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**Interim Financial Report**  
**for the Fourth Quarter Ended**  
**30 June 2012**

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Condensed Consolidated Income Statement	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Statement of Cash Flows	5
Notes to the Condensed Financial Statements	6 - 12

**LION FOREST INDUSTRIES BERHAD (82056-X)**  
(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012  
(The figures have not been audited)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2012 RM'000	30.6.2011 RM'000	30.6.2012 RM'000	30.6.2011 RM'000
<b>Continuing operations</b>					
Revenue		404,748	380,095	1,046,464	932,931
Operating expenses		(397,708)	(370,629)	(1,029,034)	(913,564)
Other operating income		11,659	7,979	29,729	27,568
Profit from operations		18,699	17,445	47,159	46,935
Finance costs		(108)	(713)	(514)	(1,312)
Share in results of associated companies		(6,701)	1,148	7,915	(6,630)
Exceptional items	22 (k)	(18,334)	-	(29,390)	-
(Loss)/Profit before tax	22	(6,444)	17,880	25,170	38,993
Income tax expense	16	(5,426)	(8,381)	(14,700)	(13,843)
(Loss)/Profit for the period from continuing operations		(11,870)	9,499	10,470	25,150
<b>Discontinued operations</b>					
(Loss)/Profit for the period from discontinued operations		-	(680)	-	173,762
(Loss)/Profit for the period		(11,870)	8,819	10,470	198,912
Profit/(Loss) attributable to :					
- Owners of the Company		(10,959)	9,332	2,758	207,637
- Non-controlling interests		(911)	(513)	7,712	(8,725)
(Loss)/Profit for the period		(11,870)	8,819	10,470	198,912
(Loss)/Earnings per share attributable to owners of the Company (sen) :					
Basic :					
Continuing operations		(4.73)	4.00	1.19	25.82
Discontinued operations		-	0.03	-	63.85
		(4.73)	4.03	1.19	89.67
Diluted :					
Continuing operations		(4.73)	4.00	1.19	25.82
Discontinued operations		-	0.03	-	63.85
		(4.73)	4.03	1.19	89.67

*(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)*

**LION FOREST INDUSTRIES BERHAD (82056-X)**

(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2012</b>	<b>30.6.2011</b>	<b>30.6.2012</b>	<b>30.6.2011</b>
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	<u>(11,870)</u>	<u>8,819</u>	<u>10,470</u>	<u>198,912</u>
<u>Other comprehensive income/(loss)</u>				
Foreign currency translation differences arising from foreign operations & other movements	16,753	1,094	14,577	(10,084)
Changes in fair value of available-for-sale financial assets and asset classified as held for sale	<u>14,576</u>	<u>6</u>	<u>2,405</u>	<u>212</u>
Other comprehensive income/(loss) for the period	<u>31,329</u>	<u>1,100</u>	<u>16,982</u>	<u>(9,872)</u>
Total comprehensive income for the period	<u><u>19,459</u></u>	<u><u>9,919</u></u>	<u><u>27,452</u></u>	<u><u>189,040</u></u>
Total comprehensive income/(loss) attributable to:				
- Owners of the Company	20,355	12,964	19,395	197,010
- Non-controlling interests	<u>(896)</u>	<u>(3,045)</u>	<u>8,057</u>	<u>(7,970)</u>
	<u><u>19,459</u></u>	<u><u>9,919</u></u>	<u><u>27,452</u></u>	<u><u>189,040</u></u>

