

S P SETIA BERHAD
Company No: 19698 - X
(Incorporated in Malaysia)

Interim Financial Report
31 July 2014

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S P SETIA BERHAD
(Company No.: 19698-X)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2014
(The figures have not been audited)

	As At 31 July 2014 RM'000	As At 31 October 2013 (Restated) RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	120,252	120,410
Investment Properties	692,455	613,559
Land Held for Property Development	4,586,972	4,569,938
Concession Assets	90,201	52,129
Investment in Jointly Controlled Entities	744,276	506,353
Investment in Associated Companies	1,751	1,689
Amount Owing by Former Joint Venture Partner	14,398	14,380
Deferred Tax Assets	172,887	192,847
	<u>6,423,192</u>	<u>6,071,305</u>
Current Assets		
Property Development Costs	2,948,123	2,624,132
Gross Amount Due from Customers	3,293	641
Inventories	23,961	23,566
Trade and Other Receivables	724,852	921,531
Amount Owing by Jointly Controlled Entities	290,355	139,218
Amount Owing by Associated Companies	9,281	9,283
Current Tax Assets	91,820	29,765
Deposits	1,224,194	939,997
Cash and Bank Balances	1,240,552	1,223,107
	<u>6,556,431</u>	<u>5,911,240</u>
TOTAL ASSETS	<u><u>12,979,623</u></u>	<u><u>11,982,545</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	1,891,303	1,844,034
Reserves		
Share Premium	2,250,225	2,128,696
Share-Based Payment Reserve	41,451	23,529
Exchange Translation Reserve	27,721	3,070
Retained Earnings	1,569,327	1,467,071
Equity Attributable to Owners of the Company	<u>5,780,027</u>	<u>5,466,400</u>
Perpetual Bond	613,865	-
Non-controlling Interests	319,692	255,238
Total Equity	<u>6,713,584</u>	<u>5,721,638</u>
Non-Current Liabilities		
Long Term Borrowings	3,299,205	3,347,628
Redeemable Cumulative Preference Shares	53,453	74,831
Deferred Tax Liabilities	4,546	6,224
	<u>3,357,204</u>	<u>3,428,683</u>
Current Liabilities		
Gross Amount Due to Customers	13,336	2,311
Trade and Other Payables	1,966,066	2,157,688
Short Term Borrowings	858,133	569,700
Bank Overdrafts	41,917	60,875
Current Tax Liabilities	29,383	41,650
	<u>2,908,835</u>	<u>2,832,224</u>
Total Liabilities	<u>6,266,039</u>	<u>6,260,907</u>
TOTAL EQUITY AND LIABILITIES	<u><u>12,979,623</u></u>	<u><u>11,982,545</u></u>
Net Assets Per Share Attributable to Owners of the Company	<u>2.29</u>	<u>2.22</u>

(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 October 2013)

S P SETIA BERHAD
(Company No.: 19698-X)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JULY 2014
(The figures have not been audited)

	3 MONTHS ENDED		9 MONTHS ENDED	
	31 July 2014	31 July 2013 (Restated)	31 July 2014	31 July 2013 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	902,663	806,821	2,576,574	2,295,476
Cost of sales	(629,177)	(545,415)	(1,826,675)	(1,582,219)
Gross profit	<u>273,486</u>	<u>261,406</u>	<u>749,899</u>	<u>713,257</u>
Other operating income	38,659	22,766	128,694	59,939
Selling and marketing expenses	(44,113)	(47,238)	(114,406)	(127,565)
Administrative and general expenses	(53,534)	(61,011)	(183,226)	(154,683)
Share of profits less losses of jointly controlled entities	(12,954)	(6,523)	(36,925)	(16,292)
Share of profits less losses of associated companies	9	26	62	45
Finance costs	(13,956)	(11,390)	(43,965)	(35,804)
Profit before taxation	<u>187,597</u>	<u>158,036</u>	<u>500,133</u>	<u>438,897</u>
Taxation	(61,166)	(44,806)	(138,315)	(114,342)
Profit for the period	<u>126,431</u>	<u>113,230</u>	<u>361,818</u>	<u>324,555</u>
Other comprehensive income:				
Item that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	(22,668)	18,388	24,586	(8,322)
Total comprehensive income for the period	<u>103,763</u>	<u>131,618</u>	<u>386,404</u>	<u>316,233</u>
Profit attributable to:				
Holders of Perpetual Bond	9,134	-	22,933	-
Non-controlling interests	13,978	11,928	64,519	35,848
	<u>23,112</u>	<u>11,928</u>	<u>87,452</u>	<u>35,848</u>
Owners of the Company	<u>103,319</u>	<u>101,302</u>	<u>274,366</u>	<u>288,707</u>
	<u>126,431</u>	<u>113,230</u>	<u>361,818</u>	<u>324,555</u>
Total comprehensive income attributable to:				
Holders of Perpetual Bond	9,134	-	22,933	-
Non-controlling interests	13,921	11,914	64,454	35,845
	<u>23,055</u>	<u>11,914</u>	<u>87,387</u>	<u>35,845</u>
Owners of the Company	<u>80,708</u>	<u>119,704</u>	<u>299,017</u>	<u>280,388</u>
	<u>103,763</u>	<u>131,618</u>	<u>386,404</u>	<u>316,233</u>
Earnings per share attributable to equity holders of the Company				
- Basic earnings per share (sen)	<u>4.12</u>	<u>4.12</u>	<u>11.09</u>	<u>12.62</u>
- Diluted earnings per share (sen)	<u>4.09</u>	<u>4.08</u>	<u>11.02</u>	<u>12.56</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 October 2013)

S P SETIA BERHAD
(Company No.: 19698-X)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JULY 2014
(The figures have not been audited)

