

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2013

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2013

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Restated Preceding Year Corresponding Quarter	Current Year - To -Date	Restated Preceding Year Corresponding Period
	30/06/2013 RM'000	30/06/2012 RM'000	30/06/2013 RM'000	30/06/2012 RM'000
Revenue	599,578	584,547	2,260,947	2,172,624
Cost of sales	(473,003)	(470,329)	(1,831,783)	(1,771,485)
Gross profit	126,575	114,218	429,164	401,139
Operating expenses	(56,132)	(57,823)	(218,392)	(211,432)
Other operating income	5,917	5,344	24,820	21,131
Operating profit	76,360	61,739	235,592	210,838
Interest income	857	1,005	2,659	3,049
Finance costs	(15,115)	(8,795)	(58,023)	(37,077)
Share of profit in associated companies	2,353	5,422	43,699	36,066
Profit before taxation	64,455	59,371	223,927	212,876
Taxation	(1,696)	(20,955)	(31,772)	(45,681)
Profit for the period	62,759	38,416	192,155	167,195
Profit attributable to:				
Owners of the Company	50,121	28,982	147,591	131,975
Non-controlling interests	12,638	9,434	44,564	35,220
Profit for the period	62,759	38,416	192,155	167,195
Earnings per ordinary share (sen) :-				
(a) Basic	16.25	9.40	47.86	42.80
(b) Fully diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE
QUARTER ENDED 30 JUNE 2013

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Restated Preceding Year Corresponding Quarter	Current Year - To-Date	Restated Preceding Year Corresponding Period
	30/06/2013 RM'000	30/06/2012 RM'000	30/06/2013 RM'000	30/06/2012 RM'000
Profit for the period	62,759	38,416	192,155	167,195
Foreign currency translation differences for foreign operations	1,762	13,798	2,532	18,207
Fair value gain/(loss) on available-for-sale financial assets	1,134	884	5,522	(5,515)
Total comprehensive income for the period	65,655	53,098	200,209	179,887
Total comprehensive income attributable to:				
Owners of the Company	53,009	43,683	155,514	144,735
Non-controlling interests	12,646	9,415	44,695	35,152
Total comprehensive income for the period	65,655	53,098	200,209	179,887

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	As At End of Current Quarter 30/06/2013 RM'000	Restated As At End of Preceding Financial Year 30/06/2012 RM'000	As At Beginning of Preceding Financial Year 01/07/2011 RM'000
ASSETS			
Property, plant and equipment	416,300	404,469	449,930
Investment properties	2,231	2,231	17,231
Investments in associated companies	328,390	304,637	286,042
Other investments	706,291	460,271	172,993
Intangible assets	14,681	14,347	12,179
Deferred tax assets	8,292	8,927	8,960
TOTAL NON-CURRENT ASSETS	1,476,185	1,194,882	947,335
Inventories	206,558	220,747	196,082
Trade and other receivables	425,869	446,595	403,108
Current tax assets	24,111	14,417	21,433
Assets held for sale	-	48,030	-
Derivative financial assets	1,691	439	228
Cash and cash equivalents	354,347	215,617	376,155
TOTAL CURRENT ASSETS	1,012,576	945,845	997,006
TOTAL ASSETS	2,488,761	2,140,727	1,944,341
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	163,953	163,953	163,953
Reserves	1,069,017	1,000,245	923,406
Treasury shares - at cost	(63,318)	(63,318)	(63,318)
	1,169,652	1,100,880	1,024,041
NON-CONTROLLING INTERESTS	113,166	102,767	114,157
TOTAL EQUITY	1,282,818	1,203,647	1,138,198
LIABILITIES			
Borrowings (unsecured)	697,663	418,663	120,000
Deferred tax liabilities	7,481	10,732	13,253
Retirement benefits	19,838	17,809	15,779
TOTAL NON-CURRENT LIABILITIES	724,982	447,204	149,032
Trade and other payables	325,622	329,723	297,707
Borrowings (unsecured)	137,430	144,731	344,846
Derivative financial liabilities	1,458	2,285	-
Tax payable	16,451	13,137	14,558
TOTAL CURRENT LIABILITIES	480,961	489,876	657,111
TOTAL LIABILITIES	1,205,943	937,080	806,143
TOTAL EQUITY AND LIABILITIES	2,488,761	2,140,727	1,944,341
Net assets per share attributable to owners of the Company (RM)	3.79	3.57	3.32

