



LBS BINA GROUP BERHAD
(518482-H)
(Incorporated in Malaysia)

Interim Financial Report

31 December 2013

LBS BINA GROUP BERHAD
(518482-H)
(Incorporated in Malaysia)

Interim Financial Report

31 December 2013

	Page No.
Condensed Consolidated Income Statement	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3 - 4
Condensed Consolidated Statement of Changes in Equity	5 - 6
Condensed Consolidated Statement of Cash Flows	7 - 8
Notes to the Interim Financial Report	9 - 25

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
- For the financial year ended 31 December 2013

	Note	Individual Quarter		Cumulative Period	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Quarter	To date	To date
		31.12.2013	31.12.2012	31.12.2013	31.12.2012
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		156,151	132,985	533,533	509,644
Cost of sales		(109,216)	(95,434)	(364,711)	(363,416)
Gross profit		46,935	37,551	168,822	146,228
Interest Income		1,092	1,007	4,097	2,588
Other income		14,574	8,229	355,126	12,227
Operating expenses		(30,493)	(23,877)	(86,211)	(67,470)
Finance costs		(2,815)	(5,505)	(14,921)	(18,457)
Share of results of associates		(14)	(1)	(25)	(102)
Profit before taxation		29,279	17,404	426,888	75,014
Taxation	B5	(9,443)	(6,475)	(33,762)	(27,221)
Profit from continuing operations		19,836	10,929	393,126	47,793
Discontinued operations					
Profit/(Loss) from discontinued operations		20	(5,144)	3,308	(8,790)
Profit for the financial year		19,856	5,785	396,434	39,003
Profit attributable to: -					
Equity holders of the Company		19,102	7,335	392,321	37,159
Non-controlling interests		754	(1,550)	4,113	1,844
		19,856	5,785	396,434	39,003
Earnings per share attributable to equity holders of the Company					
Basic (sen)	B11				
- continuing operations		4.45	2.80	95.32	11.14
- discontinued operations		0.22	(0.88)	0.69	(1.44)
Total		4.67	1.92	96.01	9.70
Diluted (sen)	B11				
- continuing operations		4.27	2.80	91.31	11.14
- discontinued operations		0.21	(0.88)	0.66	(1.44)
Total		4.48	1.92	91.97	9.70

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
- For the financial year ended 31 December 2013 (cont'd)

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2013 RM'000	Preceding Year Quarter 31.12.2012 RM'000	Current Year To date 31.12.2013 RM'000	Preceding Year To date 31.12.2012 RM'000
Profit for the financial year	19,856	5,785	396,434	39,003
Other comprehensive income, net of tax:				
Foreign currency translation difference	(376)	549	13,670	(7,195)
Total comprehensive income for the financial year	<u>19,480</u>	<u>6,334</u>	<u>410,104</u>	<u>31,808</u>
Total comprehensive income attributable to:				
Equity holders of the Company	18,488	7,580	399,248	31,414
Non-controlling interests	992	(1,246)	10,856	394
	<u>19,480</u>	<u>6,334</u>	<u>410,104</u>	<u>31,808</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

- As at 31 December 2013

	Note	31.12.2013 (Unaudited) RM'000	31.12.2012 (Audited) RM'000
<u>ASSETS</u>			
Non-current Assets			
Property, plant and equipment	A10	212,749	15,333
Capital work-in-progress		2,024	1,746
Investment properties		7,795	6,441
Land and property development costs		488,819	337,686
Investment in associated companies		2,993	2,702
Trade and other receivables		13,703	38,667
Promissory notes		219,099	-
Other investments		138,454	1,254
Goodwill on consolidation		90,884	103,237
Deferred tax assets		872	113
		1,177,392	507,179
Current Assets			
Inventories		22,561	13,594
Land and property development costs		145,678	69,429
Accrued billing in respect of property development costs		74,149	110,493
Trade and other receivables		196,143	180,730
Tax recoverable		4,970	4,533
Promissory notes		100,573	-
Fixed deposits with licensed banks		152,757	40,203
Cash held under Housing Development Accounts		57,978	36,936
Cash and bank balances		78,610	19,958
		833,419	475,876
Non-current assets classified as held for sale		697	4,679
Assets of disposal group classified as held for sale		-	447,274
		834,116	927,829
TOTAL ASSETS		2,011,508	1,435,008
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to equity holders of the company			
Share capital		479,651	386,553
Reserves		398,817	62,959
Treasury shares, at cost		(9,541)	(4,407)
		868,927	445,105
Non-controlling interests		2,911	81,726
Total Equity		871,838	526,831