	Attributable to owners of the Company						Perpetual Bond	Non-controlling interests	Total Equity	
	Non-Distributable									
	Share Capital RM'000	Share Premium RM'000	Share-Based Payment Reserve RM'000	Warrant Reserve RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000	RM'000
Balance at 1.11.2013	1,844,034	2,128,696	23,529	-	(987)	1,530,271	5,525,543	-	(846)	5,524,697
Effects arising from adoption of FRS 10 and FRS 11	-	-	-	-	4,057	(63,200)	(59,143)	-	256,084	196,941
Balance at 1.11.2013, as restated	1,844,034	2,128,696	23,529	-	3,070	1,467,071	5,466,400	-	255,238	5,721,638
Total other comprehensive income for the period represented by exchange differences on translation of foreign operations	-	-	-	-	24,651	-	24,651	-	(65)	24,586
Profit for the period	-	-	-	-	-	274,366	274,366	-	64,519	338,885
Issuance of Perpetual Bond	-	-	-	-	-	-	-	609,000	-	609,000
Distribution for the period	-	-	-	-	-	-	-	22,933	-	22,933
Distribution paid	-	-	-	-	-	-	-	(18,068)	-	(18,068)
Transactions with owners:										
Dividends paid	-	-	-	-	-	(172,110)	(172,110)	-	-	(172,110)
Issuance of ordinary shares										
- Dividend Reinvestment Plan ("DRP")	44,037	108,037	-	-	-	-	152,074	-	-	152,074
- Exercise of Employee Share Grant Plan ("ESGP")	3,037	12,754	(15,791)	-	-	-	-	-	-	-
- Exercise of Employee Share Option Scheme ("ESOS")	195	738	(135)	-	-	-	798	-	-	798
Share-based payment under Employees' Long Term Incentive Plan ("LTIP")	-	-	33,848	-	-	-	33,848	-	-	33,848
Balance at 31.07.2014	1,891,303	2,250,225	41,451	-	27,721	1,569,327	5,780,027	613,865	319,692	6,713,584
Balance at 1.11.2012	1,504,250	1,113,480	242	28,904	(2,686)	1,399,684	4,043,874	-	(4,754)	4,039,120
Effects arising from adoption of FRS 10 and FRS 11	-	-	-	-	4,154	(63,012)	(58,858)	-	221,876	163,018
Balance at 1.11.2012, as restated	1,504,250	1,113,480	242	28,904	1,468	1,336,672	3,985,016	-	217,122	4,202,138
Total other comprehensive income for the period represented by exchange differences on translation of foreign operations	-	-	-	-	(8,319)	-	(8,319)	-	(3)	(8,322)
Profit for the period	-	-	-	-	-	288,707	288,707	-	35,848	324,555
Transactions with owners:										
Acquisition of additional shares in subsidiary companies	-	-	-	-	-	(35,641)	(35,641)	-	(8,159)	(43,800)
Dividends paid	-	-	-	-	-	(165,963)	(165,963)	-	-	(165,963)
Issuance of ordinary shares:										
- Exercise of Warrants	99,259	322,750	-	(26,299)	-	-	395,710	-	-	395,710
- Placement	240,525	702,333	-	-	-	-	942,858	-	-	942,858
Share issue expenses	-	(9,866)	-	-	-	-	(9,866)	-	-	(9,866)
Share-based payment under Employees' Long Term Incentive Plan ("LTIP")	-	-	11,462	-	-	-	11,462	-	-	11,462
ESOS lapsed	-	-	(242)	-	-	242	-	-	-	-
Warrants lapsed	-	-	-	(2,605)	-	2,605	-	-	-	-
Balance at 31.07.2013	1,844,034	2,128,697	11,462	-	(6,851)	1,426,622	5,403,964	-	244,808	5,648,772

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2013)

S P SETIA BERHAD
(Company No.: 19698-X)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JULY 2014
(The figures have not been audited)

	9 MONTHS ENDED 31 July 2014 RM'000	9 MONTHS ENDED 31 July 2013 (Restated) RM'000
Profit before taxation	500,133	438,897
Adjustments for:-		
Non-cash items	39,433	27,330
Non-operating items	(22,820)	(3,755)
Operating profit before changes in working capital	<u>516,746</u>	<u>462,472</u>
Changes in property development costs	4,115	51,923
Changes in gross amount due from/to customers	9,406	14,692
Changes in inventories	(394)	(236)
Changes in receivables	117,229	278,748
Changes in payables	(49,131)	(59,064)
Cash generated from operations	<u>597,971</u>	<u>748,535</u>
Interest received	23,475	17,076
Interest paid	(145,061)	(105,710)
Rental received	1,491	98
Tax paid	(194,177)	(181,429)
Net cash generated from operating activities	<u>283,699</u>	<u>478,570</u>
Investing Activities		
Additions to land held for future development	(246,335)	(1,104,733)
Purchase of property, plant and equipment	(12,029)	(20,904)
Additions to investment properties	(94,519)	(112,132)
Additions to concession assets	(38,072)	(30,944)
Proceeds from disposal of property, plant and equipment	1,827	431
Proceeds from disposal of investment properties	20,570	15,834
Proceeds from disposal of unquoted investment	-	216
Acquisition of additional investment in subsidiary companies	-	(43,800)
Acquisition of additional redeemable preference shares in subsidiary companies	-	(15,450)
Acquisition of additional investment in jointly controlled entities	(290,259)	(2,188)
Advances to jointly controlled entities	(142,646)	(13,798)
Advances to associated companies	-	(8,803)
Repayment by associated companies	2	-
Development expenditure paid	-	(11,024)
Deposit and part consideration paid for acquisition of land	-	(40,000)
Other investments	50,760	25,255
Net cash used in investing activities	<u>(750,701)</u>	<u>(1,362,040)</u>

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(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JULY 2014
(The figures have not been audited)

