



Interim Financial Report
for the Second Quarter Ended
31 December 2015

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PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the second quarter ended 31 December 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Gross sales proceeds		3,303,655	3,161,250	6,199,843	5,787,657
Revenue	7	1,038,268	981,675	1,971,657	1,830,293
Other operating income		83,463	90,130	167,815	152,616
Operating expenses		(1,141,441)	(1,006,262)	(2,184,183)	(1,875,094)
Operating (loss)/profit		(19,710)	65,543	(44,711)	107,815
Finance income		21,213	26,306	43,055	50,796
Finance costs		(30,105)	(22,017)	(60,269)	(42,536)
Share of results of associates		(8,099)	61	(8,081)	123
Share of results of joint ventures		2,064	4,182	4,052	7,930
Gain on partial disposal of a former subsidiary	9(iv)	-	-	136,331	-
Gain on disposal of a property		-	108,868	-	108,868
Impairment of assets		-	(43,685)	-	(43,685)
(Loss)/Profit before tax	23	(34,637)	139,258	70,377	189,311
Income tax expense	16	(23,046)	(31,076)	(41,373)	(51,260)
(Loss)/Profit for the period		(57,683)	108,182	29,004	138,051
(Loss)/Profit for the period attributable to :					
- Owners of the parent		(31,440)	110,606	31,847	130,821
- Non-controlling interests		(26,243)	(2,424)	(2,843)	7,230
		(57,683)	108,182	29,004	138,051
(Loss)/Earnings per share attributable to owners of the parent (sen) :					
- Basic	21	(2.88)	10.24	2.92	12.19
- Diluted	21	(2.88)	10.24	2.92	12.19

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 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 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
(Loss)/Profit for the period	(57,683)	108,182	29,004	138,051
<u>Other comprehensive (loss)/income</u>				
- Foreign currency translation, representing item that may be reclassified subsequently to profit or loss	(236,042)	160,502	229,176	272,530
Total comprehensive (loss)/income for the period	(293,725)	268,684	258,180	410,581
Total comprehensive (loss)/income for the period attributable to :				
- Owners of the parent	(151,850)	201,176	183,009	282,705
- Non-controlling interests	(141,875)	67,508	75,171	127,876
	(293,725)	268,684	258,180	410,581

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 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 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 31.12.2015 RM'000	AS AT 30.6.2015 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,743,364	2,483,081
Investment properties		203,186	204,931
Intangible assets		1,759,331	1,590,732
Land use rights		312,473	288,937
Investments in associates		36,389	1,246
Investments in joint ventures		31,835	39,423
Deferred tax assets		211,661	165,669
Other assets and derivatives		501,534	1,194,530
Investment securities		30,945	30,245
		6,830,718	5,998,794
Current assets			
Inventories		463,407	359,358
Receivables		778,819	633,258
Investment securities		38,602	33,243
Deposits, cash and bank balances		2,702,305	2,785,599
		3,983,133	3,811,458
Disposal group classified as held for sale	9(iv)	-	13,093
		3,983,133	3,824,551
TOTAL ASSETS		10,813,851	9,823,345
EQUITY AND LIABILITIES			
Share capital		1,093,902	1,093,902
Other reserves		1,744,286	1,455,735
Accumulated losses		(27,199)	(37,181)
Equity attributable to owners of the parent		2,810,989	2,512,456
Non-controlling interests		1,697,373	1,639,752
Total equity		4,508,362	4,152,208
Non-current liabilities			
Deferred tax liabilities		165,978	149,581
Loans and borrowings	18	2,295,690	1,873,984
Long term payables		515,488	529,671
		2,977,156	2,553,236
Current liabilities			
Payables and other liabilities		2,785,390	2,437,916
Loans and borrowings	18	507,012	477,350
Tax payables		35,931	5,723
		3,328,333	2,920,989
Liabilities directly associated with disposal group classified as held for sale	9(iv)	-	196,912
		3,328,333	3,117,901
Total liabilities		6,305,489	5,671,137
TOTAL EQUITY AND LIABILITIES		10,813,851	9,823,345
Net assets per share attributable to owners of the parent (RM)		2.59	2.44

