



WCT HOLDINGS BERHAD
(Company Number : 930464-M)
(Incorporated in Malaysia)

Date : 22 May 2014

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL
PERIOD ENDED 31 MARCH 2014**

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WCT HOLDINGS BERHAD

(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED
31 MARCH 2014**

(The figures have not been audited)

CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.3.2014) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2013) RM'000	CURRENT YEAR TO DATE (3 months to 31.3.2014) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2013) RM'000
Revenue	467,221	490,945	467,221	490,945
Cost of sales	(384,514)	(399,507)	(384,514)	(399,507)
Gross profit	82,707	91,438	82,707	91,438
Other income	5,472	7,643	5,472	7,643
Other expenses	(4,067)	(6,665)	(4,067)	(6,665)
Administrative expenses	(16,884)	(16,345)	(16,884)	(16,345)
Finance costs	(15,069)	(14,675)	(15,069)	(14,675)
Share of results of associates	2,364	3,832	2,364	3,832
Share of results of joint ventures	2,230	127	2,230	127
	56,753	65,355	56,753	65,355
Income tax expense	(16,205)	(23,523)	(16,205)	(23,523)
Profit for the period	40,548	41,832	40,548	41,832
Attributable to:				
Equity holders of the Company	40,097	43,182	40,097	43,182
Non-controlling interest	451	(1,350)	451	(1,350)
Profit for the period	40,548	41,832	40,548	41,832
Attributable to equity holders of the Company :				
Basic earnings per share (sen)	3.67	4.25	3.67	4.25
Fully diluted earnings per share (sen)	3.65	4.12	3.65	4.12

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
(Company Number : 930464-M)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED
31 MARCH 2014**

(The figures have not been audited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 31.3.2014) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2013) RM'000	CURRENT YEAR TO DATE (3 months to 31.3.2014) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 31.3.2013) RM'000
Profit for the period	40,548	41,832	40,548	41,832
Other comprehensive income: Currency translation differences arising from consolidation	1,194	4,763	1,194	4,763
Other comprehensive income for the period, net of tax	1,194	4,763	1,194	4,763
Total comprehensive income for the period	41,742	46,595	41,742	46,595
Total comprehensive income/(loss) for the period attributable to :				
Equity holders of the Company	43,949	47,254	43,949	47,254
Non-controlling interest	(2,207)	(659)	(2,207)	(659)
	41,742	46,595	41,742	46,595

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD
(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	AS AT CURRENT QUARTER 31.3.2014	AS AT FINANCIAL YEAR ENDED 31.12.2013
	UNAUDITED RM'000	AUDITED RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	266,714	271,650
Land held for property development	660,497	640,379
Investment properties	655,223	653,006
Investment in associates	131,075	127,584
Investment in joint ventures	317,639	315,694
Trade receivables	1 569,476	542,390
Other receivables	1 278,616	281,659
Due from related parties	16,660	14,757
Deferred tax assets	15,124	16,028
	<u>2,911,024</u>	<u>2,863,147</u>
<u>Current assets</u>		
Property development costs	296,756	304,584
Inventories	74,717	75,575
Trade receivables	626,409	706,815
Other receivables	297,655	283,993
Due from related parties	272,550	252,876
Tax recoverable	8,696	8,508
Other investments and marketable securities	66,207	65,721
Cash and bank balances	772,063	973,403
	<u>2,415,053</u>	<u>2,671,475</u>
TOTAL ASSETS	<u>5,326,077</u>	<u>5,534,622</u>
EQUITY AND LIABILITIES		
<u>Equity attributable to equity</u>		
<u>holders of the Company</u>		
Share capital	546,231	546,231
Share premium	2,173,974	2,173,973
Reserves	(471,949)	(515,898)
Less: Treasury shares, at costs	(10,055)	-
	<u>2,238,201</u>	<u>2,204,306</u>
Non-controlling interest	49,848	52,055
Total equity	<u>2,288,049</u>	<u>2,256,361</u>

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014 (Cont'd.)