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)*

**LION FOREST INDUSTRIES BERHAD (82056-X)**

(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Note</u>	<b>AS AT 30.6.2012 RM'000</b>	<b>AS AT 30.6.2011 RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		26,456	28,565
Investment properties		1,246	1,276
Investment in associated companies		74,816	85,935
Other investments		27,744	35,191
Deferred tax assets		633	680
Total Non-current Assets		<u>130,895</u>	<u>151,647</u>
<b>Current Assets</b>			
Inventories		39,576	64,763
Other investments		11,764	12,003
Trade receivables		658,907	422,508
Other receivables and prepayments		202,241	256,459
Tax recoverable		2,394	990
Fixed deposits, cash and bank balances		296,768	497,595
		<u>1,211,650</u>	<u>1,254,318</u>
Asset classified as held for sale		21,989	-
Total Current Assets		<u>1,233,639</u>	<u>1,254,318</u>
<b>Total Assets</b>		<b><u>1,364,534</u></b>	<b><u>1,405,965</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		231,572	231,572
Reserves		975,629	988,046
Equity attributable to owners of the Company		<u>1,207,201</u>	<u>1,219,618</u>
Non-controlling interests		32,420	29,121
Total Equity		<u>1,239,621</u>	<u>1,248,739</u>
<b>Non-Current and Deferred Liabilities</b>			
Redeemable cumulative convertible preference shares		12,388	12,833
Hire-purchase payables		1,626	3,267
Deferred tax liabilities		1,082	1,421
Total Non-current and Deferred Liabilities		<u>15,096</u>	<u>17,521</u>
<b>Current Liabilities</b>			
Trade payables		41,487	73,519
Other payables and accrued expenses		41,713	38,662
Provisions		15,000	15,000
Hire-purchase payables		2,413	2,322
Bank borrowings	18	3,954	3,667
Tax liabilities		5,250	6,535
Total Current Liabilities		<u>109,817</u>	<u>139,705</u>
<b>Total Liabilities</b>		<b><u>124,913</u></b>	<b><u>157,226</u></b>
<b>Total Equity and Liabilities</b>		<b><u>1,364,534</u></b>	<b><u>1,405,965</u></b>
Net assets per share attributable to owners of the Company (RM)		<u>5.21</u>	<u>5.27</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

**LION FOREST INDUSTRIES BERHAD (82056-X)**

(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the Company →						
	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>30 June 2012</b>							
At 1 July 2011	231,572	689,330	(16,796)	315,512	1,219,618	29,121	1,248,739
Total comprehensive income for the period	-	-	16,637	2,758	19,395	8,057	27,452
Dividends paid	-	-	-	(28,367)	(28,367)	-	(28,367)
Disposal of an associated company	-	-	12,806	(17,848)	(5,042)	5,042	-
Acquisition of non-controlling interests	-	-	-	1,597	1,597	(9,800)	(8,203)
At 30 June 2012	231,572	689,330	12,647	273,652	1,207,201	32,420	1,239,621
<b>30 June 2011</b>							
At 1 July 2010	231,342	688,987	(2,281)	164,659	1,082,707	67,512	1,150,219
Total comprehensive (loss)/ income for the period	-	-	(10,627)	207,637	197,010	(7,970)	189,040
Dividends paid	-	-	-	(62,525)	(62,525)	(10,775)	(73,300)
Issuance of shares	230	28	-	-	258	-	258
Share-based payments	-	315	(315)	-	-	-	-
Effect on discontinued operations	-	-	(3,573)	3,452	(121)	(42)	(163)
Acquisition of non-controlling interests	-	-	-	2,289	2,289	(19,604)	(17,315)
At 30 June 2011	231,572	689,330	(16,796)	315,512	1,219,618	29,121	1,248,739

*(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)*

**LION FOREST INDUSTRIES BERHAD (82056-X)**  
(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2012</b>	<b>30.6.2011</b>
	RM'000	RM'000
<b><u>OPERATING ACTIVITIES</u></b>		
Profit before tax:		
- Continuing operations	25,170	38,993
- Discontinued operations	-	177,629
	<u>25,170</u>	<u>216,622</u>
Adjustments for:		
Non-cash items	(16,092)	39,482
Non-operating items	(25,902)	(193,495)
	<u>(16,824)</u>	<u>62,609</u>
Operating profit before changes in working capital	(16,824)	62,609
Changes in working capital:		
Net changes in current assets	(238,376)	(550,736)
Net changes in current liabilities	(24,490)	145,498
Others	(16,399)	(7,201)
	<u>(296,089)</u>	<u>(349,830)</u>
<b><u>INVESTING ACTIVITIES</u></b>		
Purchase of property, plant and equipment	(2,045)	(16,251)
Additions of other investments	(431)	(42)
Acquisition of non-controlling interests	(8,203)	(24,510)
Proceeds from disposal of property, plant and equipment	1,316	966
Proceeds from disposal of an associated company	58,827	-
Dividend received from an associated company	1,778	34,436
Net cash inflow from disposal of a subsidiary company	54,623	483,167
Settlement arising from litigation claim against a former subsidiary company	(40,000)	-
Decrease in amount owing by holding company	-	20,645
Decrease in amount owing by other related companies	438	9,286
Cash at banks held under Escrow Account and fixed deposits pledged	207,290	(9,479)
Others	19,252	22,665
	<u>292,845</u>	<u>520,883</u>
<b><u>FINANCING ACTIVITIES</u></b>		
Decrease in bank borrowings excluding bank overdrafts	(1,551)	(16,631)
Dividends paid	(28,367)	(62,525)
Dividends paid to non-controlling interests of a subsidiary company	-	(10,775)
Proceeds from issue of shares	-	258
Others	(233)	(2,242)
	<u>(30,151)</u>	<u>(91,915)</u>
Net changes in cash and cash equivalents	(33,395)	79,138
Effect of exchange differences	(144)	(339)
Cash and cash equivalents at beginning of the year	158,314	79,515
Cash and cash equivalents at end of the year	<u>124,775</u>	<u>158,314</u>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)*

**LION FOREST INDUSTRIES BERHAD (82056-X)**  
(Incorporated in Malaysia)

Interim financial report for the fourth quarter ended 30 June 2012  
(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 the Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2011. 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 2011.

