



Interim Financial Report
for the Second Quarter Ended
31 December 2014

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PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the second quarter ended 31 December 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Gross sales proceeds		3,161,250	3,166,032	5,787,657	5,838,216
Revenue	7	981,675	948,098	1,830,293	1,779,420
Other operating income		90,130	86,058	152,616	161,996
Operating expenses		(1,006,262)	(961,319)	(1,875,094)	(1,798,149)
Operating profit		65,543	72,837	107,815	143,267
Finance income		26,306	27,133	50,796	52,493
Finance costs		(22,017)	(17,895)	(42,536)	(39,560)
Share of results of associates		61	1,009	123	1,782
Share of results of joint ventures		4,182	4,778	7,930	9,158
Gain on disposal of a property	17(a)	108,868	-	108,868	-
Impairment loss on goodwill		(43,685)	-	(43,685)	-
Profit before tax	23	139,258	87,862	189,311	167,140
Income tax expense	16	(31,076)	(51,761)	(51,260)	(83,537)
Profit for the period		108,182	36,101	138,051	83,603
Profit for the period attributable to :					
- Owners of the parent		110,606	25,586	130,821	56,324
- Non-controlling interests		(2,424)	10,515	7,230	27,279
		108,182	36,101	138,051	83,603
Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	10.24	2.38	12.19	5.22
- Diluted	21	10.24	2.38	12.19	5.22

(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 second quarter ended 31 December 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Profit for the period	108,182	36,101	138,051	83,603
<u>Other comprehensive income</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	160,502	52,934	272,530	129,858
Total comprehensive income for the period	268,684	89,035	410,581	213,461
Total comprehensive income for the period attributable to :				
- Owners of the parent	201,176	53,482	282,705	127,180
- Non-controlling interests	67,508	35,553	127,876	86,281
	268,684	89,035	410,581	213,461

(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 second quarter ended 31 December 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	AS AT 31.12.2014 RM'000	AS AT 30.6.2014 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		2,301,404	2,090,548
Investment properties		104,870	109,036
Intangible assets		1,457,714	1,336,182
Land use rights		274,284	255,163
Investments in associates		1,140	69,282
Investments in joint ventures		33,497	33,976
Deferred tax assets		129,093	120,447
Other assets and derivatives		920,628 (#)	430,108
Investment securities		30,245	30,233
		5,252,875	4,474,975
Current Assets			
Inventories		366,947	325,759
Receivables		930,641	816,700 (#)
Deposits, cash and bank balances		3,363,622	2,626,096
		4,661,210	3,768,555
Non-current assets classified as held for sale		-	225,273
		4,661,210	3,993,828
TOTAL ASSETS		9,914,085	8,468,803
EQUITY AND LIABILITIES			
Share capital		1,093,902	1,093,902
Other reserves		1,460,416	1,425,524
Retained profits		199,267	69,398
Equity attributable to owners of the parent		2,753,585	2,588,824
Non-controlling interests		1,680,573	1,604,685
Total equity		4,434,158	4,193,509
Non-Current Liabilities			
Deferred tax liabilities		136,178	141,050
Loans and borrowings	18	1,711,767	1,575,169
Long term payables		400,036	322,630
		2,247,981	2,038,849
Current Liabilities			
Payables and other liabilities		2,666,432	2,063,338
Loans and borrowings	18	522,456	143,452
Tax payables		43,058	29,655
		3,231,946	2,236,445
Total Liabilities		5,479,927	4,275,294
TOTAL EQUITY AND LIABILITIES		9,914,085	8,468,803
Net assets per share attributable to owners of the parent (RM)		2.63	2.50

(#) Includes prepayment for acquisition of land and building in Qingdao, China
(31.12.2014 : RM489 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 second quarter ended 31 December 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			
31 December 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		-	-	-	151,884	130,821	282,705	127,876	410,581
Transfer to capital reserves		-	-	-	952	(952)	-	-	-
Purchase of treasury shares	5	-	-	(117,944)	-	-	(117,944)	-	(117,944)
Dividend paid - Share dividend	6	-	(171,380)	171,380	-	-	-	-	-
Dividends to non-controlling interests		-	-	-	-	-	-	(51,988)	(51,988)
At 31 December 2014		1,093,902	3,365,436	(113,236)	(1,791,784)	199,267	2,753,585	1,680,573	4,434,158
31 December 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		-	-	-	70,856	56,324	127,180	86,281	213,461
Transfer to capital reserves		-	-	-	2,042	(2,042)	-	-	-
Employee share-based payments		-	-	-	1,792	-	1,792	1,679	3,471
Purchase of treasury shares		-	-	(49,971)	-	-	(49,971)	-	(49,971)
Dividends to non-controlling interests		-	-	-	-	-	-	(55,341)	(55,341)
At 31 December 2013		1,093,902	3,731,416	(108,143)	(1,943,623)	64,600	2,838,152	1,657,955	4,496,107