		AS AT CURRENT QUARTER 31.3.2014	AS AT FINANCIAL YEAR ENDED 31.12.2013
		UNAUDITED RM'000	AUDITED RM'000
EQUITY AND LIABILITIES (Cont'd)			
<u>Long-term liabilities</u>			
Trade payables	2	72,911	65,816
Other payables	2	349,249	390,279
Borrowings		1,551,869	1,553,072
Deferred tax liabilities		37,470	37,845
		<u>2,011,499</u>	<u>2,047,012</u>
<u>Current liabilities</u>			
Trade payables		498,661	615,799
Other payables		224,077	226,928
Borrowings		282,437	369,068
Tax payable		21,354	19,454
		<u>1,026,529</u>	<u>1,231,249</u>
Total Liabilities		<u>3,038,028</u>	<u>3,278,261</u>
TOTAL EQUITY AND LIABILITIES		<u>5,326,077</u>	<u>5,534,622</u>
Net asset per share (RM)		2.05	2.02

(1) Included receivables of RM272 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(2) Included payables of RM272 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

WCT HOLDINGS BERHAD

(Company Number : 930464-M)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TO DATE 31.3.2014 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 31.3.2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	56,753	65,355
Adjustments for:-		
Non-cash items	2,260	4,758
Non-operating items - financing	2,932	10,226
Non-operating items - investing	(4,327)	(4,086)
Operating profit before working capital changes	57,618	76,253
Net changes in current assets	13,239	(400,614)
Net changes in current liabilities	(153,986)	(220,487)
Cash flows used in operations	(83,129)	(544,848)
Interest paid	(13,264)	(5,890)
Interest received	12,137	4,449
Taxation paid	(13,963)	(7,050)
Net cash used in operating activities	(98,219)	(553,339)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in jointly controlled entities	-	(25,241)
Proceed from disposal of subsidiary	-	80,412
Property, plant and equipment	(1,952)	3,332
Properties	(2,217)	-
Purchase of marketable securities	(486)	-
Withdrawal/(placement) in		
- FSRA account	102,274	-
- deposits in licensed banks	(6,675)	-
Net cash used in investing activities	90,944	58,503
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from share options exercised	-	7,971
Proceed from conversion of warrants	1	176,680
Purchase of treasury shares	(10,055)	-
Bank borrowings	(92,649)	(98,925)
Net cash (used in)/generated from financing activities	(102,703)	85,726
NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(109,978)	(409,110)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	867,524	1,059,466
Foreign exchange differences	1,226	404
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD *	758,772	650,760

* Cash & cash equivalents excludes fixed deposits with licensed bank amounting to RM770,000 and deposits with maturities more than 3 months amounting to RM6,831,456.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT HOLDINGS BERHAD (“WCT” OR “THE COMPANY”) (930464-M)
 QUARTERLY UNAUDITED RESULTS OF THE GROUP FOR THE FIRST QUARTER ENDED 31
 MARCH 2014**

**A EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARDS
 (“FRS”) 134, INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings included in property, plant and equipment and investment properties which are stated at fair values.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) 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 year ended 31 December 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

A2 Changes in Accounting Policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2013, except for the adoption of the following new Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations with effect from 1 January 2014.

On 1 January 2014, the Group adopted the following new and amended FRS and IC Interpretations where applicable:-

FRSs, Amendments to FRSs and Interpretations

Description	Effective for annual periods beginning on or after
• Amendments to FRS 132: <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
• Amendments to FRS 10, FRS 12 and FRS 127: <i>Investment Entities</i>	1 January 2014
• Amendments to FRS 136: <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
• Amendments to FRS 139: <i>Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
• IC Interpretation 21 Levies	1 January 2014
• Amendments to FRS 119: <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
• Annual Improvements to FRSs 2010–2012 Cycle	1 July 2014
• Annual Improvements to FRSs 2011–2013 Cycle	1 July 2014

A2 Changes in Accounting Policies (Cont'd)

The adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application .