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
- As at 31 December 2013 (cont'd)

	Note	31.12.2013 (Unaudited) RM'000	31.12.2012 (Audited) RM'000
Non-current Liabilities			
Trade and other payables		176,175	86,964
Finance lease payables	B8	3,303	2,293
Bank borrowings	B8	292,790	223,085
Islamic Securities	B8	30,000	75,000
Deferred tax liabilities		39,374	114
		541,642	387,456
Current Liabilities			
Progress billing in respect of property development costs		80,323	37,873
Trade and other payables		449,439	239,886
Finance lease payables	B8	1,019	963
Bank overdrafts	B8	762	28,587
Bank borrowings	B8	55,215	99,399
Tax payable		11,270	36,368
		598,028	443,076
Liabilities of disposal group classified as held for sale		-	77,645
		598,028	520,721
Total Liabilities		1,139,670	908,177
TOTAL EQUITY AND LIABILITIES		2,011,508	1,435,008
Net Assets per share attributable to equity holders of the Company (RM)		1.84	1.16

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

~ For the financial year ended 31 December 2013

	←----- Attributable to Owners of the Parent -----→											
	<----- Non-distributable ----->							<-Distributable->				
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	ESOS Reserve RM'000	Foreign Exchange Reserve RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Sub-total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance as at 1.1.2013	386,553	(4,407)	16,945	3,259	10,271	311	14,952	(50,074)	67,295	445,105	81,726	526,831
Amount recognised directly in equity:												
Profit for the financial year	-	-	-	-	-	-	-	-	392,321	392,321	4,113	396,434
Foreign currency translation	-	-	-	-	6,927	-	-	-	-	6,927	6,743	13,670
Total comprehensive income for the financial year	-	-	-	-	6,927	-	-	-	392,321	399,248	10,856	410,104
Transactions with owners:												
Realisation of subsidiary company's reserve	-	-	-	-	-	(122)	-	-	122	-	-	-
Issuance of ordinary shares:												
- Exercise of Warrants	60,771	-	6,077	-	-	-	(6,077)	-	-	60,771	-	60,771
- Exercise of ESOS	32,327	-	440	-	-	-	-	-	-	32,767	-	32,767
Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	(13,455)	-	(13,455)	-	(13,455)
Acquisition / disposal of interest for non-controlling interests	-	-	-	-	-	-	-	-	-	-	(86,731)	(86,731)
Dividend paid / payable	-	-	-	-	-	-	-	-	(44,362)	(44,362)	-	(44,362)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,940)	(2,940)
Fair value adjustment	-	-	-	-	-	-	-	(12,386)	-	(12,386)	-	(12,386)
Share-based payment	-	-	-	3,194	-	-	-	-	-	3,194	-	3,194
Share buy-back	-	(13,303)	-	-	-	-	-	-	-	(13,303)	-	(13,303)
Disposal of treasury shares	-	8,169	3,179	-	-	-	-	-	-	11,348	-	11,348
Total transactions with owners	93,098	(5,134)	9,696	3,194	-	(122)	(6,077)	(25,841)	(44,240)	24,574	(89,671)	(65,097)
Balance as at 31.12.2013	479,651	(9,541)	26,641	6,453	17,198	189	8,875	(75,915)	415,376	868,927	2,911	871,748

LBS BINA GROUP BERHAD (518482-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

~ For the financial year ended 31 December 2013 (cont'd)