	9 MONTHS ENDED 31 July 2014	9 MONTHS ENDED 31 July 2013 (Restated)
	RM'000	RM'000
Financing Activities		
Proceeds from issue of shares by the Company	798	1,338,568
Proceeds from issuance of perpetual bond	609,000	-
Redemption of bonds	-	(250,000)
Payment of share issue expenses	-	(9,866)
Drawdown of bank borrowings	670,738	1,930,888
Repayment of bank borrowings	(433,916)	(1,029,941)
Dividends paid to minority shareholder of subsidiary companies	(5,049)	(2,672)
Advances from a minority shareholder of a subsidiary company	-	5,273
Perpetual bond distribution paid	(18,068)	-
Interest paid	(2,461)	(1,532)
Dividends paid	(20,036)	(165,963)
Net cash generated from financing activities	<u>801,006</u>	<u>1,814,755</u>
Net changes in cash and cash equivalents	334,004	931,285
Effect of exchange rate changes	1,121	3,690
Cash and cash equivalents at 1 November 2013/2012	2,081,768	1,349,625
Cash and cash equivalents at 31 July 2014/2013	<u>2,416,893</u>	<u>2,284,600</u>
	31 July 2014	31 July 2013 (Restated)
	RM'000	RM'000
Deposits	1,224,194	1,094,170
Cash and bank balances	1,240,552	1,273,067
Bank overdrafts	(41,917)	(62,867)
	<u>2,422,829</u>	<u>2,304,370</u>
Less: Deposits pledged and maintained in Sinking Fund	(2,000)	-
Sinking Fund, Debt Service Reserve and Escrow Accounts	(3,936)	(19,770)
	<u>2,416,893</u>	<u>2,284,600</u>

(The Condensed Consolidated Statements Of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 October 2013)

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial report has been prepared in accordance with Financial Reporting Standard 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2013.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 October 2013 except for the adoption of the following new/revised FRSs and Amendments to FRSs:-

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosures of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investments in Associates and Joint Ventures
Amendments to FRSs	Improvements to FRSs (2012)
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance

The following are the Amendments to FRSs and IC Interpretation which are effective but are not applicable to the Group:-

Amendments to FRS 1	Government Loans
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above new/revised FRSs and Amendments to FRSs does not have significant financial impact to the Group except for the FRSs as disclosed below:

FRS 10 – Adoption of this FRS requires that the Group reassess the new single control model to determine whether the investees should be consolidated. There are three elements to the definition of control in FRS 10:- (i) power by investor over an investee, (ii) exposure, or rights, to variable returns from investor’s involvement with the investee, and (iii) investor’s ability to affect those returns through its power over the investee. The application is retrospective and accordingly, the comparative figures as at 31 October 2013 are restated and opening balance of unappropriated profit as at 1 November 2013 has been adjusted.

FRS 11 — Adoption of this FRS requires that the Group reassesses its involvement in joint arrangements to determine whether each arrangement is a joint operation or a joint venture. For a joint operation, the Group needs to account for each asset, liability, revenue and expense directly based on the Group’s rights and obligations in the arrangement. For a joint venture, the Group applies the equity method and this has changed the previous policy of accounting for joint venture using the proportionate consolidation method. The assets and liabilities consolidated proportionately in the prior years have been deconsolidated retrospectively, but the change in policy did not affect the consolidated retained profits and other reserves.

1. Basis of preparation (continued)

The financial impact to the Group arising from these changes in accounting policies is as follows:

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
Statement of Financial Position				
At 31 October 2013				
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	121,856	11,276	(12,722)	120,410
Investment Properties	1,013,046	60,107	(459,594)	613,559
Land Held for Property Development	4,918,472	233,118	(581,652)	4,569,938
Concession Assets	52,129	-	-	52,129
Investment in Jointly Controlled Entities	-	-	506,353	506,353
Investment in Associated Companies	1,689	-	-	1,689
Amount Owing by Former Joint Venture Partner	14,380	-	-	14,380
Amount Owing by Jointly Controlled Entities	41,569	(41,569)	-	-
Deferred Tax Assets	167,885	26,082	(1,120)	192,847
	<u>6,331,026</u>	<u>289,014</u>	<u>(548,735)</u>	<u>6,071,305</u>
Current Assets				
Property Development Costs	2,693,117	163,180	(232,165)	2,624,132
Gross Amount Due from Customers	641	-	-	641
Inventories	43,244	-	(19,678)	23,566
Trade and Other Receivables	1,058,472	36,582	(173,523)	921,531
Amount Owing by Jointly Controlled Entities	32,220	107,070	(72)	139,218
Amount Owing by Associated Companies	9,283	-	-	9,283
Current Tax Assets	30,541	-	(776)	29,765
Deposits	1,024,981	18,140	(103,124)	939,997
Cash and Bank Balances	1,218,237	84,346	(79,476)	1,223,107
	<u>6,110,736</u>	<u>409,318</u>	<u>(608,814)</u>	<u>5,911,240</u>
TOTAL ASSETS	<u>12,441,762</u>	<u>698,332</u>	<u>(1,157,549)</u>	<u>11,982,545</u>
EQUITY AND LIABILITIES				
EQUITY				
Share Capital	1,844,034	-	-	1,844,034
Share Premium	2,128,696	-	-	2,128,696
Option Reserve	23,529	-	-	23,529
Exchange Translation Reserve	(987)	-	4,057	3,070
Retained Earnings	1,530,271	(57,832)	(5,368)	1,467,071
Equity Attributable to Equity Holders of the Company	<u>5,525,543</u>	<u>(57,832)</u>	<u>(1,311)</u>	<u>5,466,400</u>
Non-controlling Interests	<u>(846)</u>	<u>256,084</u>	<u>-</u>	<u>255,238</u>
Total Equity	<u>5,524,697</u>	<u>198,252</u>	<u>(1,311)</u>	<u>5,721,638</u>
Non-Current Liabilities				
Long Term Borrowings	3,915,084	105,862	(673,318)	3,347,628
Redeemable Cumulative Preference Shares	-	156,657	(81,826)	74,831
Deferred Tax Liabilities	4,951	1,294	(21)	6,224
	<u>3,920,035</u>	<u>263,813</u>	<u>(755,165)</u>	<u>3,428,683</u>