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework comprises Standards as issued by the International Accounting Standards Board ("IASB") that are effective on 1 January 2012. It also comprises new/revised Standards that will be effective after 1 January 2012. All other Standards under the FRS framework where no new/revised Standards that will be effective after 1 January 2012 will transition to MFRS Framework with no further amendments.

The MFRS Framework is to be applied to all entities other than private entities with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estates including its parent, significant investor and venturer ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for 3 years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2015.

A3 Audit Qualification

There was no audit qualification in the auditors' report of the Company's previous financial statements for the financial year ended 31 December 2013.

A4 Seasonal Or Cyclical Factors

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

A6 Changes In Estimate

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter ended 31 March 2014.

A7 Changes In Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, resale, repurchase and repayment of debts and equity securities during the period under review.

(a) Issuance of ordinary share capital

Issuance of 720 new ordinary shares of RM0.50 each pursuant to the conversion of Warrants 2013/2017 at an exercise price of RM2.25 per ordinary share for cash.

(b) Share buy back

The Company repurchased 4,795,300 ordinary share of RM0.50 each of its issued share capital from the open market, at an average costs of RM2.096 each. The total consideration paid for the share buy-back including transaction costs during the current financial quarter and financial period to date amounted to RM10.055 million and were financed by internally generated funds. The shares bought back are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

None of the treasury shares held were resold or cancelled during the quarter under review and up to the date of this report.

A8 Dividends

Please refer to Explanatory Note B11.

A9 Segmental Information

	Civil engineering and construction	Property development	Property investment and management	Unallocated	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
3 months period ended 31 March 2014						
Revenue						
External	327,037	126,442	13,742	-	-	467,221
Inter segment	56,283	928	-	-	(57,211)	-
	<u>383,320</u>	<u>127,370</u>	<u>13,742</u>	<u>-</u>	<u>(57,211)</u>	<u>467,221</u>
Segment results						
Profit from operations	36,708	23,755	6,765	-	-	67,228
Finance costs	-	-	-	-	-	(15,069)
Share of profits of associates	-	-	-	2,364	-	2,364
Share of profits of joint ventures	-	22	2,208	-	-	2,230
Taxation	-	-	-	-	-	(16,205)
Profit for the period						<u>40,548</u>
Profit attributable to :-						
- Equity holders of the Company						40,097
- Non-controlling interest						451
						<u>40,548</u>
3 months period ended 31 March 2013						
Revenue						
External	347,606	123,998	19,341	-	-	490,945
Inter segment	23,522	-	-	-	(23,522)	-
	<u>371,128</u>	<u>123,998</u>	<u>19,341</u>	<u>-</u>	<u>(23,522)</u>	<u>490,945</u>
Segment results						
Profit from operations	42,824	28,044	5,203	-	-	76,071
Finance costs	-	-	-	-	-	(14,675)
Share of profits of associates	-	-	-	3,832	-	3,832
Share of profits of joint ventures	-	-	127	-	-	127
Taxation	-	-	-	-	-	(23,523)
Profit for the period						<u>41,832</u>
Profit attributable to :-						
- Equity holders of the Company						43,182
- Non-controlling interest						(1,350)
						<u>41,832</u>

A10 Carrying Amount Of Revalued Assets

The valuations of investment properties and property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2013.

A11 Subsequent Material Events

There were no material events subsequent to the reporting period up to 16 May 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) which have not been reflected in the financial statements for the quarter under review.