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 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 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →					(Accumulated losses)/ retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Other reserves RM'000				
31 December 2015									
At 1 July 2015		1,093,902	3,105,643	(141,885)	(1,508,023)	(37,181)	2,512,456	1,639,752	4,152,208
Total comprehensive income for the period		-	-	-	151,162	31,847	183,009	75,171	258,180
Transfer to capital reserves		-	-	-	892	(892)	-	-	-
Purchase of treasury shares	5	-	-	(8,758)	-	-	(8,758)	-	(8,758)
Purchase and cancellation of treasury shares by a subsidiary		-	-	-	5,215	(20,973)	(15,758)	(29,755)	(45,513)
Loss of control of a subsidiary	9(iv)	-	-	-	1,081	-	1,081	59,071	60,152
Dividend paid - share dividend	6	-	-	138,959	-	-	138,959	-	138,959
Dividends to non-controlling interests		-	-	-	-	-	-	(46,866)	(46,866)
At 31 December 2015		1,093,902	3,105,643	(11,684)	(1,349,673)	(27,199)	2,810,989	1,697,373	4,508,362
31 December 2014									
At 1 July 2014		1,093,902	3,536,816	(166,672)	(1,944,620)	61,119	2,580,545	1,600,719	4,181,264
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		-	-	(117,944)	-	-	(117,944)	-	(117,944)
Dividends paid - share dividend		-	(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)	190,988	2,745,306	1,676,607	4,421,913

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 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 2015

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	31.12.2015 RM'000	31.12.2014 RM'000
OPERATING ACTIVITIES		
Profit before tax	70,377	189,311
Adjustments for :		
Non-cash items	30,760	78,218
Non-operating items	21,244	(16,313)
Operating profit before working capital changes	122,381	251,216
Changes in working capital :		
Net changes in assets	(203,029)	(16,447)
Net changes in liabilities	249,440	459,660
Others (mainly interest and tax paid)	(68,427)	(51,077)
	100,365	643,352
INVESTING ACTIVITIES		
Proceeds from disposal of an associate	-	73,784
Acquisition of investments	(60,451)	(54,417)
Prepayment for acquisition of land and building	(149,251)	(143,339)
Changes in deposits with banks and money market instruments	370,193	(330,092)
Others (mainly purchase of property, plant and equipment)	(219,621)	(144,983)
	(59,130)	(599,047)
FINANCING ACTIVITIES		
Dividends paid to non-controlling interests	(46,866)	(51,988)
Purchase of treasury shares	(38,513)	(160,869)
Loans and borrowings	59,542	336,952
	(25,837)	124,095
Net changes in cash and cash equivalents	15,398	168,400
Effects of changes in exchange rates	90,752	62,653
Cash and cash equivalents at beginning of period	972,267	923,906
Cash and cash equivalents at end of period	1,078,417	1,154,959
Cash and cash equivalents at end of period comprise the following :		
Deposits, cash and bank balances	2,702,305	3,301,608
Less : Bank overdrafts	(50,395)	(26,959)
Less : Deposits with banks with original maturity of more than three months when acquired	(1,573,493)	(2,119,690)
	1,078,417	1,154,959

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2015 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 2015

(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 2015. 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 2015.

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 2015.

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 8,656,800 ordinary shares of its issued ordinary shares from the open market at an average price of RM1.01 per share. The total consideration paid for the repurchase including transaction costs amounting to RM8.76 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 61,839,781 treasury shares were distributed as share dividend on 2 July 2015 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 2015, the number of treasury shares held after deducting the share dividends distributed were 9,958,880 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

On 2 July 2015, a total of 61,839,781 treasury shares were distributed as share dividend in respect of the financial year ended 30 June 2015, 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)	5,208,340	
Less : Cost of concessionaire sales	<u>(4,228,186)</u>	
Commissions from concessionaire sales		980,154
Sales of goods - Direct sales		812,204
Others (including rental income and management service fees)		<u>179,299</u>
		<u>1,971,657</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
Revenue	<u>448,055</u>	<u>1,330,874</u>	<u>54,292</u>	<u>94,321</u>	<u>44,115</u>	<u>1,971,657</u>
Results						
Segment profit/(loss)	29,685	(59,670)	(4,517)	(3,234)	(6,975)	(44,711)
Finance income						43,055
Finance costs						(60,269)
Share of results of associates						(8,081)
Share of results of joint ventures						4,052
Gain on partial disposal of a former subsidiary						136,331
Profit before tax						<u>70,377</u>
Total assets	<u>819,036</u>	<u>8,848,779</u>	<u>196,275</u>	<u>231,515</u>	<u>718,246</u>	<u>10,813,851</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) Acquisition by Grand Parkson Retail Group Limited, a wholly-owned subsidiary of Parkson Retail Group Limited which is in turn a 53.9% owned subsidiary of the Company, of 70% equity interest in YeeHaw Best Practices Sdn Bhd (formerly known as Brilliant Podium Sdn Bhd), the beneficial owner of the entire equity interest in Codecg Sdn Bhd.
- ii) Disposal of 100% equity interest in The Library Gastropub VII Sdn Bhd and 100% equity interest in Taste of The World Sdn Bhd together with its wholly-owned subsidiary, The Geographic Adventure Sdn Bhd by AUM Hospitality Sdn Bhd, a 60% owned subsidiary of the Company.
- iii) Acquisition by Parkson Corporation Sdn Bhd ("Parkson Corporation"), a wholly-owned subsidiary of Parkson Retail Asia Limited ("PRA") which is in turn a 67.6% owned subsidiary of the Company, of 100% equity interest in Bold Paramount Sdn Bhd (now known as Parkson Unlimited Beauty Sdn Bhd) and Perfect Gatelink Sdn Bhd.
- iv) Disposal of approximately 30% equity interest in Parkson Hanoi Co Ltd ("Parkson Hanoi") by Parkson Vietnam Co Ltd, a wholly-owned subsidiary of PRA. Consequent thereupon, Parkson Hanoi ceased to be a subsidiary and became an associate of PRA and the Company.
- v) Incorporation of Parkson Trading (Vietnam) Company Limited in Vietnam by Parkson Corporation.
- vi) Acquisition by Parkson Corporation of 100% equity interest in Solid Gatelink Sdn Bhd.

10. Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since 30 June 2015.

11. Performance review

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
<u>Revenue</u>				
Retailing :				
- Malaysia	243,135	235,994	448,055	448,231
- China	702,658	631,805	1,330,874	1,189,280
- Vietnam and Myanmar	28,055	32,282	54,292	60,456
- Indonesia	47,750	39,258	94,321	80,559
	1,021,598	939,339	1,927,542	1,778,526
Property and others	16,670	42,336	44,115	51,767
	1,038,268	981,675	1,971,657	1,830,293
<u>Segment profit/(loss)</u>				
Retailing :				
- Malaysia	18,750	36,940	29,685	63,752
- China	(26,996)	32,648	(59,670)	48,929
- Vietnam and Myanmar	(1,516)	(7,847)	(4,517)	(10,975)
- Indonesia	(2,703)	(1,905)	(3,234)	(1,599)
	(12,465)	59,836	(37,736)	100,107
Property and others	(7,245)	5,707	(6,975)	7,708
	(19,710)	65,543	(44,711)	107,815

11. Performance review (Cont'd.)

For the first half of the financial year, the Group's **Retailing** Division registered a revenue growth of 8% to RM1,928 million and reported an operating loss of RM38 million. Performance in each location were as follows :

- Malaysia

Our Malaysia Parkson operations encountered headwinds due to subdued consumer sentiments following the implementation of the Goods and Services Tax ("GST") and the weakening of the local currency and commodity prices. Accordingly, revenue remained at RM448 million with lower operating profit of RM30 million for the 6 months ended 31 December 2015.

- China

Weak consumer sentiments and the increasing competitive landscape of the retail sector in China have led to negative same store sales ("SSS") growth. Stronger Renminbi has resulted in the higher revenue presented in Ringgit Malaysia.

Parkson China reported an operating loss of RM60 million for the 6 months ended 31 December 2015 due to the decreasing margins and costs incurred by new business ventures and new stores during their ramp-up period.

- Vietnam and Myanmar

Parkson Vietnam reported a negative SSS growth of 2% for the current financial year-to-date due to continued weak discretionary spending and stiff competition. Higher operating loss for the 3 months and year-to-date ended 31 December 2014 was mainly due to the provision for closure of a store in Hanoi of about RM6 million.

Contribution of the Myanmar flagship store remained negligible to the Group.

- Indonesia

SSS growth of our Indonesia operations remained strong at 6% for the 6 months ended 31 December 2015, riding on its strong consumption pattern supported by growth in the middle class and young population.

Revenue for the **Property and Others** Division was mainly contributed by the food and beverage businesses. Performance in the same period of the preceding year comprised mainly the rental income from a shopping mall which was disposed of in January 2015.

12. Comment on material change in profit before tax

	<u>Revenue</u> RM'000	<u>Operating Loss</u> RM'000	<u>(Loss)/Profit Before Tax</u> RM'000
Current quarter (31 December 2015)	1,038,268	(19,710)	(34,637)
Immediate preceding quarter (30 September 2015)	933,389	(25,001)	105,014

The Group's revenue increased by 11% to RM1,038.3 million and a lower operating loss of RM19.7 million was recorded in the current quarter. These were mainly due to higher consumer spending during the year-end festivities and holiday seasons across our major retailing regions.

Included in the profit before tax in the immediate preceding quarter was gain on partial disposal of a former subsidiary amounting to RM136 million.

13. a) Prospects

While market sentiment is expected to remain challenging, the Group's Retailing Division is anticipated to record a satisfactory performance in the coming quarter in view of the higher consumer spending during the Chinese New Year festivities.