(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 second quarter ended 31 December 2014

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	31.12.2014 RM'000	31.12.2013 RM'000
OPERATING ACTIVITIES		
Profit before tax	189,311	167,140
Adjustments for :		
Non-cash items	78,218	151,714
Non-operating items	(16,313)	(23,872)
Operating profit before working capital changes	251,216	294,982
Changes in working capital :		
Net changes in assets	(16,447)	(103,929)
Net changes in liabilities	459,660	476,594
Others (mainly interest and tax paid)	(51,077)	(75,663)
	643,352	591,984
INVESTING ACTIVITIES		
Prepayment for acquisition of land and building	(143,339)	(93,728)
Acquisition of subsidiaries net of cash acquired	(54,417)	-
Proceeds from disposal of an associate	73,784	-
Changes in deposits with banks	(323,762)	(215,470)
Others (mainly purchase of property, plant and equipment)	(144,983)	(168,435)
	(592,717)	(477,633)
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(51,988)	(55,341)
Purchase of treasury shares	(160,869)	(71,881)
Loans and borrowings	336,952	96,907
	124,095	(30,315)
Net changes in cash and cash equivalents	174,730	84,036
Effects of changes in exchange rates	62,653	42,243
Cash and cash equivalents at beginning of period	979,590	1,238,078
Cash and cash equivalents at end of period	1,216,973	1,364,357
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	3,363,622	3,410,776
Less : Bank overdrafts	(26,959)	-
Less : Deposits with banks with original maturity of more than three months when acquired	(2,119,690)	(2,046,419)
	1,216,973	1,364,357

(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)

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(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 49,346,300 ordinary shares of its issued ordinary shares from the open market at an average price of RM2.39 per share. The total consideration paid for the repurchase including transaction costs amounting to RM117.94 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 31 December 2014, the number of treasury shares held after deducting share dividend distributed were 47,150,129 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)	4,903,803	
Less : Cost of concessionaire sales	<u>(3,957,364)</u>	
Commissions from concessionaire sales		946,439
Sales of goods - Direct sales		719,609
Others (including rental income and management service fees)		<u>164,245</u>
		<u>1,830,293</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	448,231	1,189,280	60,456	80,559	54,412	1,832,938
Inter-segment sales	-	-	-	-	(2,645)	(2,645)
External sales	<u>448,231</u>	<u>1,189,280</u>	<u>60,456</u>	<u>80,559</u>	<u>51,767</u>	<u>1,830,293</u>
<u>Results</u>						
Segment profit/(loss)	63,752	48,929	(10,975)	(1,599)	7,708	107,815
Finance income						50,796
Finance costs						(42,536)
Share of results of associates						123
Share of results of joint ventures						7,930
Gain on disposal of a property						108,868
Impairment loss on goodwill						(43,685)
Profit before tax						<u>189,311</u>
Total assets	<u>774,680</u>	<u>7,919,632</u>	<u>223,900</u>	<u>187,073</u>	<u>808,800</u>	<u>9,914,085</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 following:

- i) Acquisition by Gema Binari Sdn Bhd ("Gema Binari"), a wholly-owned subsidiary of the Company, of 60% equity interest in Giftmate Sdn Bhd.
- ii) Acquisition by Prime Yield Holdings Limited ("Prime Yield"), a wholly-owned subsidiary of the Company, of 60% equity interest in AUM Hospitality Sdn Bhd together with its group of companies.
- iii) Acquisition by Gema Binari of 50% equity interest in Valino International Apparel Sdn Bhd.
- iv) Disposal of the entire 47.46% equity interest in Odel PLC, an associate of the Company listed on the Colombo Stock Exchange in Sri Lanka by Parkson Retail Asia Limited, a 67.6% owned subsidiary of the Company via the acceptance of a mandatory offer.
- v) Incorporation of Parkson Branding (L) Limited in Labuan by Parkson Branding Sdn Bhd, a wholly-owned subsidiary of the Company.
- vi) Acquisition by Prime Yield of 100% equity interest in Prestasi Serimas Sdn Bhd.
- vii) Incorporation of Lion Food & Beverage Ventures Limited ("Lion Food & Beverage") in the British Virgin Islands by Grand Parkson Retail Group Limited, a wholly-owned subsidiary of Parkson Retail Group Limited ("Parkson Retail"), a 52.1% owned subsidiary of the Company.
- viii) Incorporation of Qingdao Parkson Shopping Plaza Co Ltd in the People's Republic of China ("PRC" or "China") by Parkson Retail Development Co Ltd, a wholly-owned subsidiary of Parkson Retail.
- ix) Incorporation of Qingdao Lion Plaza Retail Management Co Ltd in the PRC by Leonemas (Hong Kong) Limited, a wholly-owned subsidiary of Parkson Retail.
- x) Acquisition by Lion Food & Beverage of 100% equity interest in Parkson Food & Beverage Ventures Limited, a company incorporated in Hong Kong.
- xi) Dissolution of Shijiazhuang Parkson Retail Co Ltd, a company incorporated in the PRC, which was a wholly-owned subsidiary of Parkson Retail.