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 2011 except for the adoption of the following FRSs and IC Interpretations effective for the financial period beginning 1 July 2011:

FRS 1	First-time Adoption of Financial Reporting Standards (Amendment)
FRS 2	Share-based Payment (Amendment)
FRS 7	Financial Instruments: Disclosures (Amendment)
Improvements to FRSs (2010)	
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (Amendment)
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

The adoption of the above mentioned FRSs and IC Interpretations did not have any significant effect on the financial performance, position or presentation of the financials of the Group.

**2. Comments about seasonal or cyclical factors**

The Group's performance is not affected by any material seasonal or cyclical factors.

**3. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year-to-date, except as disclosed in the Interim Financial Report.

**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**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial year-to-date.

**6. Dividend paid**

The following dividends were paid during the financial year:

- a) a final dividend of 3 sen per ordinary share, less 25% tax, amounting to RM5.2 million in respect of the previous financial year ended 30 June 2011 was paid on 9 January 2012; and
- b) an interim dividend of 10 sen per ordinary share, tax exempt, amounting to RM23.2 million in respect of the financial year ending 30 June 2012 was paid on 20 June 2012.

**7. Segmental information**

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

	<b>Building materials and steel products</b>	<b>Petroleum, lubricants and automotive products</b>	<b>Others</b>	<b>Eliminations</b>	<b>Total</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External customers	955,052	73,916	17,496	-	1,046,464
Inter-segment sales	-	42	-	(42)	-
Total revenue	<u>955,052</u>	<u>73,958</u>	<u>17,496</u>	<u>(42)</u>	<u>1,046,464</u>
<b>Results</b>					
Segment results	24,415	10,429	12,315	-	47,159
Finance costs					(514)
Share in results of associated companies	-	-	7,915	-	7,915
Exceptional items	(3,516)	(4,839)	(21,035)	-	(29,390)
Profit before tax					25,170
Income tax expense					(14,700)
Profit for the period from continuing operations					<u>10,470</u>
<b>Assets</b>					
Segment assets	755,306	81,559	207,482	-	1,044,347
Investment in associated companies	-	-	74,816	-	74,816
Unallocated corporate assets					245,371
					<u>1,364,534</u>

**8. Subsequent events**

Other than as disclosed in Note 17, 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.



**10. Changes in contingent liabilities and contingent assets**

The contingent liabilities are as follows:

	AS AT 30.6.2012 RM'000	AS AT 30.6.2011 RM'000
Litigation claims in respect of the termination of contracts for the extraction and sale of timber	128,874	313,331
Less: Provisions	(15,000)	(15,000)
	<u>113,874</u>	<u>298,331</u>
Back pay labour claims from SFI's employees	23,427	23,427
	<u>137,301</u>	<u>321,758</u>

Harapan Permai Sdn Bhd had on 24 February 2012 completely withdrawn and discontinued the claim against Sabah Forest Industries Sdn Bhd ("SFI"), a former subsidiary company, for RM184,456,769 for alleged wrongful termination of the Timber Sale Agreement without liberty to file afresh.

**11. Performance review**

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2012 RM'000	30.6.2011 RM'000	30.6.2012 RM'000	30.6.2011 RM'000
<b>Revenue</b>					
Building materials and steel products		380,215	355,449	955,052	848,010
Petroleum, lubricants and automotive products		19,893	19,652	73,916	69,919
Others		4,640	4,994	17,496	15,002
		<u>404,748</u>	<u>380,095</u>	<u>1,046,464</u>	<u>932,931</u>
<b>Segment results</b>					
Building materials and steel products		12,352	9,334	24,415	17,768
Petroleum, lubricants and automotive products		3,418	3,327	10,429	10,703
Others		2,929	4,784	12,315	18,464
		<u>18,699</u>	<u>17,445</u>	<u>47,159</u>	<u>46,935</u>
Finance costs		(108)	(713)	(514)	(1,312)
Share in results of associated companies		(6,701)	1,148	7,915	(6,630)
Exceptional items	22 (k)	(18,334)	-	(29,390)	-
(Loss)/Profit before tax		<u>(6,444)</u>	<u>17,880</u>	<u>25,170</u>	<u>38,993</u>
Income tax expense		(5,426)	(8,381)	(14,700)	(13,843)
(Loss)/Profit for the period from continuing operations		<u>(11,870)</u>	<u>9,499</u>	<u>10,470</u>	<u>25,150</u>

For the financial year under review, the Group posted a revenue of RM1,046.5 million, an increase of 12% from RM932.9 million a year ago.

