



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter ended 30 September 2013

| | CURRENT QUARTER | | CUMULATIVE QUARTER | |
|--|--|------------------------|--|------------------------|
| | <i>3 months ended 30 September</i> | | <i>9 months ended 30 September</i> | |
| | 2013 RM'000 | 2012 RM'000 | 2013 RM'000 | 2012 RM'000 |
| <i>In thousand of RM</i> | | | | |
| Continuing operations | | | | |
| Revenue | 130,118 | 152,241 | 405,571 | 443,156 |
| Cost of sales | (100,292) | (120,401) | (316,445) | (351,303) |
| Gross profit | 29,826 | 31,840 | 89,126 | 91,853 |
| Other income | 419 | 259 | 1,062 | 510 |
| Administrative expenses | (3,461) | (2,941) | (9,750) | (9,994) |
| Results from operating activities | 26,784 | 29,158 | 80,438 | 82,369 |
| Finance income | 1,273 | 1,356 | 4,196 | 4,607 |
| Finance expense | (76) | (128) | (332) | (448) |
| Net finance income | 1,197 | 1,228 | 3,864 | 4,159 |
| Profit before tax | 27,981 | 30,386 | 84,302 | 86,528 |
| Income tax expense | (7,148) | (7,659) | (21,339) | (21,741) |
| Profit for the period | 20,833 | 22,727 | 62,963 | 64,787 |
| Other comprehensive income, net of tax | - | - | - | - |
| Total comprehensive income for the period | 20,833 | 22,727 | 62,963 | 64,787 |
| Profit attributable to: | | | | |
| Owners of the Company | 20,833 | 22,727 | 62,963 | 64,785 |
| Non-controlling interests | - | - | - | 2 |
| Profit for the period | 20,833 | 22,727 | 62,963 | 64,787 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 20,833 | 22,727 | 62,963 | 64,785 |
| Non-controlling interests | - | - | - | 2 |
| Total comprehensive income for the period | 20,833 | 22,727 | 62,963 | 64,787 |
| Earnings per share from continuing operations | | | | |
| Basic earnings per ordinary share (sen) | 3.77 | 4.08 | 11.38 | 11.69 |

The notes set out on pages 5 to 10 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 September 2013

In thousand of RM

| | 30 September 2013 RM'000 | 31 December 2012 RM'000 |
|---|---|--|
| ASSETS | | |
| Property, plant and equipment | 120,712 | 113,906 |
| Investment properties | 4,680 | 4,565 |
| Land held for property development | 167,989 | 154,738 |
| Total non-current assets | 293,381 | 273,209 |
| Inventories | 15,075 | 17,034 |
| Property development costs | 40,429 | 38,313 |
| Trade and other receivables | 234,998 | 221,521 |
| Deposits and other assets | 16,391 | 8,161 |
| Cash and bank balances | 157,270 | 198,769 |
| Total current assets | 464,163 | 483,798 |
| TOTAL ASSETS | 757,544 | 757,007 |
| EQUITY | | |
| Share capital | 116,535 | 116,535 |
| Capital redemption reserves | 2,165 | 2,165 |
| Retained earnings | 439,058 | 386,901 |
| Treasury shares | (36,056) | (25,672) |
| Total equity attributable to owners of the Company | 521,702 | 479,929 |
| Non-controlling interests | - | - |
| TOTAL EQUITY | 521,702 | 479,929 |
| LIABILITIES | | |
| Deferred tax liabilities | 15,762 | 15,517 |
| Total non-current liabilities | 15,762 | 15,517 |
| Trade and other payables | 214,704 | 253,606 |
| Current tax payables | 5,376 | 7,955 |
| Total current liabilities | 220,080 | 261,561 |
| TOTAL LIABILITIES | 235,842 | 277,078 |
| TOTAL EQUITY AND LIABILITIES | 757,544 | 757,007 |
| Net Assets Per Share Attributable to Ordinary Equity Owners (RM) | 0.95 | 0.86 |

