year-end festivities and holiday seasons.

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	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Income tax expense comprises :				
Current year income tax :				
- Arising in Malaysia	10,397	10,833	10,397	10,833
- Arising outside Malaysia	9,787	20,943	9,787	20,943
	20,184	31,776	20,184	31,776

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**

No.	Date of Announcements	Subject	Status
1	10.7.2014 1.8.2014 8.10.2014 9.10.2014	<p>a) Proposed acquisition by Gema Binari Sdn Bhd ("Gema Binari"), a wholly-owned subsidiary of the Company, of the following :</p> <p>i) 60% equity interest in Giftmate Sdn Bhd ("Giftmate") for a cash consideration of RM8 million ("Acquisition of Giftmate"); and</p> <p>ii) 50% equity interest in Valino International Apparel Sdn Bhd ("Valino") for a cash consideration of RM3 million ("Acquisition of Valino"); and</p> <p>b) Proposed acquisition by Prime Yield Holdings Limited ("Prime Yield"), a wholly-owned subsidiary of the Company, of 60% equity interest in AUM Hospitality Sdn Bhd ("AUM") together with its group of companies for a cash consideration of RM48 million ("Acquisition of AUM").</p>	<p>Following the fulfilment of the conditions precedent to the respective sale and purchase agreements :</p> <p>i) the Acquisition of Giftmate was completed on 1 August 2014;</p> <p>ii) the Acquisition of AUM was completed on 8 October 2014; and</p> <p>iii) the Acquisition of Valino was completed on 9 October 2014.</p>

17. Corporate proposalsa) Status of corporate proposals (Cont'd.)

No.	Date of Announcements	Subject	Status
2	19.8.2014	Proposed disposal by Festival City Sdn Bhd ("FCSB" or the "Vendor"), a wholly-owned subsidiary of the Company, of its property known as KL Festival City Mall ("Property") to Festiva Mall Sdn Bhd (the "Purchaser") for a cash consideration of RM349 million ("Proposed Disposal").	<p>The Proposed Disposal is pending fulfilment of the following conditions precedent :</p> <ul style="list-style-type: none"> i) the Vendor obtaining the State Authority's written approval for the transfer of the Property in favour of the Purchaser; ii) the Purchaser obtaining the Economic Planning Unit in the Prime Minister's Department's written approval for the purchase of the Property on terms acceptable to the Purchaser, or the written confirmation that the said approval is not required; and iii) the Purchaser obtaining the State Authority's written approval for the purchase of the Property pursuant to Section 433B of the National Land Code on terms acceptable to the Purchaser. <p>The following conditions precedent for the Proposed Disposal have been fulfilled :</p> <ul style="list-style-type: none"> i) written consent from the financier of FCSB; ii) written confirmation and undertaking from the registered owner of the land, inter alia to apply and obtain the strata title to the Property; and iii) written approvals from the registered owner of the land and the owner of the development rights to the land to the novation of the tripartite agreement in favour of the Purchaser.

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	190,894	1,631,467	1,822,361
Unsecured	17,883	-	17,883
	<u>208,777</u>	<u>1,631,467</u>	<u>1,840,244</u>

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

	Foreign Currency	RM'000
- Ringgit Malaysia	'000	17,945
- US Dollar	521,250	1,701,372
- Hong Kong Dollar	284,940	120,927
		<u>1,840,244</u>

19. Changes in material litigation

There was no material litigation since 30 June 2014.

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 2014.

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	
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
Profit attributable to owners of the parent (RM'000)	20,215	30,738	20,215	30,738
Weighted average number of ordinary shares in issue ('000)	1,065,018	1,079,704	1,065,018	1,079,704
Basic EPS (sen)	1.90	2.85	1.90	2.85

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	
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
Profit attributable to owners of the parent (RM'000)	20,215	30,738	20,215	30,738
Weighted average number of ordinary shares in issue ('000)	1,065,018	1,079,704	1,065,018	1,079,704
Effect of dilution ('000)	-	-	-	-
	1,065,018	1,079,704	1,065,018	1,079,704
Diluted EPS (sen)	1.90	2.85	1.90	2.85

22. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2014 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	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
a) Interest income	24,490	25,360	24,490	25,360
b) Other income including investment income	62,486	73,902	62,486	73,902
c) Interest expense	(20,519)	(21,665)	(20,519)	(21,665)
d) Depreciation and amortisation	(60,761)	(56,975)	(60,761)	(56,975)
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)/gain	(17)	2,036	(17)	2,036
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 30.9.2014	AS AT 30.6.2014
	RM'000	RM'000
Total retained profits of Parkson Holdings Berhad and its subsidiaries :		
- Realised	69,019	53,623
- Unrealised	12,073	10,354
Total share of retained profits/(accumulated losses) from associates :		
- Realised	3,084	2,159
- Unrealised	(227)	(228)
Total share of retained profits from joint ventures :		
- Realised	5,331	3,184
- Unrealised	333	306
Total Group retained profits	89,613	69,398

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the first quarter ended 30 September 2014

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 30 September 2014

	<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	%	
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	47.47	47.47	-	-	-	-
- Deferred payment	6.00	-	No fixed timeframe	N/A	N/A	-
	<u>53.47</u>	<u>47.47</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	59.04	Within 36 months from the date of completion of the Parkson Asia Listing	60.76	-	Not fully utilised
▶ Investment in information technology	12.20	9.52		2.68	-	Not fully 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	167.55		-	-	-
▶ Working capital and defraying expenses incurred in connection with the Parkson Asia Listing	31.09	31.09		-	-	-
	<u>367.48</u>	<u>303.80</u>				