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2013

	←----- Attributable to owners of the Company -----→									
	←----- Non-distributable -----→						Distributable			
	Share capital	Share premium	Exchange equalisation reserve	Other reserves	Reserve for own shares	Treasury shares	Retained earnings	Total	Non- controlling interests	Total equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Current year-to-date ended 30 June 2013										
At 1 July 2012 – previously reported	163,953	387,038	(86,068)	20,183	(41,459)	(63,318)	801,441	1,181,770	102,767	1,284,537
Effect of MFRS 1 adoption	-	-	104,343	(5,233)	-	-	(180,000)	(80,890)	-	(80,890)
At 1 July 2012 – restated	163,953	387,038	18,275	14,950	(41,459)	(63,318)	621,441	1,100,880	102,767	1,203,647
Profit for the period	-	-	-	-	-	-	147,591	147,591	44,564	192,155
Other comprehensive income										
- Foreign currency translation differences	-	-	2,401	-	-	-	-	2,401	131	2,532
- Gain on fair value adjustments	-	-	-	5,522	-	-	-	5,522	-	5,522
Total comprehensive income for the period	-	-	2,401	5,522	-	-	147,591	155,514	44,695	200,209
Dividends	-	-	-	-	-	-	(67,838)	(67,838)	(27,739)	(95,577)
Realisation of exchange equalisation reserve - disposal of subsidiaries	-	-	(18,904)	-	-	-	-	(18,904)	268	(18,636)
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(6,825)	(6,825)
Total distribution to owners	-	-	(18,904)	-	-	-	(67,838)	(86,742)	(34,296)	(121,038)
Transfer to capital redemption reserve	-	-	-	152	-	-	(152)	-	-	-
At 30 June 2013	163,953	387,038	1,772	20,624	(41,459)	(63,318)	701,042	1,169,652	113,166	1,282,818

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2013 (cont'd)

	←..... Attributable to owners of the Company→						Retained earnings	Total	Non-controlling interests	Total equity
	←..... Non-distributable→					Distributable				
	Share capital	Share premium	Exchange equalisation reserve	Other reserves	Reserve for own shares	Treasury shares				
Preceding year corresponding period ended 30 June 2012	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2011 – previously reported	163,953	387,096	(104,343)	18,411	(41,459)	(63,318)	737,405	1,097,745	114,157	1,211,902
Effect of MFRS 1 adoption	-	-	104,343	1,924	-	-	(179,971)	(73,704)	-	(73,704)
At 1 July 2011 – restated	163,953	387,096	-	20,335	(41,459)	(63,318)	557,434	1,024,041	114,157	1,138,198
Profit for the period	-	-	-	-	-	-	131,975	131,975	35,220	167,195
Other comprehensive income/(expense)										
- Foreign currency translation differences	-	-	18,275	-	-	-	-	18,275	(68)	18,207
- Loss on fair value adjustments	-	-	-	(5,515)	-	-	-	(5,515)	-	(5,515)
Total comprehensive income/(expense) for the period	-	-	18,275	(5,515)	-	-	131,975	144,735	35,152	179,887
Dividends	-	-	-	-	-	-	(67,838)	(67,838)	(39,342)	(107,180)
Share issue expenses	-	(58)	-	-	-	-	-	(58)	-	(58)
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(7,200)	(7,200)
Total distribution to owners	-	(58)	-	-	-	-	(67,838)	(67,896)	(46,542)	(114,438)
Transfer to capital redemption reserve	-	-	-	130	-	-	(130)	-	-	-
At 30 June 2012 - restated	163,953	387,038	18,275	14,950	(41,459)	(63,318)	621,441	1,100,880	102,767	1,203,647

Dividends received by the trust set up for the executive share option scheme (“ESOS”) (“ESOS Trust”) amounted to RM2,446,000 (2011/2012: RM2,446,000) are eliminated against the dividend expense of the Company following the consolidation of ESOS Trust.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2013