A12 Effect Of Changes In The Composition Of The Group

On 26 February 2014, the Company received a decision letter from the Ho Chi Minh City People's Committee that the Investment Certificate (also act as Business License) dated 18 December 2007 granted to BSC-WCT Co., Ltd, an indirect 67% owned subsidiary of WCTB, to undertake the proposed Platinum Plaza Development Project ("the Proposed Project") located in the Binh Chanh District, Ho Chi Minh City ("HCMC" or the "City"), Vietnam, has been revoked by the Ho Chi Minh City People's Committee.

In connection thereto, the Company will cease to proceed with the Proposed Project which has yet to commence as of to date and to proceed with the liquidation process on BSC-WCT Co., Ltd in accordance with the current laws and regulations of the Ho Chi Minh City People's Committee.

Save as disclosed above, there were no changes in the composition of the Group during the period under review.

A13 Contingent Liabilities

Contingent liabilities of the Group as at 16 May 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) comprised bank guarantees and letters of credit totaling RM735.046 million and RM12.161million respectively provided by the Group to various parties in the ordinary course of business and tax matters under appeal amounting to RM3.3 million. The changes in contingent liabilities since 18 February 2014 are as follows:-

(a)	Bank Guarantees RM'000	Letter of credit RM'000
Balance as at 18 February 2014	764,055	28,776
Extended/utilised during the period	10,765	-
Discharged/paid during the period	<u>(39,774)</u>	<u>(16,615)</u>
Balance as at 16 May 2014	<u><u>735,046</u></u>	<u><u>12,161</u></u>

(b) The tax matters under appeal of the Group totaling RM3.3 million are in respect of corporation tax and service tax of a foreign subsidiary.

A14 Capital Commitments

There are no material commitments except for as follows:-

	RM'000
Approved and contracted for :	
Property, plant and equipment	118,442
Land	152,043
Investment property	413,051
Share of capital commitment of joint operations	<u>47,078</u>
	<u><u>730,614</u></u>

A15 Significant Related Party Transactions

<u>The Group</u>	RM'000
Contract revenue from joint ventures	5,729
Rent expense payable to a joint venture	(46)
Interest receivable from joint ventures	1,933
	<u><u>7,616</u></u>

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF THE BURSA MALAYSIA

B1 Review of performance

For the current quarter, the Group recorded revenue and profit after taxation and non-controlling interest of RM467 million and RM40 million respectively as compared to RM491 million and RM43 million respectively in the preceding year corresponding quarter.

Civil engineering and construction segment recorded revenue and operational profit of RM327 million (2013:RM348 million) and RM37 million (2013:RM43 million) respectively. The decrease in revenue and operating profit is attributable to lower contribution from local division.

Property development and investment segments registered revenue and operational profit of RM140 million (2013:RM143 million) and RM31 million (2013:RM33 million) respectively.

Basic earning per share for current quarter is 3.67 sen as compared to 4.25 sen recorded in the preceding year corresponding period.

B2 Comparison With Immediate Preceding Quarter's Results

For the current quarter under review, the Group recorded revenue and profit after taxation and non-controlling interest of RM467 million and RM40 million as compared to RM280 million and RM56 million reported in the immediate preceding quarter.

B3 Profit for the period

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING
	(3 months period To 31.03.2014)	(3 months period To 31.3.2013)	(3 months period To 31.03.2014)	(3 months period To 31.3.2013)
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting/ (charging):				
Interest income	12,137	4,449	12,137	4,449
Interest expense	(15,069)	(14,675)	(15,069)	(14,675)
Depreciation and amortisation	(1,373)	(1,370)	(1,373)	(1,370)
Bad debts written off	(1,964)	(22)	(1,964)	(22)
Reversal of allowance for impairment of trade and other receivables	991	-	991	-
(Loss)/gain on disposal of property, plant and equipment	(267)	127	(267)	127
Gain on disposal of stock properties	-	89	-	89
(Loss)/gain on foreign exchange	(5,908)	6,565	(5,908)	6,565

B4 Prospect For Financial Year 2014

Despite of the challenging macro economic outlook in Malaysia, the Group is cautiously optimistic to achieve satisfactory results for the financial year ending 31 December 2014.