1. Basis of preparation (continued)

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
Statement of financial position				
At 31 October 2013				
Current Liabilities				
Gross Amount Due to Customers	2,311	-	-	2,311
Trade and Other Payables	2,342,750	202,705	(387,777)	2,157,688
Short Term Borrowings	553,554	28,650	(12,504)	569,700
Bank Overdrafts	60,875	-	-	60,875
Current Tax Liabilities	37,540	4,902	(792)	41,650
	<u>2,997,030</u>	<u>236,257</u>	<u>(401,073)</u>	<u>2,832,224</u>
Total Liabilities	<u>6,917,065</u>	<u>500,070</u>	<u>(1,156,238)</u>	<u>6,260,907</u>
TOTAL EQUITY AND LIABILITIES	<u>12,441,762</u>	<u>698,322</u>	<u>(1,157,549)</u>	<u>11,982,545</u>

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
Statement of Comprehensive Income				
3 months ended 31 July 2013				
Revenue	761,506	58,180	(12,865)	806,821
Cost of sales	(518,163)	(35,755)	8,503	(545,415)
Gross profit	243,343	22,425	(4,362)	261,406
Other operating income	22,112	2,423	(1,769)	22,766
Selling and marketing expenses	(42,434)	(6,519)	1,715	(47,238)
Administrative and general expenses	(66,562)	(1,447)	6,998	(61,011)
Share of profit less losses of jointly controlled entities	-	-	(6,523)	(6,523)
Share of profit less losses of associated companies	10	-	16	26
Finance costs	(12,019)	(2,679)	3,308	(11,390)
Profit before taxation	<u>144,450</u>	<u>14,203</u>	<u>(617)</u>	<u>158,036</u>
Taxation	(40,252)	(4,616)	62	(44,806)
Profit for the period	<u>104,198</u>	<u>9,587</u>	<u>(555)</u>	<u>113,230</u>
Other comprehensive income:				
Exchange differences on translation of foreign operations	18,362	26	-	18,388
Total comprehensive income for the period	<u>122,560</u>	<u>9,613</u>	<u>(555)</u>	<u>131,618</u>
Profit attributable to:				
Owners of the Company	101,882	(25)	(555)	101,302
Non-controlling interests	2,316	9,612	-	11,928
	<u>104,198</u>	<u>9,587</u>	<u>(555)</u>	<u>113,230</u>
Total comprehensive income attributable to:				
Owners of the Company	120,258	1	(555)	119,704
Non-controlling interests	2,302	9,612	-	11,914
	<u>122,560</u>	<u>9,613</u>	<u>(555)</u>	<u>131,618</u>

1. Basis of preparation (continued)

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
Statement of Comprehensive Income				
9 months ended 31 July 2013				
Revenue	2,160,360	168,147	(33,031)	2,295,476
Cost of sales	(1,504,084)	(98,565)	20,430	(1,582,219)
Gross profit	656,276	69,582	(12,601)	713,257
Other operating income	63,164	2,304	(5,529)	59,939
Selling and marketing expenses	(121,292)	(12,298)	6,025	(127,565)
Administrative and general expenses	(169,616)	(3,687)	18,620	(154,683)
Share of profit less losses of jointly controlled entities	-	-	(16,292)	(16,292)
Share of profit less losses of associated companies	27	-	18	45
Finance costs	(37,810)	(6,048)	8,054	(35,804)
Profit before taxation	390,749	49,853	(1,705)	438,897
Taxation	(98,831)	(17,028)	1,517	(114,342)
Profit for the period	291,918	32,825	(188)	324,555
Other comprehensive income:				
Exchange differences on translation of foreign operations	(8,224)	(98)	-	(8,322)
Total comprehensive income for the period	283,694	32,727	(188)	316,233
Profit attributable to:				
Owners of the Company	290,565	(1,670)	(188)	288,707
Non-controlling interests	1,353	34,495	-	35,848
	291,918	32,825	(188)	324,555
Total comprehensive income attributable to:				
Owners of the Company	282,344	(1,768)	(188)	280,388
Non-controlling interests	1,350	34,495	-	35,845
	283,694	32,727	(188)	316,233

1. **Basis of preparation (continued)**

	As previously reported RM'000	Effects of adopting FRS 10 & FRS 11 RM'000	As restated RM'000
Statement of Cash Flows 9 months ended 31 July 2013			
Net cash generated from operating activities	489,455	(10,885)	478,570
Net cash used in investing activities	(1,377,016)	14,976	(1,362,040)
Net cash generated from financing activities	1,827,421	(12,666)	1,814,755
Net changes in cash and cash equivalents	<u>939,860</u>	<u>(8,575)</u>	<u>931,285</u>
Effect of exchange rate changes	5,486	(1,796)	3,690
Cash and cash equivalents at 1 November 2012	<u>1,420,479</u>	<u>(70,854)</u>	<u>1,349,625</u>
Cash and cash equivalents at 31 July 2013	<u><u>2,365,825</u></u>	<u><u>(81,225)</u></u>	<u><u>2,284,600</u></u>

2. **Seasonal or cyclical factors**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

3. **Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items for the financial period ended 31 July 2014.

4. **Changes in estimates**

There were no material changes in estimates for the financial period ended 31 July 2014.