	Current Year- To-Date 30/06/2013 RM'000	Restated Preceding Year Corresponding Period 30/06/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	223,927	212,876
Adjustments for:-		
Share of profit in associated companies	(43,699)	(36,066)
Depreciation and amortisation	49,968	52,812
Dividend income	(42,870)	(22,195)
Non cash items	(11,818)	(14,606)
Net financing costs	55,364	34,028
Operating profit before changes in working capital	230,872	226,849
Changes in working capital		
Net change in current assets	(20,227)	(57,575)
Net change in current liabilities	55,860	50,028
Taxation paid	(40,767)	(42,577)
Net financing costs paid	(55,364)	(34,028)
Dividend received	53,021	27,582
Retirement benefits paid	(616)	(340)
Net cash generated from operating activities	222,779	169,939
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(68,117)	(34,187)
Proceeds from disposal of property, plant & equipment	3,131	12,864
Proceed from disposal of asset held for sale	51,558	-
Acquisition of other investments	(272,419)	(295,151)
Proceed from disposal of other investments	31,290	-
Cash distribution to non-controlling shareholders	(6,825)	(7,200)
Net cash outflow from disposal of subsidiaries	(485)	-
Net cash used in investing activities	(261,867)	(323,674)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to owners of the Company	(67,838)	(67,838)
Dividend paid to non-controlling shareholders of subsidiaries	(27,739)	(39,342)
Drawdown of borrowings	552,520	623,854
Repayment of borrowings	(278,696)	(525,362)
Shares issue expenses	-	(58)
Net cash generated from/(used in) financing activities	178,247	(8,746)
NET CHANGE IN CASH AND CASH EQUIVALENTS	139,159	(162,481)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	215,617	376,155
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(429)	1,943
CASH & CASH EQUIVALENTS AT END OF PERIOD	354,347	215,617

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following statements of financial position amounts:

	30/06/2013 RM'000	30/06/2012 RM'000
Deposits, cash and bank balances	354,347	215,617

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2012

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1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2012. This interim financial report also complies with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2012 except for the following transitional exemptions arising from the adoption of MFRS:

a) Foreign currency translation reserve

Foreign currency differences were previously recognised in other comprehensive income and accumulated in the foreign currency translation reserve (“FCTR”). As at the date of transition to MFRS 1, the cumulative amounts in the FCTR were reclassified to the retained earnings of the Group.

b) Property, plant and equipment

As at the date of transition to MFRS 1, certain property, plant & equipment previously stated at cost were fair valued and their fair values were regarded as deemed cost. The relevant differences were recognised to the retained earnings.

c) Designation of financial instruments

The Group has elected to re-designate certain available-for-sale financial assets as financial assets at fair value through profit or loss.

HONG LEONG INDUSTRIES BERHAD (5486-P)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2013****The figures have not been audited****1. Basis of preparation (cont'd)**

The reconciliations of the financial statements for the comparative periods are as follows:

Condensed Consolidated Statements of Comprehensive Income*Reconciliation of the affected financial caption reported for the preceding year comparative quarter ended 30 June 2012*

	As previously reported	Effect of adoption of MFRS					As restated
	Preceding year corresponding quarter 30/06/2012 RM'000	RM'000 Note ⁽ⁱ⁾	RM'000 Note 1(a)	RM'000 Note 1(b)	RM'000 Note 1(c)	Preceding year corresponding quarter 30/06/2012 RM'000	
Operating profit	65,411	-	-	9	(3,682)	61,739	
Share of profit in associated companies	4,120	1,302	-	-	-	5,422	
Profit before taxation	61,741	1,302	-	9	(3,682)	59,371	
Profit for the period	40,786	1,302	-	9	(3,682)	38,416	

Reconciliation of the affected financial caption reported for the preceding year comparative period ended 30 June 2012

	As previously reported	Effect of adoption of MFRS					As restated
	Preceding year corresponding period 30/06/2012 RM'000	RM'000 Note ⁽ⁱ⁾	RM'000 Note 1(a)	RM'000 Note 1(b)	RM'000 Note 1(c)	Preceding year corresponding period 30/06/2012 RM'000	
Operating profit	214,485	-	-	34	(3,681)	210,838	
Share of profit in associated companies	32,448	3,618	-	-	-	36,066	
Profit before taxation	212,905	3,618	-	34	(3,681)	212,876	
Profit for the period	167,224	3,618	-	34	(3,681)	167,195	

HONG LEONG INDUSTRIES BERHAD (5486-P)**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2013****The figures have not been audited****1. Basis of preparation (cont'd)**

The reconciliation of the financial statements for the comparative periods are as follows: (cont'd)

Condensed Consolidated Statements of Changes in Equity

Reconciliation of the affected financial caption reported as at 30 June 2012

	As previously reported	Effect of adoption of MFRS				As restated
	Preceding year corresponding period 30/06/2012 RM'000	RM'000 Note ⁽ⁱ⁾	RM'000 Note 1(a)	RM'000 Note 1(b)	RM'000 Note 1(c)	Preceding year corresponding period 30/06/2012 RM'000
Exchange equalisation reserves	(86,068)	-	104,343	-	-	18,275
Other reserves	20,183	-	-	-	(5,233)	14,950
Retained earnings	801,441	(85,325)	(88,025)	(1,045)	(5,605)	621,441

Note ⁽ⁱ⁾ An associate of the Group has, on the date of transition to MFRS 1, fair valued certain of its PPE and regarded them as deemed cost and adjusted foreign exchange losses that were previously capitalised into certain of its PPE. These related differences were adjusted to the associate's retained earnings and the Group had on even date, accounted for its share of these differences via its retained earnings accordingly. Adjustments on depreciation saving subsequent to the date of transition to MFRS1 have been adjusted accordingly via the Group's profit or loss.

