

PADIBERAS NASIONAL BERHAD
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2013

	Individual Quarter		Cumulative Year To Date	
	3 months ended		6 months ended	
	30/06/2013	30/06/2012	30/06/2013	30/06/2012
	RM'000	RM'000	RM'000	RM'000
Revenue	879,898	937,574	1,774,612	1,831,362
Other income	6,657	5,126	10,671	9,432
Changes in inventory of finished goods and work in progress	16,477	(219,544)	(35,714)	127,500
Raw materials and consumables	(722,486)	(567,647)	(1,392,005)	(1,640,012)
Staff costs	(46,252)	(39,028)	(89,224)	(77,390)
Depreciation of property, plant and equipment	(8,310)	(8,001)	(16,402)	(16,574)
Other operating expenses	(73,649)	(56,397)	(138,630)	(121,852)
Finance costs	(15,060)	(14,711)	(29,535)	(29,398)
Share of profit of associates	4,227	5,891	6,693	9,829
Profit before tax	41,502	43,263	90,466	92,897
Income tax expense	(15,491)	(16,570)	(29,031)	(26,642)
Profit for the period	26,011	26,693	61,435	66,255
Attributable to :				
Equity holders of the parent	25,242	25,122	58,476	62,702
Non-controlling interests	769	1,571	2,959	3,553
	26,011	26,693	61,435	66,255
Earnings per share (sen)				
(i) Basic (based on 470,402,000 ordinary shares (2011: 470,402,000 ordinary shares) (sen))	5.37	5.34	12.43	13.33

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PADIBERAS NASIONAL BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2013

	Individual Quarter		Cumulative Year To Date	
	3 months ended		6 months ended	
	30/06/2013	30/06/2012	30/06/2013	30/06/2012
	RM'000	RM'000	RM'000	RM'000
Profit for the period	26,011	26,693	61,435	66,255
Profit on fair value changes of available-for-sales investments	(9)	(9)	(13)	6
Total comprehensive income for the period	<u>26,002</u>	<u>26,684</u>	<u>61,422</u>	<u>66,261</u>
Attributable to :				
Equity holders of the parent	25,233	25,113	58,463	62,708
Non-controlling interests	769	1,571	2,959	3,553
	<u>26,002</u>	<u>26,684</u>	<u>61,422</u>	<u>66,261</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PADIBERAS NASIONAL BERHAD
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2013

	As at 30/06/2013	As at 31/12/2012
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	468,137	467,118
Investment in associated companies	333,982	327,289
Other investments	44,851	45,655
Intangible assets	36,503	40,139
Deferred tax assets	57,863	55,602
	<u>941,336</u>	<u>935,803</u>
Current assets		
Tax recoverable	1,970	217
Inventories	882,956	918,670
Trade and other receivables	726,073	664,331
Amount owing from associated companies	18,312	28,376
Cash and bank balances	415,347	398,604
	<u>2,044,658</u>	<u>2,010,198</u>
TOTAL ASSETS	<u>2,985,994</u>	<u>2,946,001</u>
Current liabilities		
Retirement benefit obligations	17,773	13,620
Short term borrowings	628,628	590,107
Trade and other payables	167,747	198,098
Amount owing to associated companies	310	310
Dividend payable	-	42,336
Tax payable	33,644	17,942
	<u>848,102</u>	<u>862,413</u>
Net Current Assets	<u>1,196,556</u>	<u>1,147,785</u>
Non-current liabilities		
Retirement benefit obligations	92,060	96,681
Long term borrowings	769,074	771,364
Deferred tax liabilities	19,687	19,152
	<u>880,821</u>	<u>887,197</u>
Total liabilities	<u>1,728,923</u>	<u>1,749,610</u>
Net Assets	<u>1,257,071</u>	<u>1,196,391</u>
Equity attributable to equity holders of the Company		
Share capital	470,402	470,402
Reserves	690,590	632,127
	<u>1,160,992</u>	<u>1,102,529</u>
Non-controlling interests	96,079	93,862
Total equity	<u>1,257,071</u>	<u>1,196,391</u>
TOTAL EQUITY AND LIABILITIES	<u>2,985,994</u>	<u>2,946,001</u>
Net assets per share (RM)	<u>2.47</u>	<u>2.34</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PADIBERAS NASIONAL BERHAD
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2013