5. Debts and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period-to-date except for the following:

- (a) Issuance of RM609 million in nominal value of the unrated subordinated Islamic perpetual notes (“Perpetual Bond”) on 13 December 2013;
- (b) Issuance of 58,715,748 new ordinary shares of RM0.75 each pursuant to a Dividend Reinvestment Plan that provides shareholders with an option to reinvest their cash dividend in new ordinary shares (“1st DRP”) at RM2.59 per share;
- (c) Allotment of 4,049,646 new ordinary shares of RM0.75 each pursuant to the exercise of Employee Share Grant Plan (“ESGP”); and
- (d) Issuance of 260,000 new ordinary shares of RM0.75 each pursuant to the exercise of Employee Share Option Scheme (“ESOS”) at RM3.07 per share. The total cash proceeds arising from the exercise of ESOS during the current financial period amounted to RM798,200.

6. Dividends paid

a) Final dividend in respect of the financial year ended 31 October 2013

A single tier final dividend, in respect of the financial year ended 31 October 2013 of 7 sen per ordinary shares of RM0.75 each and the implementation of a Dividend Reinvestment Plan that provides shareholders with an option to reinvest their cash dividend in new ordinary shares of RM0.75 each was approved by the shareholders.

Based on the election made by the shareholders, a total of 58,715,748 new ordinary shares of RM0.75 each were issued and the remaining portion of RM20,036,070 was paid in cash on 16 May 2014.

b) Interim dividend in respect of the financial year ending 31 October 2014

On 11 June 2014, our Board had declared a single-tier interim cash dividend of 4 sen per share for the financial year ending 31 October 2014 (“Interim Dividend”) and the shareholders of the Company were given an option to reinvest all or part of the Interim Dividend in new ordinary share(s) of RM0.75 each in the Company (“S P Setia Shares”) (“2nd DRP”).

Based on the election made by the shareholders, a total of 7,528,522 new S P Setia Shares were issued on 11 September 2014 and listed on the Main Market of Bursa Malaysia Securities Berhad on 12 September 2014. The remaining portion of RM77,192,712 was paid on 11 September 2014.

7. Segmental Reporting

The segmental analysis for the financial period ended 31 July 2014 is as follows:-

	Property Development RM'000	Construction RM'000	Other Operations RM'000	Eliminations RM'000	Consolidated RM'000
<u>Revenue</u>					
External sales	2,398,882	105,004	72,688	-	2,576,574
Inter-segment sales	83,921	276,947	93,130	(453,998)	-
Total revenue	<u>2,482,803</u>	<u>381,951</u>	<u>165,818</u>	<u>(453,998)</u>	<u>2,576,574</u>
Gross profit	727,387	6,651	15,861	-	749,899
Other operating income	100,233	930	27,531	-	128,694
Operating expenses	(282,454)	(6,355)	(8,823)	-	(297,632)
Share of net profits less losses of jointly controlled entities	(43,237)	4,515	1,797	-	(36,925)
Share of net profits less losses of associated companies	62	-	-	-	62
Finance costs	(29,939)	(14,026)	-	-	(43,965)
Profit before taxation	<u>472,052</u>	<u>(8,285)</u>	<u>36,366</u>	<u>-</u>	<u>500,133</u>
Tax expense					(138,315)
Profit for the period					<u><u>361,818</u></u>

8. Material Events subsequent to the End of Financial Period

There were no material transactions or events subsequent to the current quarter ended 31 July 2014 till 11 September 2014 (the latest practicable date which is not earlier than 6 days from the date of issue of this quarterly report).

9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to-date except for the following:

- (i) Incorporation of China-Malaysia Qinzhou Industrial Park (Guangxi) Development Co., Ltd. ("CMQIP") on 22 November 2013 with an issued and paid up share capital of RMB300 million comprising of 300 million ordinary shares of RMB1.00 each ("the shares"). CMQIP is 45% owned by Qinzhou Development (Malaysia) Consortium Sdn Bhd, a jointly controlled entity of the Group;
- (ii) Deregistration of Setia (Hangzhou) Development Company Limited from being a wholly owned subsidiary of S P Setia Berhad on 3 January 2014; and
- (iii) Striking off of Setia D-Nine Limited and Setia Saigon East Limited, which were dormant subsidiaries of the Group from the British Virgin Islands Government Register with effect from 1 May 2014.

10. Contingent Liabilities

There were no contingent liabilities in respect of the Group since the last financial year. The contingent liabilities in the previous financial year have been restated to nil due to the adoption of the new FRSs mentioned in note 1 above.

11. Capital Commitments

	As at 31/07/2014 RM'000
Commitments to purchase development land (contracted)	12,303
Contractual commitments for construction of investment properties	10,587
Contractual commitments for acquisition of property, plant and equipment	1,076
Contractual commitments in relation to Development Agreement	<u>100,000</u>

12. Significant Related Party Transactions

	01/11/2013 To 31/07/2014 RM'000
<i>Transactions with jointly controlled entities:-</i>	
(i) Project management and administrative fee received and receivable	2,660
(ii) Rental paid and payable	931
(iii) Security services rendered	241
(iv) Event service fee charged	19
(v) Group marketing fee charged	258
(vi) Sale of investment properties	88,405
(vii) Staff secondment	1,298
(viii) Sale of building materials	131
(ix) Construction services rendered	16,667

Transactions with directors of the Company and subsidiary companies, companies and trust bodies in which they have interests:-

(i) Security services rendered to a trust body in which a director of the Company and the directors of subsidiary companies are the trustees	91
(ii) Rental charged to a trust body in which a director of the Company and the directors of subsidiary companies are the trustees	90
(iii) Rental charged to a trust body in which a former director of the Company is the trustee	15
(iv) Event fees charged to a trust body in which a former director of the Company is the trustee	75
(v) Supply and installation of timber decking to a trust body in which a former director of the Company is the trustee	10
(vi) Event fees charged to companies in which the immediate family member of a director of the Company has interest	96
(vii) Sale of development properties to directors of the Company and their immediate family members of the directors	18,882
(viii) Sale of development properties to immediate family member of a former director of the Company	15,218
(ix) Sale of development properties to directors of subsidiary companies and their immediate family members of the directors	38,368
(x) Sale of development properties to former directors of subsidiary companies and their immediate family members of the directors	7,287

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

1. Review of Group Performance

The Group reported a profit before taxation (“PBT”) of RM187.6 million, which is 19% higher than RM158.0 million reported for 3Q2013.