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2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not qualified.

3. Seasonality or cyclicity of interim operations

There has been no material seasonal or cyclical factor affecting the results of the quarter under review.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in the prior financial years.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

(a) There were no shares bought back during the quarter under review and financial year-to-date. The total number of shares bought back as at 30 June 2013 was 8,432,500 shares and the shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

(b) There were no additional shares purchased by the ESOS Trust during the quarter under review and financial year-to-date. As at 30 June 2013, the total number of shares held by the ESOS Trust was 11,117,133 shares.

There were no issuance of shares, share cancellations, resale of treasury shares nor repayments of debt or equity securities during the quarter under review and financial year-to-date.

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7. Dividend paid

The Company has paid the following dividends during the current financial year-to-date:-

	Current year-to-date RM'000
First interim dividend of 10.0 sen per share tax exempt, paid on 28 December 2012	31,947
Second interim dividend of 16 sen per share less tax, paid on 7 June 2013	38,337
	<u>70,284</u>

8. Operating Segments

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

	Consumer products	Industrial products	Total
	RM'000	RM'000	RM'000
Segment profit	172,647	27,949	200,596
Included in the measure of segment profit are:			
Revenue from external customers	1,450,416	769,850	2,220,266
Depreciation and amortisation	37,240	12,616	49,856
Reconciliation of reportable segment profit			
Profit			
Reportable segment			200,596
Non-reportable segment			34,996
Interest income			2,659
Finance costs			(58,023)
Share of profit in associated companies			43,699
Consolidated profit before taxation			<u>223,927</u>
		External revenue RM'000	Depreciation and amortisation RM'000
Reportable segment		2,220,266	49,856
Non-reportable segment		40,681	112
Total		<u>2,260,947</u>	<u>49,968</u>

9. Material events not reflected in the financial statements

There are no material subsequent events to be disclosed as at the date of this report.

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10. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations other than as mentioned below:

i) The following Company's subsidiaries have been placed under members' voluntary liquidation:-

- (a) Hong Leong Maruken Sdn Bhd, a 70% subsidiary;
- (b) Varinet Sdn Bhd, a 60% subsidiary;
- (c) Century Touch Sdn Bhd, a 70% indirect-owned subsidiary; and
- (d) RZA Logistics Sdn Bhd, a 59.1% subsidiary.

The liquidations are currently pending completion of legal execution proceedings against debtors and/or tax clearance from the Inland Revenue Board and/or final meeting to be convened.

ii) Guotrade (Malaysia) Sdn Bhd ("Guotrade"), a wholly-owned subsidiary of the Company, has been placed under member's voluntary liquidation pursuant to Section 254(1)(b) of the Companies Act, 1965. The liquidator of Guotrade has convened a Final Meeting to conclude the Member's Voluntary Liquidation of Guotrade and accordingly, Guotrade will be dissolved on 29 October 2013.

11. Review of Performance

For the quarter under review, the Group recorded a revenue of RM599.6 million and profit before taxation ("PBT") of RM64.5 million as compared with revenue and PBT of RM584.5 million and RM59.4 million respectively for the corresponding quarter of the preceding year ended 30 June 2012 ("FY 2012").

For the financial year-to-date, the Group recorded a revenue of RM2,260.9 million and PBT of RM223.9 million as compared with revenue and PBT of RM2,172.6 million and RM212.9 million respectively for the corresponding period of FY 2012.

The improvement of the Group's financial results as compared with FY 2012 was mainly attributable to the improved domestic demand for our consumer products. For the industrial products segment, the price dumping by a neighboring country's competitors had severely affected our fibre cement business.

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12. Material changes in profit before taxation against the immediate preceding quarter

In comparison with the preceding quarter, despite a higher revenue recorded in the quarter under review, the Group recorded a marginally lower PBT of RM64.5 million mainly due to lower profit contribution from associated companies.

13. Prospects

Notwithstanding the various economic challenges ahead, the country's economy is expected to continue its growth trend, albeit at a more modest pace, on the back of sustained consumer spending and the expected roll-out of more infrastructure investments by the private and public sectors.

Barring any unforeseen circumstances, the Board expects the Group's performance for both the consumer products segment and industrial products segment to be satisfactory for the financial year ending 30 June 2014.