Building materials and steel products division achieved a 13% higher revenue of RM955.1 million compared to RM848.0 million recorded last year, mainly due to the increase in demand from the local construction sector. Correspondingly, the Division's profit increased to RM24.4 million from RM17.8 million achieved a year ago.

Revenue from petroleum, lubricants and automotive products division increased by 6% to RM73.9 million mainly attributable to higher sales volume and selling prices. Selling prices rose in tandem with the increase in base oil prices. However, higher operating expenses had resulted in a marginally lower profit of RM10.4 million.

The higher share in profit of associated companies was largely attributable to a tax refund on capital gains tax paid on a disposal of an investment received by Lion Asiapac Limited, a 36.7% owned associated company.

For the year under review, the Group recognised a net gain of RM30.7 million on disposal of Nanjing Jincheng Machinery Co Ltd, an associated company; a settlement of RM40.0 million arising from litigation claim by Harapan Permai Sdn Bhd against Sabah Forest Industries Sdn Bhd, a former subsidiary company; and RM16.8 million impairment losses on the fair value of quoted shares due to unfavourable market condition. The Group posted a lower profit before tax of RM25.2 million compared to RM39.0 million in the preceding year.

**12. Comment on material change in profit**

	<b>Continuing Operations</b>	
	<b>Revenue</b> RM'000	<b>(Loss)/Profit Before Tax</b> RM'000
Current quarter (30 June 2012)	404,748	(6,444)
Immediate preceding quarter (31 March 2012)	<u>218,865</u>	<u>9,075</u>

Group revenue improved by 85% to RM404.7 million for the quarter under review. The significant increase in revenue was mainly attributed to higher sales of building materials, especially steel related products. Correspondingly, profit from operations increased to RM18.7 million from RM8.4 million in the preceding quarter.

The losses from associated companies was largely due to impairment loss on the fair value of its quoted shares due to unfavourable market condition. The Group similarly recognised an impairment loss of RM16.8 million on the fair value of its quoted shares.

Consequently, the Group posted a loss before tax of RM6.4 million against a profit before tax of RM9.1 million in the preceding quarter.

**13.a) Prospects**

The operating environment for the Group's businesses is expected to remain challenging. Nonetheless, the Group will remain vigilant and take proactive steps to meet these challenges. Building materials and petroleum products divisions are expected to remain profitable with greater efforts made to strengthen and expand business network and product range. The Group will continue to explore and identify new growth areas in order to enhance shareholders value.

**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**

	<b>3 MONTHS ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.6.2012</b> RM'000	<b>30.6.2011</b> RM'000	<b>30.6.2012</b> RM'000	<b>30.6.2011</b> RM'000
<b>Continuing operations</b>				
In respect of current period:				
- estimated tax payable	5,420	7,464	15,033	13,326
- deferred tax	-	594	-	194
In respect of prior year:				
- estimated tax payable	6	(94)	6	(94)
- deferred tax	-	417	(339)	417
Total income tax expense from continuing operations	<u>5,426</u>	<u>8,381</u>	<u>14,700</u>	<u>13,843</u>

After excluding the results of associated companies, the effective tax rate of the Group for the current quarter and year-to-date was higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

**17. Corporate proposals**Status of corporate proposals

No	Date of Announcements	Subjects	Status
1.	18.3.2005 20.4.2006	Proposed joint-venture between the Company and the Pemerintah Kabupaten Malinau (the Regency Government of Malinau) for the proposed development of 40,000 hectares of oil palm plantation and the construction of 2 crude palm oil mills in Malinau Regency, Kalimantan Timur, Republic of Indonesia ("Indonesia").	Pending approvals from: i) Ministry of Forestry, Indonesia; ii) Ministry of Agriculture, Indonesia; and iii) any other relevant authorities in Indonesia and Malaysia.  Approval was obtained from Bank Negara Malaysia.
2.	3.3.2011 2.6.2011 3.8.2011 26.8.2011 31.10.2011 2.3.2012	(i) Proposed joint venture between the Company, Lion Diversified Holdings Berhad ("LDHB") and Lion Industries Corporation Berhad ("LICB") in Lion Blast Furnace Sdn Bhd ("LBF") in the shareholding of 20%, 51% and 29% respectively; and  (ii) Proposed provision of financial assistance by the Company in the form of a corporate guarantee and pledge of security proportionate to its shareholding in LBF for the latter and its subsidiary company to secure a loan facility in relation to the Blast Furnace Project.	Pending approvals of: i) Shareholders of the Company, LDHB and LICB; and  ii) any other relevant authorities.