Revenue and PBT of the respective operating business segments for the current quarter are analysed as follows:-

	3Q2014	3Q2013	PTD2014	PTD2013
	RM’000	Restated RM’000	RM’000	Restated RM’000
Revenue				
Property Development	837,003	763,856	2,398,882	2,164,074
Construction	40,648	19,478	105,004	64,788
Other Operations	25,012	23,487	72,688	66,614
	<u>902,663</u>	<u>806,821</u>	<u>2,576,574</u>	<u>2,295,476</u>
Profit before taxation				
Property Development	178,983	151,562	472,052	423,922
Construction	(6,034)	(913)	(8,285)	(2,082)
Other Operations	14,648	7,387	36,366	17,057
	<u>187,597</u>	<u>158,036</u>	<u>500,133</u>	<u>438,897</u>
Profit attributable to owners of the Company	103,319	101,302	274,366	288,707

(a) Performance of the current quarter against the same quarter in the preceding year (3Q 2014 vs. 3Q 2013)

(i) Revenue and PBT

The Group’s PBT of RM187.6 million for 3Q 2014 is higher than RM158.0 million reported for 3Q 2013. Revenue and PBT of the respective operating business segments for the current quarter are as analysed as follows:-

Property Development

Revenue and PBT from property development activities increased by 10% and 18% respectively. The increase were mainly contributed from higher revenue recognition from property development as a result of higher overall Group sales achieved since FY2012, coupled with higher profit contribution from completed parcels.

The % of increase in PBT is higher than the % of increase in revenue mainly due to lower expenses incurred in 3Q 2014.

Ongoing projects which contributed to the profit and revenue achieved include *Setia Alam* and *Setia Eco-Park* in Shah Alam, *Setia Ecohill* in Semenyih, *Setia Eco Glades* in Cyberjaya, *Setia Sky Residences* at Jalan Tun Razak, *KL Eco City* at Jalan Bangsar, *Aeropod* in Kota Kinabalu, *Bukit Indah*, *Setia Indah*, *Setia Tropika*, *Setia Eco Cascadia*, *Setia Business Park II*, *Setia Eco Gardens* and *Setia Sky 88* in Johor Bahru, *Setia Pearl Island*, *Setia Vista*, *Setia Greens*, *Setia V Residences* and *Brook Road* in Penang and *18 Woodsville* and *Eco Sanctuary* in Singapore.

1. Review of Group Performance (continued)

(a) Performance of the current quarter against the same quarter in the preceding year (3Q 2014 vs. 3Q 2013) (continued)

(i) Revenue and PBT (continued)

Construction

Revenue for the current quarter is mainly derived from the construction of the following:

- (a) a concession asset in Penang undertaken pursuant to a Build-Operate-Transfer Agreement with the Majlis Perbandaran Pulau Pinang, in exchange for development rights in Penang;
- (b) Jabatan Keretapi Negeri Sabah building in Sabah undertaken pursuant to a Development Agreement with the Sabah State Government, in exchange for a land in Sabah for the Aeropod project; and
- (c) Kompleks Insitut Penyelidikan Kesihatan Bersepadu (“1NIH Complex”) in Setia Alam undertaken pursuant to a Privatisation Agreement with the Ministry of Health, in exchange for a land in Bangsar for the Setia Federal Hill project.

As such, the construction profit to be recognised on these projects will not be significant as the Group expects to derive most of the benefits from subsequent development activities to be undertaken in the respective states.

Other Operations

Revenue and profit from Other Operations mainly consist of wood-based manufacturing, trading activities and the Setia City Convention Centre operations.

(ii) Profit Attributable to Shareholders

The profit attributable to shareholders would have increased by 7.7% if the Goods and Services Tax (“GST”) financial impact and LTIP expenses were not recognised.

(b) Performance of the current period to-date against the same period in the preceding year (Q3 PTD 2014 vs. Q3 PTD 2013)

(i) Revenue and PBT

For the current period to-date, the Group achieved a PBT of RM500.1 million on the back of revenue totalling RM2,576.6 million, representing an 14% increase in PBT and 12% increase in revenue as compared to the preceding period.

The performance of the respective operating business segments for the current period to-date are analysed as follows:-

Property Development

Both revenue and PBT increased by 11% respectively for the reasons mentioned above under the analysis of the current quarter’s performance.

Construction

There were no material changes for the revenue and profit from Construction and revenue and PBT remain a small percentage of overall Group operations.

1. Review of Group Performance (continued)

(b) Performance of the current period to-date against the same period in the preceding year (Q3 PTD 2014 vs. Q3 PTD 2013) (continued)

(i) Revenue and PBT (continued)

Other Operations

There were no material changes for the revenue and profit from Other Operations in the current period to-date compared to the same period in the preceding year.

(ii) Profit Attributable to Shareholders

The reduction in Profit Attributable to Shareholders from RM288.7 million in the preceding period to-date to RM274.4 million in current period to-date was mainly due to distribution of profit to the holders of perpetual bonds and non-controlling interests, as well as the recognition of GST financial impact and LTIP expense.

The profit attributable to shareholders would have increased by 12.9% if the GST financial impact and LTIP expenses were not recognised.

2. Material changes in the Quarterly Results compared to the results of the Preceding Quarter

The Group's current quarter profit before taxation is RM187.6 million, which is RM22.2 million higher than the preceding quarter ended 30 April 2014. The profit in the current quarter was higher due to sale of a piece of land in Setia Alam for the development of 1NIH Complex.

3. Prospects for the Current Financial Year

The Group achieved RM1.42 billion sales during the third quarter of FY2014, up from the previous quarter sales of RM715 million. As at 31 August 2014, total Group Sales for the first ten months of the current financial year totalled to RM3.81 billion and total unbilled sales stood at RM10.88 billion.