	Equity, total RM'000	Equity attributable to holders of the Company, total RM'000	Share capital RM'000	Distributable retained profits RM'000	Non- distributable reserves, total RM'000	<-----Non-distributable reserves----->					Non- controlling interests RM'000
						Share premium RM'000	Capital reserve RM'000	Capital redemption reserve RM'000	AFS reserve RM'000	Foreign exchange reserve RM'000	
At 1 January 2012	1,195,235	1,106,023	470,402	612,674	22,947	7,085	2,864	12,520	(11)	489	89,212
Total comprehensive income for the period	66,261	62,708	-	62,702	6	-	-	-	6	-	3,553
Transactions with owners											
Dividends on ordinary shares	(70,658)	(70,560)	-	(70,560)	-	-	-	-	-	-	(98)
At 30 June 2012	1,190,838	1,098,171	470,402	604,816	22,953	7,085	2,864	12,520	(5)	489	92,667

	Equity, total RM'000	Equity attributable to holders of the Company, total RM'000	Share capital RM'000	Distributable retained profits RM'000	Non- distributable reserves, total RM'000	<-----Non-distributable reserves----->					Non- controlling interests RM'000
						Share premium RM'000	Capital reserve RM'000	Capital redemption reserve RM'000	AFS reserve RM'000	Foreign exchange reserve RM'000	
At 1 January 2013	1,196,391	1,102,529	470,402	609,720	22,407	7,085	2,864	12,520	2	(64)	93,862
Total comprehensive income for the period	61,422	58,463	-	58,476	(13)	-	-	-	(13)	-	2,959
Transactions with owners											
Dividends on ordinary shares	(742)	-	-	-	-	-	-	-	-	-	(742)
At 30 June 2013	1,257,071	1,160,992	470,402	668,196	22,394	7,085	2,864	12,520	(11)	(64)	96,079

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PADIBERAS NASIONAL BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2013

	Quarter ended 30/06/2013 RM '000	Quarter ended 30/06/2012 RM '000
OPERATING ACTIVITIES		
Profit before tax	90,466	92,897
Adjustments for:		
Amortisation of intangible assets	3,636	-
Depreciation of property, plant and equipment	16,402	16,574
Profit on disposal of property, plant and equipment	(147)	(75)
Loss on disposal of other investments	74	-
Property, plant and equipment written off	897	154
Provision/(writeback) for impairment loss on receivables	3,580	(8,669)
Provision for retirement benefits	5,857	3,974
Interest expense	29,100	28,425
Interest income	(5,353)	(3,125)
Share of results from associates	(6,693)	(9,829)
Inventories written down	1,462	-
Loss on disposal of subsidiary	451	-
Unrealised loss in foreign exchange	9,786	8,901
Operating profit before working capital changes	149,518	129,227
Increase in receivables	(58,372)	(34,107)
Decrease/(increase) in inventories	34,252	(127,500)
Decrease in payables	(27,350)	(16,697)
Cash generated from/(used in) operations	98,048	(49,077)
Interest paid	(29,100)	(28,425)
Retirement benefits paid	(6,325)	(4,119)
Income tax paid	(16,596)	(26,490)
Interest income received	5,353	3,125
Net cash generated from/(used in) operating activities	51,380	(104,986)
INVESTING ACTIVITIES		
Addition to other investment	-	(8,300)
Sales of subsidiary, net of cash disposed	(1,262)	-
Dividend received from associates	-	2,105
Purchase of property, plant and equipment	(18,300)	(43,984)
Proceeds from disposal of property, plant and equipment	99	126
Proceeds from disposal of other investment	717	-
Net cash used in investing activities	(18,746)	(50,053)
FINANCING ACTIVITIES		
Drawdown of borrowings	983,023	948,758
Repayment of borrowings	(956,088)	(887,116)
Dividend paid	(42,336)	(52,920)
Net cash (used in)/generated from financing activities	(15,401)	8,722
Net Change in Cash and Cash Equivalents	17,233	(146,317)
Cash and Cash Equivalents at beginning of period	391,526	376,468
Cash and Cash Equivalents at end of period	408,759	230,151
Cash and Cash Equivalents comprise :-		
Cash and bank balances	415,347	233,930
Bank overdrafts	(6,588)	(3,779)
	408,759	230,151

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2013**

1. Basis of preparation

This condensed consolidated interim financial statements (Condensed Report), other than retirement benefit obligations, have been prepared under the historical cost convention. The retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 Employee Benefits.

