



Interim Financial Report
for the Fourth Quarter Ended
30 June 2013

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 2013
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	<u>Note</u>	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
Revenue		269,005	404,374	1,013,045	1,046,090
Operating expenses		(264,190)	(397,174)	(992,021)	(1,028,500)
Other operating income		8,443	11,880	33,569	29,950
Profit from operations		13,258	19,080	54,593	47,540
Finance costs		(82)	(241)	(362)	(647)
Share in results of associated companies		1,009	(6,701)	4,086	7,915
Exceptional items	22(k)	(24,437)	(18,674)	(33,014)	(29,730)
Profit/(Loss) before tax	22	(10,252)	(6,536)	25,303	25,078
Income tax expense	16	(4,444)	(5,329)	(14,990)	(14,603)
Profit/(Loss) for the period		<u>(14,696)</u>	<u>(11,865)</u>	<u>10,313</u>	<u>10,475</u>
Profit/(Loss) attributable to :					
- Owners of the Company		(14,943)	(10,955)	10,289	2,762
- Non-controlling interests		247	(910)	24	7,713
Profit/(Loss) for the period		<u>(14,696)</u>	<u>(11,865)</u>	<u>10,313</u>	<u>10,475</u>
Earnings/(Loss) per share attributable to owners of the Company (sen) :	21				
- Basic		<u>(6.45)</u>	<u>(4.73)</u>	<u>4.44</u>	<u>1.19</u>
- Diluted		<u>(6.45)</u>	<u>(4.73)</u>	<u>4.44</u>	<u>1.19</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
Profit/(Loss) for the period	<u>(14,696)</u>	<u>(11,865)</u>	<u>10,313</u>	<u>10,475</u>
<u>Other comprehensive income/(loss)</u>				
Foreign currency translation differences arising from foreign operations & other movements	5,714	17,610	896	15,434
Changes in fair value of available-for-sale financial assets and asset classified as held for sale	74	14,576	(821)	2,405
Changes in fair value on disposal of asset classified as held for sale	245	-	(975)	-
Other comprehensive income/(loss) for the period	<u>6,033</u>	<u>32,186</u>	<u>(900)</u>	<u>17,839</u>
Total comprehensive (loss)/income for the period	<u><u>(8,663)</u></u>	<u><u>20,321</u></u>	<u><u>9,413</u></u>	<u><u>28,314</u></u>
Total comprehensive (loss)/income attributable to:				
- Owners of the Company	(9,187)	20,357	8,995	19,397
- Non-controlling interests	524	(36)	418	8,917
	<u><u>(8,663)</u></u>	<u><u>20,321</u></u>	<u><u>9,413</u></u>	<u><u>28,314</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 2012 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Note</u>	AS AT 30.6.2013 RM'000	AS AT 30.6.2012 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		28,031	26,456
Investment properties		1,217	1,247
Investment in associated companies		78,085	74,816
Other investments		13,486	24,990
Deferred tax assets		766	766
Total Non-Current Assets		<u>121,585</u>	<u>128,275</u>
Current Assets			
Inventories		27,167	39,516
Other investments		9,326	10,573
Trade receivables		610,951	530,409
Other receivables and prepayments		368,441	336,562
Tax recoverable		4,285	2,353
Fixed deposits, cash and bank balances		236,015	296,755
		<u>1,256,185</u>	<u>1,216,168</u>
Asset classified as held for sale		-	21,989
Total Current Assets		<u>1,256,185</u>	<u>1,238,157</u>
Total Assets		<u>1,377,770</u>	<u>1,366,432</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		231,572	231,572
Reserves		980,015	975,631
Equity attributable to owners of the Company		<u>1,211,587</u>	<u>1,207,203</u>
Non-controlling interests		32,028	32,423
Total Equity		<u>1,243,615</u>	<u>1,239,626</u>
Non-Current and Deferred Liabilities			
Hire-purchase payables		770	1,468
Deferred tax liabilities		641	1,082
Total Non-Current and Deferred Liabilities		<u>1,411</u>	<u>2,550</u>
Current Liabilities			
Trade payables		52,499	41,576
Other payables and accrued expenses		53,573	43,728
Provisions		15,000	15,000
Redeemable cumulative convertible preference shares		-	12,388
Hire-purchase payables		814	2,364
Bank borrowings	18	5,771	3,954
Tax liabilities		5,087	5,246
Total Current Liabilities		<u>132,744</u>	<u>124,256</u>
Total Liabilities		<u>134,155</u>	<u>126,806</u>
Total Equity and Liabilities		<u>1,377,770</u>	<u>1,366,432</u>
Net assets per share attributable to owners of the Company (RM)		<u>5.23</u>	<u>5.21</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 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 2013
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained earnings RM'000			
30 June 2013							
At 1 July 2012	231,572	689,330	12,645	273,656	1,207,203	32,423	1,239,626
Total comprehensive (loss)/ income for the period	-	-	(1,294)	10,289	8,995	418	9,413
Redemption of redeemable cumulative convertible preference shares by a subsidiary company	-	-	271	(271)	-	-	-
Dividend paid	-	-	-	(4,631)	(4,631)	(786)	(5,417)
Acquisition of non-controlling interests	-	-	-	20	20	(27)	(7)
At 30 June 2013	231,572	689,330	11,622	279,063	1,211,587	32,028	1,243,615
30 June 2012							
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	-	-	16,635	2,762	19,397	8,917	28,314
Dividend 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	(10,657)	(9,060)
At 30 June 2012	231,572	689,330	12,645	273,656	1,207,203	32,423	1,239,626