Despite the Malaysian property market going through a period of softness, the Group posted satisfactory sales for the current quarter largely due to the successful phase 2 residential launch by its joint venture project, Battersea Power Station in United Kingdom. In the current quarter, the Group's forty percent (40%) share of Battersea Power Station's sales stood at RM735 million.

The Overnight Policy Rate hike in July' 14 by Bank Negara Malaysia of 25 basis points has some impact on housing loans and the Malaysian property market remains challenging as property buyers remain cautious.

Despite the various challenges faced by property developers in Malaysia, the Group remains positive that with a well-diversified portfolio of projects in terms of geographical location (locally and internationally); the Group will achieve satisfactory sales for the current financial year.

4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

5. Income Tax

Income Tax comprises:-

	3 MONTHS ENDED		9 MONTHS ENDED	
		Restated		Restated
	31/07/2014	31/07/2013	31/07/2014	31/07/2013
	RM'000	RM'000	RM'000	RM'000
- current taxation	35,991	83,455	110,895	187,849
- in respect of prior years	9,524	5,504	8,987	6,426
- deferred taxation	22,492	(37,708)	25,274	(79,481)
- in respect of prior years	(6,841)	(6,445)	(6,841)	(452)
	<u>61,166</u>	<u>44,806</u>	<u>138,315</u>	<u>114,342</u>

The Group's effective tax rate for the current period and the financial period to-date is higher compared to the statutory tax rate mainly due to certain non-tax deductible expenses.

6. Status of Corporate Proposals

(a) The following are the status of corporate proposals that have been announced by the Company which had been completed since the preceding quarter report and those which are not completed as at 11 September 2014, the latest practicable date which shall not be earlier than 7 days from the date of this announcement:-

(i) Bandar Setia Alam Sdn Bhd ("Bandar Setia Alam"), a wholly owned subsidiary of S P Setia, disposed approximately 30.5 acres of freehold land ("Original Land") located within Precinct 1 of the Setia Alam township ("Said Land") to Greenhill Resources Sdn Bhd ("Greenhill") for a total consideration of RM119,572,200. Greenhill is a joint venture between Bandar Setia Alam and Lend Lease Asian Retail Investment Fund 2 Limited ("ARIF"), a wholesale real estate development fund managed by Lend Lease Investment Management Pte Ltd, for the development of a retail mall on the Said Land ("Retail Mall"), as announced on 2 July 2008.

Subsequently on 15 July 2009, Bandar Setia Alam had entered into several agreements to reflect certain changes to the earlier Proposals announced on 2 July 2008. The agreements include the entry into two separate Sale and Purchase Agreements between Bandar Setia Alam, Greenhill and GR Investments Ltd ("GRI") for the disposal by Bandar Setia Alam to Greenhill of approximately 14.31 acres ("Stage 1 Land") of the Original Land on which the Retail Mall was to be constructed, and the remaining 16.19 acres ("Stage 2 Land"), for approximately RM56.1 million and RM63.5 million respectively.

Pursuant to a Supplemental Agreement entered into between the parties on 27 January 2014, the disposal of the Stage 1 Land and Stage 2 Land is expected to be completed by the end of FY2014;

(ii) On 26 October 2009, a subsidiary of S P Setia Berhad, Setia Lai Thieu Limited ("Setia LT"), had entered into an In-Principle Agreement with Investment and Industrial Development Corporation (Becamex IDC Corp) ("Becamex") for the assignment of the implementation and development of an independent mixed-use real estate project on a piece of land measuring approximately 108,400 square metres or 26.79 acres located in Lai Thieu Town, Thuan An District, Binh Duong Province, Vietnam ("Land") from Becamex to a company to be established by Setia LT in Vietnam for a total consideration of USD16,260,000.

As announced on 11 March 2010, the People's Committee of Binh Duong Province has on 10 March 2010 issued the Investment Certificate for the establishment of Setia Lai Thieu One Member Company Limited ("NewCo") to undertake the development of Eco-Xuan Lai Thieu on the Land for a term of 50 years from the date of issuance of the Investment Certificate.

6. Status of Corporate Proposals (continued)

On approval of the masterplan in the scale of 1/500 for EcoXuan Lai Thieu, the area of the Land was increased from 108,400 square metres to 109,685 square metres (27.10 acres) and by the increase in land area, the total consideration payable to Becamex was adjusted to USD16,452,750 based on the rate of USD150 per square metre.

The balance of the consideration is payable upon the issuance of the land use right certificate in the name of Setia LT;

- (iii) On 29 November 2012, Setia Federal Hill Sdn Bhd (formerly known as Sentosa Jitra Sdn Bhd), a 50% jointly controlled entity of S P Setia Berhad, entered into a Privatisation Agreement with the Government of Malaysia (“Government”) and Syarikat Tanah dan Harta Sdn Bhd to undertake the development and construction of a new integrated health and research complex to be known as the 1NIH Complex for the Government on a piece of land in Setia Alam, Selangor measuring approximately 41.115 acres (“Project Land”) by way of land swap for another piece of land measuring approximately 51.568 acres along Jalan Bangsar, Kuala Lumpur.

As announced on 19 June 2014, all conditions precedent set out in the Privatisation Agreement have been fulfilled and that the effective date of the Privatisation Agreement has been determined to be 17 June 2014. Accordingly, the Privatisation Agreement has become unconditional on 17 June 2014;

- (iv) On 6 February 2013, Rockbay Streams Sdn Bhd, a wholly owned subsidiary of S P Setia Berhad has entered into an agreement (“Development Agreement”) with Cash Band (M) Berhad, for the proposed development of a mixed residential and commercial project on various parcels of leasehold land measuring approximately 194.65 acres in the District of Gombak.