This condensed report, for the period ended 30 June 2013, have been prepared in accordance with the requirements of MFRS 134 : Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia"). This condensed report also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standard Board. For the periods up to and including the year ended 31 December 2012, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS").

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012. These explanatory notes attached to these condensed report 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 31 December 2012.

2. Standards issued but not yet effective

MFRS, Amendments to MFRS and IC Interpretation but not yet effective.

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretation were issued but not yet effective and have not been applied by the Group:

Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosures
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Consolidated and Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation-Offsetting Financial Assets and Financial Liabilities

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2012 was unqualified.

4. Comments About Seasonal or Cyclical Factors

The Group's performance for the period under review has not been affected by seasonal or cyclical factors.

5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equities, net income, or cash flows during the second quarter ended 30 June 2013.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

7. Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter.

8. Dividends Paid

There is no dividend paid for the current quarter.

9. Segmental Information

For management purpose, the Group is organised into business based on the products as follows:

- i. Rice
- ii. Non-rice

Management monitors the operating results of its business separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects as explained below, is measured differently from the operating profit or loss in the consolidated financial statements. Group financing (including finance costs), income taxes and segmental reporting on assets and liabilities are managed on a group basis and not allocated to operating segments.

	Rice RM'000	Non-rice RM'000	As Per Consolidated Financial Statements RM'000
For the year ended 30 June 2013			
Revenue:-			
External customers	1,511,581	263,031	1,774,612
Segment profit	(a) 328,688	18,205	346,893
For the year ended 30 June 2012			
Revenue:-			
External customers	1,573,752	257,610	1,831,362
Segment profit	(a) 298,575	20,275	318,850

(a) The following items are added to/(deducted from) segment profit to arrive at "Profit before tax" presented in the consolidated income statement:

	Year ended 30/06/2013 RM'000	Year ended 30/06/2012 RM'000
Other income	10,671	9,432
Staff costs	(89,224)	(77,390)
Depreciation	(16,402)	(16,574)
Other expenses	(138,630)	(121,852)
Finance costs	(29,535)	(29,398)
Share of profit of associates	6,693	9,829
	<u>(256,427)</u>	<u>(225,953)</u>

Geographical information

The activities of the Group substantially relate to the procurement, importing, buying, processing and selling of rice, rice by-products and paddy and were predominantly conducted in Malaysia.

	Revenues for the year ended		Non-current assets as at	
	30/06/2013 RM'000	30/06/2012 RM'000	30/06/2013 RM'000	30/06/2012 RM'000
Peninsular Malaysia	1,356,361	1,410,613	862,099	753,206
East Malaysia	418,251	420,749	79,237	79,994
	<u>1,774,612</u>	<u>1,831,362</u>	<u>941,336</u>	<u>833,200</u>

Non-current assets presented above consist the following items as presented in the consolidated statement of financial position:

	As at 30/06/2013 RM'000	As at 30/06/2012 RM'000
Property, plant and equipment	468,137	420,030
Investment in associates	333,982	328,396
Other investments	44,851	44,768
Intangible assets	36,503	139
Deferred tax assets	57,863	39,867
	<u>941,336</u>	<u>833,200</u>

Information about major customers

The Group's customers are primarily retailers and wholesale distributors.

10. Carrying Amount of Revalued Assets

There are no assets carried at valuation.