10. Changes in contingent liabilities and contingent assets

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

11. Performance review

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
<u>Revenue</u>				
Retailing :				
- Malaysia	235,994	239,192	448,231	453,938
- China	631,805	638,084	1,189,280	1,181,159
- Vietnam and Myanmar	32,282	29,345	60,456	56,873
- Indonesia	39,258	33,290	80,559	71,059
	939,339	939,911	1,778,526	1,763,029
Property and others	42,336	8,187	51,767	16,391
	981,675	948,098	1,830,293	1,779,420
<u>Segment profit/(loss)</u>				
Retailing :				
- Malaysia	36,940	41,843	63,752	71,536
- China	32,648	27,829	48,929	65,045
- Vietnam and Myanmar	(7,847)	(354)	(10,975)	(1,858)
- Indonesia	(1,905)	2,085	(1,599)	6,551
	59,836	71,403	100,107	141,274
Property and others	5,707	1,434	7,708	5,464
	65,543	72,837	107,815	146,738

For the first half of the financial year, the Group's **Retailing** Division registered a marginal higher revenue of RM1,779 million whilst operating profit contracted by 29% to RM100 million as compared with that recorded a year ago. The weaker performance was attributable to the following factors :

- Malaysia

Our local Parkson operations reported a negative same store sales ("SSS") growth of about 6% for the 6 months ended 31 December 2014. Consumer sentiments were negatively affected by the rising cost of living and depreciating currency. Reduced Chinese tourist arrival and the worse-than-expected flooding in the east coast of peninsular Malaysia have also impacted the performance of Parkson Malaysia.

- China

Market slowdown, PRC government's austerity measures and keen competition from online retailers have affected discretionary spending in China resulting in negative SSS growth of 6% for the current financial year-to-date. Operating profit for the first half of the financial year declined by 25% to RM49 million as compared to that recorded a year ago due to the negative SSS growth and increased operating costs.

- Vietnam and Myanmar

Parkson Vietnam encountered difficulties due to weak discretionary spending and the entry of competing retailers. For the 6 months ended 31 December 2014, the negative SSS growth of about 6% and the provision for closure of a store in Hanoi which amounted to about RM6 million, have resulted in the operations to report a higher operating loss of RM10 million.

Our Myanmar flagship store has yet to achieve breakeven sales volume despite improving footfall since commencement of operation in May 2013.

- Indonesia

Indonesia consumer sentiments remained strong riding on the growing middle class and young population, resulting in our operations in Indonesia to perform well with strong SSS growth of 7% for the current financial year-to-date. Our Parkson and Centro operations however reported operating loss for the period under review due largely to the new stores' losses.

The increase in the results for **Property and Others** Division was mainly attributable to the positive contribution by the Group's newly acquired subsidiaries which are principally involved in the food and beverage businesses.

12. Comment on material change in profit before tax

	<u>Revenue</u> RM'000	<u>Profit Before Tax</u> RM'000
Current quarter (31 December 2014)	981,675	139,258
Immediate preceding quarter (30 September 2014)	848,618	50,053

The Group's revenue improved by 16% to RM982 million in the current quarter mainly due to higher consumer spending during the year-end festivities and holiday seasons across all our major retailing regions. Coupled with the gain on disposal of KL Festival City Mall as disclosed in Note 17(a) amounting to RM109 million and the impairment loss on goodwill amounting to RM44 million, a higher profit before tax was registered by the Group.

13. a) Prospects

The Group's Retailing operations in China and the Southeast Asian region are anticipated to remain challenging in the near future. Nevertheless, a satisfactory performance is expected in the coming quarter in view of the higher consumer spending during the Chinese New Year festivities.