The Development Agreement is pending the fulfillment of the conditions precedent therein within a period of twelve (12) months from the date of the Development Agreement, with an automatic extension of a period of twelve (12) months thereafter and/or such other extended period to be mutually agreed in writing by the parties for the fulfillment of the conditions precedent; and

- (v) On 11 June 2014, S P Setia Berhad entered into a Shares Sales Agreement (“SSA”) with Tun Dato’ Seri Zaki Bin Tun Azmi (“Tun Zaki”), the Independent Non-Executive Chairman of the Company to dispose its entire 153,000 ordinary shares of RM1.00 each in S.P. Security Services Sdn Bhd (“SPSSS”), representing 51% equity interest to Tun Zaki for a cash consideration of RM278,000. The SSA is pending the fulfillment of the conditions precedent therein within a period of ninety (90) days from the date of the SSA, with an automatic extension of a period of one (1) month thereafter and/or such extended period to be mutually agreed in writing by the parties for the fulfillment of the conditions precedent.

As of 27 August 2014, the Company has received the approval of the Kementerian Dalam Negeri for the change in shareholdings in SPSSS, being one of the conditions precedent in the SSA.

6. Status of Corporate Proposals (continued)

- (b) As at 31 July 2014, the status of the utilisation of proceeds raised under the Placement exercise which was completed on 25 February 2013, amounting to RM942.86 million is as set out below:-

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Reallocation RM'000	Balance unutilised RM'000	Intended timeframe for utilisation from completion date
Existing projects and general working capital requirements	550,000	(290,259)	-	259,741	Within 24 months
Future expansion plans	181,900	(182,992)	1,092	-	Within 24 months
Repayment of bank borrowings	200,000	(200,000)	-	-	Within 3 months
Estimated expenses for the Corporate Exercise	10,958	(9,866)	(1,092)	-	Within 3 months
Total	942,858	(683,117)	-	259,741	

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 31 July 2014 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Bank Overdrafts	1,912	40,005	41,917
Short Term Bank Borrowings	413,133	445,000	858,133
Long Term Bank Borrowings	2,799,205	500,000	3,299,205
	3,214,250	985,005	4,199,255

Currency exposure profile of borrowings is as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Ringgit Malaysia	2,500,407	973,979	3,474,386
Singapore Dollar	384,584	11,026	395,610
Australian Dollar	300,380	-	300,380
US Dollar	28,879	-	28,879
	3,214,250	985,005	4,199,255

8. Material Litigation

The Group is not engaged in any material litigation as at 11 September 2014, the latest practicable date which is not earlier than 6 days from the date of issue of this quarterly report.

9. Dividends Declared

The Board of Directors declared interim dividends of 4 sen per share (single tier dividend) in respect of the financial year ending 31 October 2014. The interim dividends were paid on 11 September 2014.

10. Earnings Per Share Attributable To Equity Holders of The Company

The basic earnings per share has been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares in issue. The weighted average number of shares in issue is calculated as follows:-

	3 MONTHS ENDED		9 MONTHS ENDED	
	31/07/2014	31/07/2013 Restated	31/07/2014	31/07/2013 Restated
	'000	'000	'000	'000
Profit for the period attributable to equity holders of the Company (RM)	103,319	101,302	274,366	288,707
Number of ordinary shares at beginning of the period	2,458,712	2,458,712	2,458,712	2,005,668
Effect of shares issued pursuant to:				
- Placement	-	-	-	187,956
- Exercise of Warrants	-	-	-	93,481
- Dividend Reinvestment Plan ("DRP")	46,590	-	15,701	-
- Exercise of ESGP	1,232	-	415	-
- Exercise of ESOS	31	-	10	-
Weighted average number of ordinary shares	2,506,565	2,458,712	2,474,838	2,287,105
Basic Earnings Per Share (sen)	4.12	4.12	11.09	12.62

The diluted earnings per share has been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares that would have been in issue upon full exercise of the remaining options under the Warrants and the LTIP granted, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

	3 MONTHS ENDED		9 MONTHS ENDED	
	31/07/2014	31/07/2013 Restated	31/07/2014	31/07/2013 Restated
	'000	'000	'000	'000
Profit for the period attributable to equity holders of the Company (RM)	103,319	101,302	274,366	288,707
Weighted average number of ordinary shares as per basic Earnings Per Share	2,506,565	2,458,712	2,474,838	2,287,105
Effect of potential exercise of LTIP/Warrants	18,834	24,728	15,363	11,862
Weighted average number of ordinary shares	2,525,399	2,483,440	2,490,201	2,298,967
Diluted Earnings Per Share (sen)	4.09	4.08	11.02	12.56

11. Realised and Unrealised Profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:-

	31/07/2014	31/10/2013
	RM'000	(Restated)
		RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	2,021,222	1,855,594
- Unrealised	147,457	156,786
	<u>2,168,679</u>	<u>2,012,380</u>
Total share of retained profits from jointly controlled entities:		
- Realised	(44,081)	(7,358)
- Unrealised	897	1,099
	<u>(43,184)</u>	<u>(6,259)</u>
Total share of retained profits from associated companies:		
- Realised	(831)	(893)
- Unrealised	-	-
	<u>(831)</u>	<u>(893)</u>
Less: Consolidation adjustments	(555,337)	(538,157)
Total Group retained profits as per consolidated accounts	<u>1,569,327</u>	<u>1,467,071</u>

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

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

12. Notes to the Statement of Comprehensive Income

Notes to the Statement of Comprehensive Income comprises:-

	3 MONTHS	9 MONTHS
	ENDED	ENDED
	31/07/2014	31/07/2014
	RM'000	RM'000
Interest income	14,731	50,047
Other income including investment income	23,928	39,033
Interest expense	(13,956)	(43,965)
Depreciation and amortisation	(5,997)	(18,930)
Provision for write off of receivables	N/A	N/A
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	-	39,614
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	33	(13)
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

13. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the year ended 31 October 2013 was unqualified.