To ride through the current challenges and maximise all opportunities, the Group is systematically deploying several transformation strategies which include, among others, (i) fostering close business partnerships with leading sector players; (ii) expanding brand and merchandise offerings; and (iii) embracing digital integration to enhance the business operations.

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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Income tax expense comprises :				
Current year income tax :				
- Arising in Malaysia	4,991	16,742	12,826	27,139
- Arising outside Malaysia	18,055	14,334	28,547	24,121
	23,046	31,076	41,373	51,260

Excluding the gain on partial disposal of a former subsidiary, 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	426,617	2,232,510	2,659,127
Unsecured	80,395	63,180	143,575
	<u>507,012</u>	<u>2,295,690</u>	<u>2,802,702</u>

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

	Foreign Currency	RM'000
- Ringgit Malaysia	'000	84,037
- US Dollar	-	2,389,434
- Hong Kong Dollar	560,000	329,231
	594,827	<u>2,802,702</u>

19. Changes in material litigation

There was no material changes in the material litigations since 30 June 2015 other than the following :

On 25 December 2015, the Second Intermediate Court of Beijing (the "Court") delivered a ruling rejecting the application by Parkson Retail Development Co Ltd ("PRD") (the "Tenant"), a wholly-owned subsidiary of Parkson Retail Group Limited which is in turn a 53.9% owned subsidiary of the Company, for the revocation of the arbitral award dated 25 March 2015 (the "Arbitral Award") made in favour of the landlord of part of the premises situated at Metro City Shopping Plaza, which is an independent third party (the "Landlord") and ordered the Tenant to, among other things, pay to the Landlord the rental and the arbitration fee as described in the Arbitral Award. The ruling given by the Court is final and no further appeal can be made by either the Landlord or the Tenant under the PRC law. As a result of the ruling of the Court, the Tenant must, among other things pay the rental and the arbitration fee amounting to a total of approximately RMB141 million (equivalent to approximately RM93 million). This amount had been provided for in the financial year ended 30 June 2015.

20. Dividend proposed

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

21. (Loss)/Earnings per share ("EPS")**Basic**

Basic EPS is calculated by dividing the (loss)/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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
(Loss)/Profit attributable to owners of the parent (RM'000)	(31,440)	110,606	31,847	130,821
Weighted average number of ordinary shares in issue ('000)	1,091,147	1,080,627	1,091,537	1,072,823
Basic EPS (sen)	(2.88)	10.24	2.92	12.19

Diluted

For the purpose of calculating diluted EPS, the (loss)/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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
(Loss)/Profit attributable to owners of the parent (RM'000)	(31,440)	110,606	31,847	130,821
Weighted average number of ordinary shares in issue ('000)	1,091,147	1,080,627	1,091,537	1,072,823
Effect of dilution ('000)	-	-	-	-
	1,091,147	1,080,627	1,091,537	1,072,823
Diluted EPS (sen)	(2.88)	10.24	2.92	12.19

22. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2015 was not qualified.

23. (Loss)/Profit before tax

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
a) Interest income	21,213	26,306	43,055	50,796
b) Other income including investment income	85,226	86,580	167,783	149,066
c) Interest expense	(30,105)	(22,017)	(60,269)	(42,536)
d) Depreciation and amortisation	(75,266)	(86,417)	(167,091)	(147,178)
e) Provision for and write off of receivables	(231)	(588)	(410)	(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 gain/(loss)	(1,763)	(1,005)	32	(1,022)
j) Gain/(Loss) on derivatives	-	-	-	-
k) Exceptional item	-	-	-	-

24. Disclosure of realised and unrealised profits/losses

	AS AT 31.12.2015	AS AT 30.6.2015
	RM'000	RM'000
Total (accumulated losses)/retained profits of Parkson Holdings Berhad and its subsidiaries :		
- Realised	(73,751)	(79,204)
- Unrealised	58,058	39,820
Total share of (accumulated losses)/retained profits from associates :		
- Realised	(8,024)	52
- Unrealised	-	-
Total share of retained profits/(accumulated losses) from joint ventures :		
- Realised	(4,067)	1,574
- Unrealised	585	577
Total Group accumulated losses	(27,199)	(37,181)

PARKSON HOLDINGS BERHAD (89194-P)

(Incorporated in Malaysia)

Interim financial report for the second quarter ended 31 December 2015

(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

17. b) Status of utilisation of proceeds as at 31 December 2015

	<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	119.80	Within 48 months from the date of completion of the Parkson Asia Listing	-	-	-
▶ Investment in information technology	12.20	12.20		-	-	-
▶ Investment in business opportunities in Sri Lanka and Myanmar	36.84	36.84		-	-	-
▶ 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>367.48</u>				