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 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 2013

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	YEAR-TO-DATE ENDED	
	30.6.2013	30.6.2012
	RM'000	RM'000
<u>OPERATING ACTIVITIES</u>		
Profit before tax	25,303	25,078
Adjustments for:		
Non-cash items	31,702	28,023
Non-operating items	(28,665)	(25,607)
Operating profit before changes in working capital	28,340	27,494
Changes in working capital:		
Net changes in current assets	(106,222)	(179,278)
Net changes in current liabilities	13,271	(27,352)
Others	(12,029)	(10,521)
	<u>(76,640)</u>	<u>(189,657)</u>
<u>INVESTING ACTIVITIES</u>		
Purchase of property, plant and equipment	(5,521)	(1,681)
Additions of other investments	-	(432)
Acquisition of non-controlling interests	(7)	(9,060)
Proceeds from disposal of other investments	20,709	-
Proceeds from disposal of property, plant and equipment	1,003	1,445
Proceeds from disposal of an associated company	-	58,827
Dividend received from an associated company	1,853	1,778
Settlement arising from litigation claim against a former subsidiary company	-	(40,000)
Increase in amount owing by other related companies	-	(5,707)
Cash at banks held under Escrow Account and fixed deposits pledged	26,960	173,750
Others	12,883	14,630
	<u>57,880</u>	<u>193,550</u>
<u>FINANCING ACTIVITIES</u>		
(Decrease)/Increase in bank borrowings excluding bank overdrafts	(545)	287
Redemption of redeemable cumulative convertible preference shares issued by a subsidiary company	(8,611)	-
Dividends paid	(4,631)	(28,367)
Dividends paid to non-controlling interests of a subsidiary company	(786)	-
Others	(360)	(2,903)
	<u>(14,933)</u>	<u>(30,983)</u>
Net changes in cash and cash equivalents	(33,693)	(27,090)
Effect of exchange differences	(89)	-
Cash and cash equivalents at beginning of the period	131,224	158,314
Cash and cash equivalents at end of the period	<u>97,442</u>	<u>131,224</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2012 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 2013
(The figures have not been audited)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Accounting policies and methods of computation

First-time adoption of Malaysian Financial Reporting Standards ("MFRS")

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("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. For the periods up to and including the financial year ended 30 June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The interim financial statements are the Group's first MFRS compliant interim financial statements for part of the periods covered by the Group's first MFRS annual financial statements for the financial year ending 30 June 2013 and hence MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2012. 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 year ended 30 June 2012.

The MFRS is effective for the Group from 1 July 2012 and the date of transition to the MFRS framework for the purpose of the first MFRS compliant interim financial statements is 1 July 2011. As at the date of transition, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1.

Significant accounting policies and application of MFRS 1

The audited financial statements of the Group for the financial year ended 30 June 2012 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, 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 2012.

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

30,575,044 redeemable cumulative convertible preference shares ("RCCPS") of RM0.01 each issued at a premium of RM0.99 each by a subsidiary company matured and were redeemed on 14 March 2013 at RM1.00 per RCCPS. As at the redemption date, approximately 59.48% of the RCCPS had been acquired by the Group.