11. Significant and Subsequent Events

Unconditional Take-Over Offer Exercise

On 28 February 2013, the Company received a Notice of Unconditional Take-Over Offer ("Offer") from Perspective Lane (M) Sdn Bhd, Kelana Ventures Sdn Bhd, Seaport Terminal (Johore) Sdn Bhd and Acara Kreatif Sdn Bhd ("the Joint Offerors") through Maybank Investment Bank Berhad ("Maybank IB") to acquire all the remaining ordinary shares of RM1.00 each in the Company not already owned by the Joint Offerors and Tradewinds (M) Berhad, being the person acting in concert ("PAC") with the Joint Offerors ("Offer Shares") for a cash offer price of RM3.70 per Offer Share ("Offer").

On 21 March 2013, the Offer documents were despatched by the Joint Offerors to the holder of the Offer Shares for their due consideration.

On 8 April 2013, the Company has received a press notice from Maybank IB, on behalf of the Joint Offerors, on the extension of closing date of acceptance of the Offer from Thursday, 11 April 2013 to Thursday, 25 April 2013 ("Revised Closing Date"). The level of acceptances of the Offer as at 8 April 2013 was 80.23% of the total of issued and paid-up capital of Bernas.

On 22 April 2013, the Company has received another press notice from Maybank IB, on behalf of the Joint Offerors, on the extension of the closing date for acceptance of the Offer has been further extended to Monday, 20 May 2013 ("Final Closing Date"). The level of acceptances of the Offer as at 22 April 2013 was 83.13% of the total of issued and paid-up capital of Bernas.

On the Final Closing Date, the Joint Offerors and the PAC collectively holds 393,566,911 Bernas Shares represents 83.67% of Bernas' issued and paid-up share capital. Accordingly, Bernas does not comply with the public shareholding spread requirement pursuant to Paragraph 8.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") which stipulates that a listed issuer must ensure that at least 25% of its total listed shares are in the hands of public shareholders.

As set out in Section 5 of the Offer Document dated 21 March 2013 relating to the Offer, the Joint Offerors do not intend to maintain the listing status of Bernas if they receive acceptances under the Offer resulting in the Joint Offerors and the PAC holding in aggregate 90% or more of the Bernas Shares. However, if the Joint Offerors receive acceptances under the Offer resulting in them holding in aggregate less than 90% of the Bernas Shares, the Joint Offerors will explore various options or proposals to rectify the shortfall in the public shareholding spread of Bernas within three (3) months from the Closing Date.

In view that the level of acceptances received by the Joint Offerors and the PAC pursuant to the Offer had resulted in the public spread of Bernas being less than 25%, the Joint Offerors will apply to Bursa Securities for acceptance of a lower public shareholding spread or for an extension of time to enable the Joint Offerors to explore various options or proposals to rectify the public spread within 3 months from today, being the Closing Date of the Offer.

On 11 July 2013, the Company had announced that Bursa Securities has granted BERNAS an extension of time until 19 August 2013 to comply with the public shareholding spread requirement pursuant to paragraph 8.02(1) of the MMLR.

On 2 August 2013, the Company has applied to Bursa Securities for a further extension of time of six (6) months up to 19 February 2014 for the Company to comply with the public shareholding spread requirement.

12. Changes in Composition of the Group

There were no changes in the composition of the Group since the date of the previous announcement.

13. Changes in Contingent Liabilities

The Group has no contingent liability or contingent assets as at 31 December 2012, other than the followings:

(a) The Company was served with a Writ of Summons and Statement of Claim dated 5 May 2006 initiated by A Halim Bin Hamzah & 291 others ("the Plaintiffs"). The civil suit is brought by the Plaintiffs against the Company & 24 others ("the Defendants") for, inter alia, the following claims:

- (i) A declaration that the 2000 VSS scheme initiated by the Company is void and of no effect.
- (ii) A declaration that the Defendants had by unlawful means conspired and combined together to defraud or injure the Plaintiffs.
- (iii) Alternatively, a declaration that the Defendants had acted in furtherance of a wrongful conspiracy to injure the Plaintiffs.
- (iv) Damages to be assessed.
- (v) Interest and costs.