The notes set out on pages 5 to 10 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the period ended 30 September 2013

| <i>In thousand of RM</i> | Period ended 30 September | |
|---|---------------------------|-----------------|
| | 2013 RM'000 | 2012 RM'000 |
| Cash flows from operating activities | | |
| Profit before taxation from continuing operations | 84,302 | 86,528 |
| <i>Adjustments for:-</i> | | |
| Non-cash items | 6,967 | 6,347 |
| Non-operating items | (4,337) | (4,255) |
| Operating profit before changes in working capital | 86,932 | 88,620 |
| Change in Inventories | 1,958 | (2,990) |
| Change in property development costs | (1,163) | (5,813) |
| Change in receivables, deposits and other financial assets | (21,395) | (14,227) |
| Change in payables | (39,243) | (7,334) |
| Cash generated from operations | 27,089 | 58,256 |
| Income taxes paid | (23,672) | (21,575) |
| Net cash from operating activities | 3,417 | 36,681 |
| Cash flows from investing activities | | |
| Acquisition of property, plant & equipment | (13,926) | (7,395) |
| Proceeds from disposal of property, plant & equipment | 686 | 510 |
| Acquisition of investment property | (179) | (1,379) |
| Land held for property development | (14,191) | (25,960) |
| Interest received | 3,884 | 4,002 |
| Acquisition of shares in a subsidiary from non-controlling interest | - | (200) |
| Net cash used in investing activities | (23,726) | (30,422) |
| Cash flows from financing activities | | |
| Purchase of treasury shares | (10,384) | (3,207) |
| Dividend paid to owners of the Company | (10,806) | (10,043) |
| Net cash used in financing activities | (21,190) | (13,250) |
| Net decrease in cash and cash equivalents | (41,499) | (6,991) |
| Cash and cash equivalents at 1 January 2013 / 1 January 2012 | 198,769 | 183,720 |
| Cash and cash equivalents at 30 September 2013 / 30 September 2012 | 157,270 | 176,729 |

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statements of cash flows comprise:

| <i>In thousand of RM</i> | Period ended 30 September | |
|-------------------------------------|---------------------------|----------------|
| | 2013 RM'000 | 2012 RM'000 |
| Cash and bank balances | 41,794 | 20,924 |
| Deposits with licensed banks | 115,476 | 155,805 |
| | 157,270 | 176,729 |

The notes set out on pages 5 to 10 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 30 September 2013

| | -----Attributable to owners of the Company----- | | | | | | NON-CONTROLLING INTEREST RM'000 | TOTAL EQUITY RM'000 |
|---|---|--------------------------------------|---------------------------|-----------------------------|-----------------|-----------------|------------------------------------|------------------------|
| | -----Non-distributable----- | | -----Distributable----- | | | TOTAL RM'000 | | |
| | SHARE CAPITAL RM'000 | CAPITAL REDEMPTION RESERVE RM'000 | TREASURY SHARES RM'000 | RETAINED EARNINGS RM'000 | TOTAL RM'000 | | | |
| <i>In thousand of RM</i> | | | | | | | | |
| Period ended 30 September 2013 | | | | | | | | |
| At 1 January 2013 | 116,535 | 2,165 | (25,672) | 386,901 | 479,929 | - | 479,929 | |
| Profit and total comprehensive income for the period | - | - | - | 62,963 | 62,963 | - | 62,963 | |
| Dividends to owners | | | | | | | | |
| - 2012 final | - | - | - | (8,312) | (8,312) | - | (8,312) | |
| - 2012 special | - | - | - | (2,494) | (2,494) | - | (2,494) | |
| Treasury shares, at cost | - | - | (10,384) | - | (10,384) | - | (10,384) | |
| At 30 September 2013 | 116,535 | 2,165 | (36,056) | 439,058 | 521,702 | - | 521,702 | |
| Period ended 30 September 2012 | | | | | | | | |
| At 1 January 2012 | 116,535 | 2,165 | (31,672) | 322,222 | 409,250 | 206 | 409,456 | |
| Profit and total comprehensive income for the period | - | - | - | 64,785 | 64,785 | 2 | 64,787 | |
| Dividends to owners | | | | | | | | |
| - 2011 final | - | - | - | (7,533) | (7,533) | - | (7,533) | |
| - 2011 special | - | - | - | (2,511) | (2,511) | - | (2,511) | |
| Treasury shares, at cost | - | - | (3,207) | - | (3,207) | - | (3,207) | |
| Share Dividends | - | - | 10,131 | (10,131) | - | - | - | |
| Acquisition of shares in a subsidiary from non-controlling interest | - | - | - | 8 | 8 | (208) | (200) | |
| At 30 September 2012 | 116,535 | 2,165 | (24,748) | 366,840 | 460,792 | - | 460,792 | |