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

During the financial year, a final dividend of 2.0 sen per ordinary share, tax exempt, amounting to RM4.6 million in respect of the previous financial year ended 30 June 2012 was paid by the Company.

7. Segmental information

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

	Building materials and steel products	Petroleum, lubricants and automotive products	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External customers	910,877	80,398	21,770	-	1,013,045
Inter-segment sales	295	12	-	(307)	-
Total revenue	<u>911,172</u>	<u>80,410</u>	<u>21,770</u>	<u>(307)</u>	<u>1,013,045</u>
Results					
Segment results	29,679	14,321	10,593	-	54,593
Finance costs					(362)
Share in results of associated companies	-	-	4,086	-	4,086
Exceptional items	(21,740)	(1,719)	(9,555)	-	(33,014)
Profit before tax					25,303
Income tax expense					(14,990)
Profit for the period					<u>10,313</u>
Assets					
Segment assets	755,596	82,659	204,676	-	1,042,931
Investment in associated companies	-	-	78,085	-	78,085
Unallocated corporate assets					256,754
					<u>1,377,770</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 changes in the composition of the Group during the financial year-to-date except for the disposal of the 100% equity interest in LFIB Plantations Sdn Bhd as disclosed in Note 17(c).

10. Changes in contingent liabilities and contingent assets

There were no changes in contingent liabilities or contingent assets since 30 June 2012.

11. Performance review

	Note	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
		30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
Revenue					
Building materials and steel products		239,844	380,215	910,877	955,052
Petroleum, lubricants and automotive products		22,928	19,519	80,398	73,542
Others		6,233	4,640	21,770	17,496
		<u>269,005</u>	<u>404,374</u>	<u>1,013,045</u>	<u>1,046,090</u>
Segment results					
Building materials and steel products		6,669	12,352	29,679	24,415
Petroleum, lubricants and automotive products		5,476	3,361	14,321	10,372
Others		1,113	3,367	10,593	12,753
Profit from operations		<u>13,258</u>	<u>19,080</u>	<u>54,593</u>	<u>47,540</u>
Finance costs		(82)	(241)	(362)	(647)
Share in results of associated companies		1,009	(6,701)	4,086	7,915
Exceptional items	22(k)	(24,437)	(18,674)	(33,014)	(29,730)
Profit/(Loss) before tax		<u>(10,252)</u>	<u>(6,536)</u>	<u>25,303</u>	<u>25,078</u>
Income tax expense		(4,444)	(5,329)	(14,990)	(14,603)
Profit/(Loss) for the period		<u>(14,696)</u>	<u>(11,865)</u>	<u>10,313</u>	<u>10,475</u>

For the financial year under review, the Group posted a marginal 3% lower revenue of RM1,013.0 million compared to RM1,046.1 million in the preceding year corresponding period. This was mainly due to the lower sales of building materials and steel related products.

The Building Materials and Steel Products Division recorded a revenue of RM910.9 million, a marginal decrease of 5% from RM955.1 million a year ago. However, profit increased to RM29.7 million from RM24.4 million mainly due to the higher interest income on trade receivables.

Revenue for the Petroleum, Lubricants and Automotive Products Division increased by 9% to RM80.4 million largely due to the higher sales volume from the increase in demand and number of customers. Accordingly, the Division's profit was higher at RM14.3 million compared to RM10.4 million a year ago.

Associated companies contributed a profit of RM4.1 million. Higher profit of RM7.9 million recorded in the preceding year corresponding period was largely attributable to a capital gains tax refunded to Lion Asiapac Limited, a 36.7% owned associated company.

Exceptional items totaling RM33.0 million comprised impairment losses on investments and trade receivable due by a related party.

The Group posted a profit before tax of RM25.3 million compared with RM25.1 million in the preceding year corresponding period.

12. Comment on material change in profit

	Current Year Quarter	Immediate Preceding Quarter
	30.6.2013	31.3.2013
	RM'000	RM'000
Revenue	269,005	190,915
Profit from operations	13,258	12,867
Profit/(Loss) before tax	(10,252)	8,835

For the quarter under review, Group revenue rose by 41% to RM269.0 million from RM190.9 million in the immediate preceding quarter on the back of higher sales from both the Building Materials and Petroleum Products Divisions.

The Group recorded a loss before tax of RM10.3 million against a profit of RM8.8 million last quarter was mainly attributable to an impairment loss on trade receivable due by a related party.