B5 Variance Of Actual Profit From Forecast Profit

Not applicable to the Group.

B6 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING
	(3 months period To 31.03.2014) RM'000	(3 months period To 31.3.2013) RM'000	(3 months period To 31.03.2014) RM'000	(3 months period To 31.3.2013) RM'000
Taxation comprises:				
Income tax				
- current year	14,938	19,337	14,938	19,337
- prior years	737	-	737	-
Deferred taxation	530	4,186	530	4,186
	<u>16,205</u>	<u>23,523</u>	<u>16,205</u>	<u>23,523</u>

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the current quarter ended 31 March 2014 is higher than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the corresponding quarter ended 31 March 2013 is higher than the than the statutory tax rate mainly due to certain expenses not deductible for tax purposes.

B7 Status of Corporate Proposals Announced

The Group did not announce any corporate proposal which has not been completed as at 16 May 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B8 Realised and Unrealised Profits

The breakdown of retained profits of the Group both realized and unrealized as at the reporting date pursuant to the directive issued by Bursa Malaysia Securities on 25 March 2010 are as follow:

	As at 31.03.2014 RM'000	As at 31.12.2013 RM'000
Total retained profits of the Company and its subsidiaries:-		
- Realised	1,047,483	1,007,374
- Unrealised	129,461	133,279
	<u>1,176,944</u>	<u>1,140,653</u>
Total share of retained profits/(losses) from associates:-		
- Realised	95,191	92,818
- Unrealised	(336)	(327)
	<u>94,855</u>	<u>92,491</u>
Total share of (accumulated losses)/retained profits from jointly controlled entities:-		
- Realised	(63,069)	(65,292)
- Unrealised	139,303	140,032
	<u>76,234</u>	<u>74,740</u>
Less : Consolidation adjustment	<u>(253,804)</u>	<u>(253,762)</u>
Total Group retained profits as per consolidated accounts	<u><u>1,094,229</u></u>	<u><u>1,054,122</u></u>

B9 Group Borrowing And Debt Securities

Detail of group borrowings are as follows:-

	As at 31.03.2014 RM'000	As at 31.12.2013 RM'000
Long Term Bank Borrowings		
<u>Secured:-</u>		
Long Term Loan	265,000	268,000
Hire Purchase Creditors	-	7
	<u>265,000</u>	<u>268,007</u>
<u>Unsecured:-</u>		
MTN	1,000,000	1,000,000
BONDS	286,869	285,065
	<u>1,286,869</u>	<u>1,285,065</u>
	<u>1,551,869</u>	<u>1,553,072</u>
Short Term Bank Borrowings		
<u>Secured :-</u>		
Hire Purchase Creditors	82	124
Term Loans	12,000	12,000
	<u>12,082</u>	<u>12,124</u>
<u>Unsecured :-</u>		
Bank Overdraft	5,690	2,679
Revolving credit	6,436	-
IMTN	200,000	300,000
Term loan	58,229	54,265
	<u>270,355</u>	<u>356,944</u>
	<u>282,437</u>	<u>369,068</u>
Total Bank Borrowings	<u>1,834,306</u>	<u>1,922,140</u>

Key:

- SUKUK - Islamic Serial Redeemable Bonds
- BONDS - Serial Fixed Rate Bonds
- MTN - Medium Term Notes
- IMTN - Islamic Medium Term Notes

B10 Material Litigation

Except as disclosed below, there are no material litigation pending since 31 December 2013 (being the date of the last annual statement of financial position) to 16 May 2014 (being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) in which the Group is engaged either as plaintiff or defendant, and the Board of the Company has no knowledge of any proceedings pending or threatened against the Company or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group during the said period.