The notes set out on pages 5 to 10 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

NOTES TO THE INTERIM FINANCIAL REPORT

For the quarter ended 30 September 2013

1. Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Financial Reporting Standard (FRS) 134, Interim Financial Reporting. They do not include all the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012.

2. Significant accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies applied in the 2012 financial statements except for the adoption of the new and revised FRSs, IC Interpretations and Amendments that are applicable to the Group for the financial period beginning 1 January 2013. The adoption of these FRSs, interpretations and amendments does not have any material impact on the financial statements of the Group.

MASB, in furtherance with its objective of converging the accounting framework for entities other than private entities in Malaysia with International Financial Reporting Standard (IFRS), announced on 19 November 2011 the issuance of Malaysian Financial Reporting Standards (MFRSs). Entities other than private entities shall apply the MFRSs framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141, Agriculture and/or IC Interpretation 15, Agreements for the Construction of Real Estate, including its parent, significant investor and venturer ("Transitioning Entities"). Transitioning Entities were allowed to defer adoption of the MFRSs. On 7 August 2013, MASB announced its decision to allow Transitioning Entities to defer the adoption of the MFRS framework to annual period beginning on or after 1 January 2015. As such, the Group plans to adopt the MFRS framework for annual periods beginning on or after 1 January 2015.

3. Seasonality and Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factors except that the level of construction activities in the first quarter of the year and during rainy season is generally lower.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial year to date.

5. Changes in estimates

There were no changes in estimates reported in prior financial years that have a material effect in the current interim period.

6. Debt and Equity Securities etc

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

Share Buy Back

During the current quarter under review, the Company repurchased 3,607,600 of its own shares from the open market at an average price of RM2.021 per share. The shares repurchased are retained as treasury shares and carried at cost.

As at 30 September 2013, the number of treasury shares held were 32,151,081 shares at a total cost of RM36,056,064 and all the repurchase transactions were financed by internally generated funds. None of the shares purchased back was resold or cancelled during the quarter under review.

7. Operating Segment

The Group has two reportable segments, as described below, which are the Group's strategic units.

| | |
|----------------------|--|
| Construction | Marine and civil engineering works and construction |
| Property development | Development of residential and commercial properties |



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

| | Construction | Property Development | Other non-Reportable segment | Inter-Segment elimination | Total |
|--|---------------|----------------------|------------------------------|---------------------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| For the period ended 30 September 2013 | | | | | |
| <i>In thousand of RM</i> | | | | | |
| Segment profit | | | | | |
| <i>Revenue from external customers</i> | 366,826 | 38,745 | - | - | 405,571 |
| <i>Segment profit before tax, interest, depreciation and other material non-cash items</i> | 73,400 | 13,900 | (3) | 24 | 87,321 |
| <i>Depreciation</i> | (6,798) | (21) | (64) | - | (6,883) |
| <i>Interest income from bank balances</i> | 3,648 | 236 | 52 | - | 3,936 |
| <i>Interest income from other financial assets</i> | 260 | - | - | - | 260 |
| <i>Interest expense on other financial liabilities</i> | (332) | - | - | - | (332) |
| Segment profit before tax | 70,178 | 14,115 | (15) | 24 | 84,302 |
| <i>Income tax expense</i> | | | | | (21,339) |
| Profit for the period | | | | | 62,963 |