13. a) Prospects

The building materials and petroleum products divisions of the Group are expected to remain profitable in the next financial year with on-going efforts made to strengthen and expand business network and product range as well as establish the optimal product mix with continuous emphasis on high profit margin products.

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
	RM'000	RM'000	RM'000	RM'000
In respect of current period:				
- estimated tax payable	5,068	5,541	15,678	15,154
- overprovision in prior years	(247)	(126)	(247)	(126)
In respect of prior year:				
- deferred tax	(377)	211	(377)	(128)
- overprovision in prior years	-	(297)	(64)	(297)
	<u>4,444</u>	<u>5,329</u>	<u>14,990</u>	<u>14,603</u>

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

17. Corporate proposalsStatus of corporate proposals

No	Date of Announcements	Subjects	Status
a.	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.
b.	3.3.2011 2.6.2011 3.8.2011 26.8.2011 31.10.2011 2.3.2012 28.8.2012 30.8.2012 1.3.2013 7.6.2013	(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	5,771	-	5,771
	<u>5,771</u>	<u>-</u>	<u>5,771</u>

19. Changes in material litigation

There was no material litigation since 30 June 2012.

20. Dividend proposed

The Board of Directors is recommending the payment of a final dividend in respect of the financial year ended 30 June 2013:

- a)
 - i. Amount per share: 2 sen per ordinary share, less 25% tax;
 - ii. Total dividend for the previous financial year:
 - A 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;
 - iii. Payment date: To be announced later; and
 - iv. Entitlement date: To be announced later.
- b) Total dividend for the current financial year:
 - Proposed first and final dividend of 2 sen per ordinary share, less 25% tax, amounting to RM3.5 million.

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

Basic EPS is calculated by dividing the Group's profit/(loss) 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:

	<u>3 MONTHS ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>30.6.2013</u>	<u>30.6.2012</u>	<u>30.6.2013</u>	<u>30.6.2012</u>
Profit/(Loss) attributable to owners of the Company (RM'000)	<u>(14,943)</u>	<u>(10,955)</u>	<u>10,289</u>	<u>2,762</u>
Weighted average number of shares in issue ('000)	<u>231,572</u>	<u>231,572</u>	<u>231,572</u>	<u>231,572</u>
Basic EPS (sen)	<u>(6.45)</u>	<u>(4.73)</u>	<u>4.44</u>	<u>1.19</u>

The basic EPS and the 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. Profit/(Loss) before tax

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

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	30.6.2013	30.6.2012	30.6.2013	30.6.2012
	RM'000	RM'000	RM'000	RM'000
a) Interest income	6,064	10,168	29,027	26,254
b) Other income including investment income	1,920	958	2,143	1,336
c) Interest expense	(82)	(241)	(362)	(647)
d) Depreciation and amortisation	(1,029)	(937)	(3,921)	(3,710)
e) Provision for and write off of receivables	(1,210)	(1,957)	(3,688)	(4,359)
f) Provision for and write off of inventories	(2,363)	(56)	(2,363)	(56)
g) Gain or (loss) on disposal of	-	-	-	-
- quoted or unquoted investments or properties	511	280	834	839
- asset classified as held for sale	(245)	-	975	-
h) Impairment of assets (refer to item (k))	-	-	-	-
i) Foreign exchange gain or (loss)	193	474	590	1,521
j) Gain or (loss) on derivatives	-	-	-	-
k) Exceptional items	(24,437)	(18,674)	(33,014)	(29,730)
- impairment loss on quoted and unquoted investments	(437)	(17,093)	(9,014)	(17,093)
- impairment loss on trade receivable due by a related party	(24,000)	-	(24,000)	-
- settlement arising from litigation claim against a former subsidiary company	-	-	-	(40,000)
- gain or (loss) on disposal of an associated company	-	(1,581)	-	30,748
- log extraction premium paid to State Government of Sabah	-	-	-	(3,385)

23. Realised and Unrealised Earnings/Losses Disclosure

	AS AT 30.6.2013 RM'000	AS AT 30.6.2012 RM'000
Retained earnings/(accumulated losses) of the Company and its subsidiary companies:		
- Realised	223,094	218,001
- Unrealised	(27,892)	(25,973)
	195,202	192,028
Share of retained earnings from associated companies:		
- Realised	30,371	28,154
- Unrealised	2,871	2,855
	33,242	31,009
Consolidation adjustments	50,619	50,619
Consolidated retained earnings	279,063	273,656

24. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 30 June 2012 was not qualified.