Status update on the arbitration proceedings in relation to the Cancellation of the Nad Al Sheba Racecourse, Dubai, U.A.E. contract (“the Cancellation”):

The Arbitration Tribunal to resolve the dispute between the Company (jointly with Arabtec Construction LLC, (“Joint Venture”) as Claimants) and Meydan Group LLC (formerly known as Meydan LLC, as Respondent) (“Employer”) in relation to the Cancellation had been duly constituted with the appointment of the Tribunal Chairman and the respective Co-Arbitrators by the Dubai International Arbitration Centre (“DIAC”) and procedural meetings have been held and pre-trial procedural steps taken pursuant thereto. In the course of the procedural pre-evidentiary hearing steps, the Joint Venture’s dispute and claims had been revised from time to time and at present, totals approximately AED2.8 billion. The Employer has taken the position that the DIAC Case No. 02/2009 have expired by effluxion of time. After deliberation, the arbitration Tribunal in DIAC Case No. 02/2009 had on 9 June 2012 rejected conclusively the Employer’s submission that the arbitration proceedings have expired by effluxion of time. Notwithstanding the arbitration Tribunal’s decision above, the Employer had on 14 June 2012 brought its counterclaims in relation to what was DIAC Case No. 02/2009 before the Dubai Courts under Commercial Action No. 1066/2012 (“Civil Suit”), claiming against the JV, a sum of AED3.5 billion. On 26 February 2013, the Dubai Court dismissed the Civil Suit on the grounds that the DIAC Case No. 02/2009 had not expired by effluxion of time and in view of the valid and binding arbitration agreement between the parties. The Employer had on 24 March 2013 filed a notice of appeal against the dismissal of the Civil Suit.

On 27 February 2013, the Company was informed by Arabtec that its board of directors has agreed to the Employer’s proposal (“Proposal”) for Arabtec and the Employer to withdraw all pending legal cases as between themselves without prejudice to their respective rights and proceed with negotiations for an amicable settlement. Pursuant thereto, Arabtec and the Employer has since withdrawn their respective claims and counterclaims as against themselves, from the DIAC Case 2/2009. The arbitration proceedings continues as between the Company and the Employer and the said arbitration proceedings are presently still pending.

The Company is, based on continuing legal opinion received, of the view that notwithstanding Arabtec’s withdrawal, the Company’s chances of success in the arbitration proceedings remain good.

B11 Dividends

	Paid in Year Ending 31 Dec 2014 RM'000	Paid in Year Ended 31 Dec 2013 RM'000
<u>Interim dividend paid</u>		
For the financial year ended 31 December 2013		
- Single tier dividend of 3.25 sen per ordinary share of RM0.50	-	34,666
- Single tier dividend of 3.50 sen per ordinary share of RM0.50	-	38,232
Total net dividend paid	-	72,898

A final single tier dividend of 3.25 sen per ordinary share of RM0.50 each for the financial year ended 31 December 2013 was approved by the shareholders at the Annual General Meeting held on 15 May 2014.

The entitlement date for the final dividend is fixed on 22 May 2014 and a Depositor shall qualify for entitlement only in respect of:-

- i) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 22 May 2014 in respect of ordinary transfer; and
- ii) Shares bought on the Bursa Securities on a cum entitlement basis in accordance with the Rules of Bursa Securities.

The final dividend will be payable on 5 June 2014.

B12 Earnings Per Share

	Reporting Quarter/ Current Year To Date 31.03.2014
(a) Basic Earnings Per Share	
Profit attributable to the equity holders of the parent (RM'000)	40,097
Weighted average number of ordinary shares in issue ('000)	1,092,464
Basic earnings per share (sen)	3.67
(b) Fully Diluted Earnings Per Share	
Profit attributable to the equity holders of the parent (RM'000)	40,097
Weighted average number of ordinary shares in issue ('000)	1,092,464
Effects of dilution:	
Share options ('000)	-
Warrants ('000)	5,328
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,097,792
Fully diluted earnings per share (sen)	3.65

B13 Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter presentation.

Date: 22nd May 2014