In relation to the Suit filed by the Plaintiffs against the Defendants, the Company had filed Summons in Chambers pursuant to Order 12 Rule 7 and/or Order 18 Rule 19 of the Rules of the High Court 1980 ("the Company's Application") for the following:

- (i) That the Writ and Statement of Claim as against the said Defendants be struck out as it discloses no reasonable course of actions, scandalous, frivolous, vexatious and/or is an abuse of process of the Court;
- (ii) That the cost of the said Order to be borne by the Plaintiffs; and
- (iii) Such further or other orders as the Court deemed fit.

On 3 September 2007, the Court has granted Order In Terms for the Company's application to strike out the 21st Defendant with cost payable to the Company but dismissed the Company's application to strike out the 2nd to 12th Defendants. On 3 March 2008, the Court dismissed the Company's application to strike out the 2nd to 12th Defendants from being the party to the suit. The Company's solicitors had on 17 April 2008, filed Statements of Defence for 2nd to 12th Defendants. The matter went for hearing from 13th to 16th March 2012. The matter came up for decision on 30th April 2012 and the Learned High Court Judge dismissed the Plaintiffs' claim with no order as to cost. The Plaintiffs' had on 29 May 2012 filed Notice of Appeal to the Court of Appeal against the High Court's decision in dismissing their claims against the Company. No hearing date has been fixed by the Court.

No provision was made in the financial statements of the Group and of the Company as at 30 June 2013 for the matters set out in Notes (a) above as the Board, after due consultation with the Company's solicitors, believe that the Company has a reasonable prospect of success against the Plaintiffs' claim.

14. Capital Commitments

	As at 30/06/2013 RM'000	As at 30/06/2012 RM'000
Capital expenditure approved and contracted for:		
Property, plant and equipment	94,861	113,969
Capital expenditure approved but not contracted for:		
Property, plant and equipment	140,000	41,816
Investment	55,000	50,000
	<u>195,000</u>	<u>91,816</u>
Share of capital commitments of associated companies:		
Approved and contracted for:		
Property, plant and equipment	8,101	8,121
Approved but not contracted for:		
Property, plant and equipment	8,909	1,600

15. Performance Review

(a) Current YTD vs. Previous YTD

For the period ended 30 June 2013, the Group's revenue has decreased to RM 1.77 billion compared to RM 1.83 billion for the previous corresponding period. This was mainly due to lower volume of rice sold. The Group's revenue according to business segments consist of 84% of rice and 16% of non-rice.

The Group recorded a decrease in profit before tax by 2% to RM 90.5 million from RM 92.9 million achieved in the previous corresponding period. The lower profit was mainly attributed to the decrease in the volume of rice sold in the first half of 2013.

Performance of the respective operating business segments for the year ended 30 June 2013 as compared to the previous corresponding period is analysed as follows:

(i) Rice Segment

The sales of rice dropped by 4% or RM 62.2 million to RM 1.5 billion compared to the previous corresponding period. The decrease was due to lower volume of rice sold by 4% to 698,548 metric tonne compared to 725,428 metric tonne in the previous corresponding period. The imported rice contributed 63% of the rice sales volume.

(ii) Non-Rice Segment

The increase of 2% for the non-rice sales was attributable to higher sales of paddy to Skim Pengilang Bumiputra (SPB) compared to the previous corresponding period.

16. Comments on Material Changes in Profit Before Taxation

Quarter 2 2013 vs. Quarter 1 2013

The revenue for the quarter ending 30 June 2013 decreased from previous quarter by 2% to RM879.9 million. This was mainly due to lower sales of rice by RM24.3 million in the current quarter.

The Group recorded profit before tax of RM41.5 million for the quarter ended 30 June 2013, a decrease of 15% as compared to the profit before tax of RM49.0 million in the first quarter of 2013. A higher operating cost in current quarter was recorded as compared to the first quarter of 2013.

17. Commentary on Prospects

Rice prices continued to decrease moderately from a combination of offsetting factors. The downward pressures are due to good harvest in Thailand and Vietnam coupled with high stockpile in Thailand. This situation has helped to offset the increasing demand and lower supplies in India and Pakistan.