| | | | | | |
|-----------------------|---------|---------|--------|-------|---------|
| Segment assets | 481,074 | 260,733 | 16,049 | (312) | 757,544 |
|-----------------------|---------|---------|--------|-------|---------|

| | | | | | |
|----------------------------|---------|--------|-----|------|---------|
| Segment liabilities | 215,961 | 19,790 | 169 | (78) | 235,842 |
|----------------------------|---------|--------|-----|------|---------|

| | Construction | Property Development | Other non-Reportable segment | Inter-Segment elimination | Total |
|--|---------------|----------------------|------------------------------|---------------------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| For the period ended 30 September 2012 | | | | | |
| <i>In thousand of RM</i> | | | | | |
| Segment profit | | | | | |
| <i>Revenue from external customers</i> | 422,713 | 20,443 | - | - | 443,156 |
| <i>Segment profit before tax, interest, depreciation and other material non-cash items</i> | 82,901 | 5,901 | (4) | 7 | 88,805 |
| <i>Depreciation</i> | (6,394) | (42) | - | - | (6,436) |
| <i>Interest income from bank balances</i> | 3,765 | 261 | 33 | - | 4,059 |
| <i>Interest income from other financial assets</i> | 548 | - | - | - | 548 |
| <i>Interest expense on other financial liabilities</i> | (448) | - | - | - | (448) |
| Segment profit before tax | 80,372 | 6,120 | 29 | 7 | 86,528 |
| <i>Income tax expense</i> | | | | | (21,741) |
| Profit for the period | | | | | 64,787 |

| | | | | | |
|-----------------------|---------|---------|--------|-------|---------|
| Segment assets | 512,718 | 203,462 | 11,920 | (343) | 727,757 |
|-----------------------|---------|---------|--------|-------|---------|

| | | | | | |
|----------------------------|---------|--------|---|------|---------|
| Segment liabilities | 244,056 | 22,991 | 3 | (85) | 266,965 |
|----------------------------|---------|--------|---|------|---------|

The activities of the Group are carried out in Malaysia and as such, segmental reporting by geographical locations is not presented.

8. Dividend Paid

There was no dividend paid during the quarter ended 30 September 2013.

9. Subsequent Material Events

There was no material events subsequent to the end of the period reported on till the date of this quarterly report.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

11. Contingent Liabilities

There were no contingent liabilities in respect of the Group that have arisen since 30 September 2013 till the date of this quarterly report.



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

12. Property, plant and equipments

The acquisitions and disposals of property, plant and equipments for the period ended 30 September 2013 were as follows:-

| <i>In thousand of RM</i> | <u>9 months ended 30 September</u> | |
|---|------------------------------------|---------------|
| | 2013 | 2012 |
| | RM'000 | RM'000 |
| Acquisitions of property, plant and equipments, at cost | 13,926 | 7,395 |
| Disposals of property, plant and equipments, at carrying amount | <u>289</u> | <u>317</u> |

13. Commitment

The amount of commitment not provided for in the interim financial report as at 30 September 2013 were as follows:-

| <i>In thousand of RM</i> | <u>As at 30 September</u> | |
|--|---------------------------|---------------|
| | 2013 | 2012 |
| | RM'000 | RM'000 |
| Acquisition of property, plant and equipment | | |
| Approved and contracted for | 719 | 1,731 |
| Approved but not contracted for | <u>75,400</u> | <u>400</u> |
| | <u>76,119</u> | <u>2,131</u> |

14. Recurrent Related Party Transactions

The aggregate gross value of significant recurrent related party transactions for the period ended 30 September 2013 were as follows:-

| <i>In thousand of RM</i> | <u>9 months ended 30 September</u> | |
|---|------------------------------------|---------------|
| | 2013 | 2012 |
| | RM'000 | RM'000 |
| Aggregate gross value of significant recurrent related party transactions | <u>42,808</u> | <u>38,211</u> |