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>31.12.2014</u> RM'000	<u>31.12.2013</u> RM'000	<u>31.12.2014</u> RM'000	<u>31.12.2013</u> RM'000
Income tax expense comprises :				
Current year income tax :				
- Arising in Malaysia	16,742	12,441	27,139	23,274
- Arising outside Malaysia	14,334	39,320	24,121	60,263
	31,076	51,761	51,260	83,537

After excluding the gain on disposal of a property, 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**

Date of Announcements	Subject	Status
19.8.2014 31.12.2014 23.1.2015	Proposed disposal by Festival City Sdn Bhd, a wholly-owned subsidiary of the Company, of its property known as KL Festival City Mall to Festiva Mall Sdn Bhd for a cash consideration of RM349 million ("Proposed Disposal").	All the conditions precedent for the Proposed Disposal have been fulfilled on 31 December 2014 and accordingly, the sale and purchase agreement for the Proposed Disposal has become unconditional on 31 December 2014 for completion purposes. The Proposed Disposal was completed on 23 January 2015.

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	495,497	1,711,767	2,207,264
Unsecured	26,959	-	26,959
	<u>522,456</u>	<u>1,711,767</u>	<u>2,234,223</u>

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

	Foreign Currency	RM'000
- Ringgit Malaysia	'000	129,042
- US Dollar	532,500	1,822,650
- Hong Kong Dollar	635,250	282,531
		<u>2,234,223</u>

19. Changes in material litigation

There was no material litigation since 30 June 2014.

20. Dividend proposed

- a) i) In respect of the financial year ending 30 June 2015, the Board of Directors is recommending a distribution of share dividend on the basis of one (1) treasury share for every twenty (20) ordinary shares of RM1.00 each held in the Company, fractions of treasury shares to be disregarded;
- ii) Amount per share : Share dividend on the basis of one (1) treasury share for every twenty (20) ordinary shares of RM1.00 each held in the Company;
- iii) Payment date : 26 March 2015; and
- iv) Entitlement date : 13 March 2015.
- b) Total dividend for the current financial period :
- 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; and
 - Proposed distribution of share dividend on the basis of one (1) treasury share for every twenty (20) ordinary shares of RM1.00 each held in the Company, fractions of treasury shares to be disregarded.
- c) Total dividend for the previous financial period (6 months up to 31 December 2013) : Nil

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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit attributable to owners of the parent (RM'000)	110,606	25,586	130,821	56,324
Weighted average number of ordinary shares in issue ('000)	1,080,627	1,076,369	1,072,823	1,078,037
Basic EPS (sen)	10.24	2.38	12.19	5.22

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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit attributable to owners of the parent (RM'000)	110,606	25,586	130,821	56,324
Weighted average number of ordinary shares in issue ('000)	1,080,627	1,076,369	1,072,823	1,078,037
Effect of dilution ('000)	-	-	-	-
	1,080,627	1,076,369	1,072,823	1,078,037
Diluted EPS (sen)	10.24	2.38	12.19	5.22

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	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
a) Interest income	26,306	27,133	50,796	52,493
b) Other income including investment income	86,580	85,101	149,066	159,003
c) Interest expense	(22,017)	(17,895)	(42,536)	(39,560)
d) Depreciation and amortisation	(86,417)	(91,268)	(147,178)	(148,243)
e) Provision for and write off of receivables	(588)	-	(588)	-
f) Provision for and write off of inventories	-	-	-	-
g) Gain/(Loss) on disposal of quoted or unquoted investments or properties	3,550	-	3,550	-
h) Impairment of assets	-	-	-	-
i) Foreign exchange (loss)/gain	(1,005)	957	(1,022)	2,993
j) Gain/(Loss) on derivatives	-	-	-	-
k) Exceptional item : Employee share-based payments	-	-	-	(3,471)

24. Disclosure of realised and unrealised profits/losses

	AS AT	AS AT
	31.12.2014 RM'000	30.6.2014 RM'000
Total retained profits of Parkson Holdings Berhad and its subsidiaries :		
- Realised	179,255	53,623
- Unrealised	19,098	10,354
Total share of retained profits/(accumulated losses) from associates :		
- Realised	60	2,159
- Unrealised	-	(228)
Total share of retained profits from joint ventures :		
- Realised	173	3,184
- Unrealised	681	306
Total Group retained profits	199,267	69,398

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the second quarter ended 31 December 2014

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 31 December 2014

	<u>Proposed</u>	<u>Actual</u>	<u>Intended</u>	<u>Deviation</u>		<u>Explanations</u>
	<u>Utilisation</u>	<u>Utilisation</u>	<u>Timeframe for</u>	<u>Amount</u>	<u>%</u>	
	RM'Million	RM'Million		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	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	71.00	Within 48 months from the date of completion of the Parkson Asia Listing	48.80	-	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>315.76</u>				