**18. Borrowings**

The Group's borrowings as at end of the reporting period were as follows :

	Short Term RM'000	Long Term RM'000	Total RM'000
<u>Bank borrowings</u>			
Unsecured	3,954	-	3,954
	<u>3,954</u>	<u>-</u>	<u>3,954</u>

**19. Changes in material litigation**

There was no material litigation since 30 June 2011.

**20. Dividend proposed**

The Board of Directors is recommending the payment of a final dividend in respect of the financial year ended 30 June 2012:

- a) i. Amount per share: 2 sen per ordinary share, tax exempt;
- ii. Total dividend for the previous financial year:
  - A final dividend of 3 sen per ordinary share, less 25% tax, amounting to RM5.2 million; and
  - Special dividends:
    - 20 sen per ordinary share, less 25% tax, amounting to RM34.7 million; and
    - 10 sen per ordinary share, tax exempt, amounting to RM23.2 million;
  - iii. Payment date: To be announced later; and
  - iv. Entitlement date: To be announced later.
- b) Total dividend for the current financial year:
  - Proposed final dividend of 2 sen per ordinary share, tax exempt, amounting to RM4.6 million; and
  - An interim dividend of 10 sen per ordinary share, tax exempt, amounting to RM23.2 million.

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

Basic EPS is calculated by dividing the Group's (loss)/profit attributable to owners of the Company for the period by the weighted average number of ordinary shares of the Company in issue during the financial period as follows:

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2012	30.6.2011	30.6.2012	30.6.2011
(Loss)/Profit attributable to owners of the Company (RM'000)				
- Continuing operations	(10,959)	9,272	2,758	59,795
- Discontinued operations	-	60	-	147,842
	<u>(10,959)</u>	<u>9,332</u>	<u>2,758</u>	<u>207,637</u>
Weighted average number of shares in issue ('000)	<u>231,572</u>	<u>231,572</u>	<u>231,572</u>	<u>231,541</u>
Basic EPS (sen)				
- Continuing operations	(4.73)	4.00	1.19	25.82
- Discontinued operations	-	0.03	-	63.85
	<u>(4.73)</u>	<u>4.03</u>	<u>1.19</u>	<u>89.67</u>

The basic EPS and diluted EPS are the same for the period as the Company has no dilutive potential ordinary shares as of the end of the reporting period.

**22. (Loss)/Profit before tax**

(Loss)/Profit before tax from continuing operations is arrived at after crediting/(charging) the following:

	<b>3 MONTHS ENDED 30.6.2012 RM'000</b>	<b>YEAR-TO-DATE ENDED 30.6.2012 RM'000</b>
a) Interest income	10,330	26,416
b) Other income including investment income	568	946
c) Interest expense	(108)	(514)
d) Depreciation and amortisation	(928)	(3,701)
e) Provision for and write off of receivables	(1,486)	(3,888)
f) Provision for and write off of inventories	-	-
g) Gain or loss on disposal of - quoted or unquoted investments or properties	275	834
h) Impairment of assets (refer to item (k))	-	-
i) Foreign exchange gain or (loss)	486	1,533
j) Gain or (loss) on derivatives	-	-
k) Exceptional items	(18,334)	(29,390)
- gain on disposal of an associated company	-	32,329
- foreign exchange loss on disposal of an associated company	(1,581)	(1,581)
- settlement arising from litigation claim against a former subsidiary company	-	(40,000)
- log extraction premium paid to State Government of Sabah	-	(3,385)
- impairment loss on fair value of quoted shares	(16,753)	(16,753)

**23. Realised and Unrealised Earnings/Losses Disclosure**

	<b>AS AT 30.6.2012 RM'000</b>	<b>AS AT 30.6.2011 RM'000</b>
Retained earnings/(accumulated losses) of the Company and its subsidiary companies:		
- Realised	218,130	344,377
- Unrealised	(26,106)	(6,207)
	192,024	338,170
Share of retained earnings/(accumulated losses) from associated companies:		
- Realised	28,154	(73,942)
- Unrealised	2,855	665
	31,009	(73,277)
Consolidation adjustments	50,619	50,619
Consolidated retained earnings	273,652	315,512

**24. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 30 June 2011 was not qualified.