The significant related party transactions comprise transactions with companies controlled by or connected to certain substantial shareholders and/or Directors of the Company, namely:

- i) Yii Chi Hau, Yu Chee Hoe and Yii Chee Sing (Yu/Yii Brothers);
- ii) Lau Kiing Kang and Lau Kiing Yiing (brothers-in-law of the Yu/Yii Brothers); and
- iii) Estate of the Late Yu Chee Lieng.

The above transactions have been entered into in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public.

15. Key Management Personnel Compensation

| <i>In thousand of RM</i> | <u>9 months ended 30 September</u> | |
|---|------------------------------------|---------------|
| | 2013 | 2012 |
| | RM'000 | RM'000 |
| Directors' compensation | 2,321 | 2,334 |
| Other key management personnel compensation | <u>2,532</u> | <u>2,431</u> |



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA’S LISTING REQUIREMENTS

For the quarter ended 30 September 2013

16. Review of Performance

The Group derives revenue from construction and property development activities.

Revenue for the quarter under review is RM130.12 million compared to the preceding year corresponding quarter’s figure of RM152.24 million, a decrease of RM22.12 million (14%). The variance was mainly a timing issue, due to lower revenue from Construction segment as several major projects were at their final stages or start-up phases. The construction segment contributed RM119.0 million (91%) whilst the property development segment registered a contribution of RM11.1 million (9%) to Group’s revenue during the quarter.

Net profit before tax of the Group for the current quarter is RM27.98 million compared to RM30.39 million for the preceding year’s corresponding quarter, a decrease of RM2.41 million (8%).

17. Variation of Results against Immediate Preceding Quarter

The net profit before tax of the Group for the current quarter is RM27.98 million compared to RM30.24 million for the immediate preceding quarter on the back of the Group’s revenue of RM130.12 million and RM140.37 million respectively.

18. Current Year Prospects

The Group will continue to pursue projects that draw on its core strengths in infrastructure works especially those requiring marine engineering aspects. SCORE (Sarawak Corridor of Renewable Energy) which is a key driver of the Sarawak economy remains a significant source of projects for HSL. Meanwhile, the government’s efforts to improve the State’s infrastructure and amenities available to the rural communities are initiatives which generate further opportunities for the Group. HSL’s property development sector has launched a few residential developments in 2013 and has lined up other residential, commercial and industrial development for new launching.

19. Actual profit vs forecast profit / Profit guarantee

This note is not applicable, as no profit forecast was published and the Group is not required to give any profit guarantee.

20. Income Tax Expense

| | Individual Quarter | | Cumulative Quarter | |
|----------------------------------|--------------------|--------------|--------------------|---------------|
| | 3 months ended | | 9 months ended | |
| | 30 September | | 30 September | |
| | 2013 | 2012 | 2013 | 2012 |
| <i>In thousand of RM</i> | RM'000 | RM'000 | RM'000 | RM'000 |
| Current Tax Expense - Malaysian | | | | |
| Current quarter/period | 6,991 | 7,796 | 21,110 | 21,781 |
| Over provision in prior year | - | - | (16) | (85) |
| Deferred Tax Expense - Malaysian | | | | |
| Current quarter/period | 157 | (137) | 229 | 45 |
| Under provision in prior year | - | - | 16 | - |
| Income tax expense | 7,148 | 7,659 | 21,339 | 21,741 |

Reconciliation of effective tax expense

| | | | | |
|--------------------------------------|--------------|--------------|---------------|---------------|
| Profit for the quarter/period | 20,833 | 22,727 | 62,963 | 64,787 |
| Total income tax expense | 7,148 | 7,659 | 21,339 | 21,741 |
| Profit before taxation | 27,981 | 30,386 | 84,302 | 86,528 |
| Income tax using Malaysian tax rates | 6,995 | 7,597 | 21,075 | 21,632 |
| Non-deductible expenses | 153 | 62 | 264 | 194 |
| Over provision in prior year | - | - | - | (85) |
| Income tax expense | 7,148 | 7,659 | 21,339 | 21,741 |



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

21. Status of Corporate Proposals

There was no corporate proposal announced but not completed at the date of this quarterly report.