14. Profit forecast / profit guaranteed

This note is not applicable.

15. Profit before taxation

	Current Year Quarter	Current Year- To-date
	30/06/2013 RM'000	30/06/2013 RM'000
Profit before taxation is arrived at after charging/(crediting) :-		
Gross dividend income from other investments	(15,996)	(42,870)
Depreciation and amortisation	12,440	49,968
Reversal of impairment loss on trade receivables	(1,726)	(224)
Inventories written (back)/off	(3,565)	841
Loss/(gain) on disposal of quoted/unquoted investments or properties	303	(9,072)
Gain on foreign exchange	(1,110)	(5,291)
Fair value gain on derivative instruments	(1,712)	(2,079)
Impairment of property, plant and equipment	-	-

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16. **Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- to-date	Preceding Year Corresponding Period
	30/06/2013 RM'000	30/06/2012 RM'000	30/06/2013 RM'000	30/06/2012 RM'000
Current taxation				
Malaysian - current year	4,874	18,539	34,919	40,286
- prior years	(752)	7,772	(726)	7,821
Overseas - current year	106	25	220	62
- prior years	(26)	-	(26)	-
	4,202	26,336	34,387	48,169
Deferred taxation				
Malaysian - current year	(2,437)	(349)	(2,437)	1,397
- prior years	(69)	(5,032)	(178)	(3,885)
	(2,506)	(5,381)	(2,615)	(2,488)
	1,696	20,955	31,772	45,681

The Group's effective tax rate for the financial year-to-date is lower than the statutory tax rate due mainly to certain income were not taxable.

17. **Corporate Proposals**

There are no corporate proposals announced but not completed as at the date of this report.

18. **Group's borrowings and debt securities**

Particulars of the Group's borrowings and debt securities as at 30 June 2013 are as follows:-

	RM'000
(i) Unsecured short term borrowings	137,430
(ii) Unsecured long term borrowings	697,663
	<u>835,093</u>

There were no borrowings denominated in foreign currencies as at 30 June 2013.

19. **Changes in Material Litigation**

There are no material litigations as at the date of this report.

20. **Dividend**

- (a) The Board does not recommend any final dividend for the financial year ended 30 June 2013 (2011/2012: nil).
- (b) For the financial year-to-date, a total dividend of 10.0 sen per share tax exempt and 16.0 sen per share less tax (2011/2012: 4.0 sen per share less tax and 19.0 sen per share tax exempt) has been declared.

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The figures have not been audited

21. Earnings Per Ordinary Share

(a) Basic earnings per ordinary share

The basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM50,121,000 (4th quarter 2011/2012 (restated): RM28,982,000) and the weighted average number of ordinary shares during the quarter of 308,356,000 (4th quarter 2011/2012: 308,356,000).

The calculation of basic earnings per ordinary share for the financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM147,591,000 (2011/2012 (restated): RM131,975,000) and the weighted average number of ordinary shares during the period of 308,356,000 (2011/2012: 308,356,000).

Weighted average number of ordinary shares

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2013 '000	Preceding Year Corresponding Quarter 30/06/2012 '000	Current Year- To-Date 30/06/2013 '000	Preceding Year Corresponding Period 30/06/2012 '000
Issued ordinary shares at beginning of period	327,905	327,905	327,905	327,905
Treasury shares held at beginning of period	(8,432)	(8,432)	(8,432)	(8,432)
Trust Shares held at beginning of period	(11,117)	(11,117)	(11,117)	(11,117)
Weighted average number of ordinary shares (basic)	308,356	308,356	308,356	308,356

(b) Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review/financial year-to-date and preceding year corresponding quarter/period as there were no dilutive potential ordinary shares.

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22. Realised and unrealised profits /(losses) disclosure

The breakdown of the retained earnings of the Group, into realised and unrealised profits/(losses) are as follows:-

	As At End of Current Quarter	Restated As At End of Preceding Financial Year
	30/06/2013 RM'000	30/06/2012 RM'000
Total retained earnings of the Company and the subsidiaries:-		
- realised	661,394	359,068
- unrealised	(1,192)	15,626
	<u>660,202</u>	<u>374,694</u>
Total share of retained earnings of associated companies:		
- realised	62,998	52,042
- unrealised	8,857	297
	<u>71,855</u>	<u>52,339</u>
Add: Consolidation adjustments	(31,015)	194,408
Group's retained earnings	<u>701,042</u>	<u>621,441</u>

By Order of the Board
Hong Leong Industries Berhad

Joanne Leong Wei Yin
Valerie Mak Mew Chan
Company Secretaries

Kuala Lumpur
26 August 2013