The United States Department of Agriculture (USDA) forecasted global consumption at 469.2 million metric tonne which lagged behind global rice production at a record of 470.2 million metric tonne that resulted in the raising of global ending stocks to 105.8 million metric tonne. The Thailand Government's stocks estimated between 17 million to 18 million metric tonne continue to be a factor for any increase in prices.

The above factors will contribute to rice prices trending lower and there will be ample supply of rice to meet domestic demand. As such, the Group's performance is expected to be satisfactory this year.

18. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of the actual profit after tax and minority interest and shortfall in profit guarantees are not applicable to the Company.

19. Profit Before Tax

The following amounts have been charged/(credited) in arriving at profit before tax:

	Individual Quarter		Cumulative Year To Date	
	3 months ended		6 months ended	
	30/06/2013	30/06/2012	30/06/2013	30/06/2012
	RM'000	RM'000	RM'000	RM'000
Interest income	(3,754)	(1,686)	(5,353)	(3,125)
Other income including investment income	(2,903)	(3,440)	(5,318)	(6,307)
Interest expense	14,827	13,945	29,100	28,425
Amortisation of intangible assets	2,386	-	3,636	-
Depreciation and amortisation	8,310	8,001	16,402	16,574
Provision/(write back) for and write off of receivables	3,172	(9,102)	3,580	(8,669)
Provision for and write off of inventories	1,462	-	1,462	-
Profit on disposal of property, plant and equipment	(175)	(75)	(147)	(75)
Gains on disposal of quoted or unquoted investments or properties	-	-	-	-
Assets written off	834	144	897	154
Unrealised foreign exchange loss	9,304	15,091	9,786	8,901
Fair value loss on derivative instruments	*	*	*	*
Exceptional items	*	*	*	*

* There is no such reportable item as required by Bursa Securities in the current quarter and current year to date.

20. Taxation

	Individual Quarter		Cumulative Year To Date	
	3 months ended		6 months ended	
	30/06/2013	30/06/2012	30/06/2013	30/06/2012
	RM'000	RM'000	RM'000	RM'000
Tax expense for the period:-				
- Malaysian Income Tax	23,738	13,566	30,757	18,753
- Deferred tax	(8,247)	3,004	(1,726)	7,889
	15,491	16,570	29,031	26,642

The higher effective tax rate for the quarter is mainly due to non allowable expenses.

21. Corporate Proposals

There were no new corporate developments since the date of the previous announcement.

22. Borrowings and Debt Securities

	As at	As at
	30/06/13	30/06/12
	RM'000	RM'000
Short Term Borrowings:-		
Secured	6,455	9,323
Unsecured	622,173	621,894
	628,628	631,217
Long Term Borrowings		
Secured	20,072	19,420
Unsecured	749,002	748,167
	769,074	767,587
	1,397,702	1,398,804

All the above borrowings are denominated in Ringgit Malaysia.

23. Retained Earnings

	As at 30/06/13 RM'000	As at 30/06/12 RM'000
Total retained profits of the Company and subsidiaries:-		
- Realised	681,585	564,349
- Unrealised	28,390	15,496
	<u>709,975</u>	<u>579,845</u>
Total share of retained profits from associated companies:-		
- Realised	115,742	112,614
- Unrealised	(9,402)	(9,755)
	<u>816,315</u>	<u>682,704</u>
Less: Consolidation adjustments	(148,119)	(77,888)
Total group retained profits	<u>668,196</u>	<u>604,816</u>

24. Changes in Material Litigation

As at 30 June 2013, there were no changes in material litigation, including status of pending material litigation since the last annual balance sheet date of 31 December 2012 other than as disclosed in Note 13.

25. Dividend Payable

There was no dividend payable for the current quarter.

26. Earnings Per Share

Earnings-per-share ("EPS") is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	As at 30/06/13	As at 30/06/12
Net profit for the period (RM'000)	58,476	62,702
Weighted average number of ordinary shares in issue ('000)	<u>470,402</u>	<u>470,402</u>
Basic earnings per share (sen)	<u>12.43</u>	<u>13.33</u>

27. 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 20 August 2013.

BY ORDER OF THE BOARD

NASLIZA MOHD NASIR
COMPANY SECRETARY
PADIBERAS NASIONAL BERHAD