22. Group Borrowings and Debt Securities

There were no borrowings and debt securities outstanding as at the end of the reporting period.

23. Material Litigation

There was no material litigation pending since 30 September 2013 till the date of this quarterly report.

24. Dividend

The first interim ordinary dividend of 8% per share less tax at 25% totaling RM6,606,300 for the year ending 31 December 2013 has been paid to the shareholders on 8 October 2013.

25. Earnings Per Share

| | Individual Quarter | | Cumulative Quarter | |
|--|--------------------------------|---------|--------------------------------|---------|
| | 3 months ended 30 September | | 9 months ended 30 September | |
| | 2013 | 2012 | 2013 | 2012 |
| Net profit attributable to ordinary owners of the Company (RM'000) | 20,833 | 22,727 | 62,963 | 64,785 |
| Weighted average number of ordinary shares ('000) | 552,630 | 557,390 | 553,156 | 553,997 |
| Basic earnings per share (sen) | 3.77 | 4.08 | 11.38 | 11.69 |

26. Profit before tax

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

| | Individual Quarter | | Cumulative Quarter | |
|--|--------------------------------|----------------|--------------------------------|----------------|
| | 3 months ended 30 September | | 9 months ended 30 September | |
| <i>In thousand of RM</i> | 2013 RM,000 | 2012 RM,000 | 2013 RM,000 | 2012 RM,000 |
| Interest income from bank balances | 1,215 | 1,249 | 3,935 | 4,059 |
| Interest income from other financial assets | 58 | 107 | 260 | 548 |
| Other income including investment income | 65 | 87 | 196 | 212 |
| Interest expense on other financial liabilities | 76 | 128 | 332 | 448 |
| Depreciation and amortization | 2,359 | 2,160 | 6,883 | 6,432 |
| Provision for and write off of receivables | - | - | - | - |
| Provision for and write off of inventories | - | - | - | - |
| Gain/(loss) on disposal of properties, plant and equipment | 193 | 128 | 530 | 211 |
| Gain/(loss) on disposal of investments | - | - | - | - |
| Impairment/(Reversal of impairment) of financial assets | 6 | - | (11) | - |
| Foreign exchange gain/(loss) | 12 | 12 | 51 | 40 |
| Gain/(loss) on derivatives | - | - | - | - |
| Exceptional item | - | - | - | - |

27. Derivative Financial Instruments

There were no derivative financial instruments as at 30 September 2013.

28. Gains/Losses arising from fair value changes of financial liabilities

There were no gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 30 September 2013.



QUARTERLY REPORT – Third Quarter Ended 30 September 2013

29. Disclosure of realised and unrealised profits

The breakdown of the retained earnings of the Group into realised and unrealised profits or losses, pursuant to the directive of Bursa Securities Malaysia Berhad, is as follows:

| <i>In thousand of RM</i> | As at 30 September 2013 | As at 30 September 2012 |
|--|--|--|
| | RM'000 | RM'000 |
| Total retained earnings of the Company and its subsidiaries | | |
| - Realised | 456,016 | 383,243 |
| - Unrealised | (16,646) | (16,060) |
| | 439,370 | 367,183 |
| Less : Consolidation adjustments | (312) | (343) |
| Total retained earnings as per consolidated financial statements | 439,058 | 366,840 |

The determination of realised and unrealised profits is complied based on *Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants.

30. Audit Report

The auditors have expressed an unqualified opinion on the Group's and Company's statutory financial statements for the year ended 31 December 2012 in their report dated 27 February 2013.

31. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 November 2013.

Issue Date: 28 November 2013