	←----- Attributable to Owners of the Parent -----→											
	<----- Non-distributable ----->					>----- Distributable-----<						
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	ESOS Reserve RM'000	Foreign Exchange Reserve RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Sub-total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance as at 1.1.2012	386,553	-	16,945	561	16,016	363	14,952	(49,453)	36,599	422,536	84,014	506,550
Amount recognised directly in equity:												
Profit for the financial year	-	-	-	-	-	-	-	-	37,159	37,159	1,844	39,003
Foreign currency translation	-	-	-	-	(5,745)	-	-	-	-	(5,745)	(1,450)	(7,195)
Total comprehensive income for the financial year	-	-	-	-	(5,745)	-	-	-	37,159	31,414	394	31,808
Transactions with owners:												
Realisation of subsidiary company's reserve	-	-	-	-	-	(52)	-	-	52	-	-	-
Realisation of ESOS's reserve	-	-	-	(561)	-	-	-	-	561	-	-	-
Change in ownership interest in a subsidiary	-	-	-	-	-	-	(621)	-	-	(621)	-	(621)
Dilution on investment in subsidiary	-	-	-	-	-	-	-	-	72	72	(72)	-
Dividend paid / payable	-	-	-	-	-	-	-	-	(7,148)	(7,148)	-	(7,148)
Share-based payment	-	-	-	3,259	-	-	-	-	-	3,259	-	3,259
Share buy-back	-	(4,407)	-	-	-	-	-	-	-	(4,407)	-	(4,407)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,940)	(2,940)
Acquisition of additional interest from non-controlling interests	-	-	-	-	-	-	-	-	-	-	330	330
Total transactions with owners	-	(4,407)	-	2,698	-	(52)	-	(621)	(6,463)	(8,845)	(2,682)	(11,527)
Balance as at 31.12.2012	386,553	(4,407)	16,945	3,259	10,271	311	14,952	(50,074)	67,295	445,105	81,726	526,831

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

LBS BINA GROUP BERHAD (518482-H)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)****- For the financial year ended 31 December 2013**

	Current Year Ended 31.12.2013 RM'000	Preceding Year Ended 31.12.2012 RM'000
Profit before taxation		
- continuing operations	426,888	75,014
- discontinued operations	3,269	(9,958)
Adjustments for :-		
Non-cash items	(326,082)	22,863
Other operating items	10,811	15,896
Operating profit before changes in working capital	<u>114,886</u>	<u>103,815</u>
Changes in land and property development costs	(217,567)	332
Changes in inventories	(8,982)	4,459
Changes in amount owing by/ to contract customers	(302)	(589)
Changes in receivables	(14,033)	(35,186)
Changes in payables	140,178	45,929
Changes in accrued / progress billing in respect of property development costs	78,794	49,383
Changes in foreign exchange reserve	8,620	(2,813)
Cash generated from operations	<u>101,594</u>	<u>165,330</u>
Interest received	4,135	2,663
Interest paid	(28,175)	(34,929)
Tax paid	(61,857)	(41,296)
Tax refund	1,461	359
Net cash generated from operating activities	<u>17,158</u>	<u>92,127</u>
Investing Activities		
Purchase of property, plant and equipment	(3,445)	(4,783)
Purchase of investment properties	(1,565)	(1,323)
Proceeds from disposal of property, plant and equipment	514	599
Proceeds from disposal of non-current asset held for sale	8,164	-
Net cash inflow from acquire of subsidiary companies	3,509	-
Net cash inflow from disposal of subsidiary companies	188,055	-
Investment in associated and subsidiary companies	-	(130)
Repayment of prior year investment in associated and subsidiary companies	(36,235)	(24,543)
Capital work-in-progress incurred	(765)	(8,707)
Net cash generated from / (used in) investing activities	<u>158,232</u>	<u>(38,887)</u>
Financing Activities		
Decrease / (increase) in fixed deposit pledged	27,362	(11,669)
(Increase) / decrease in cash and bank balances pledged	(2,678)	5,396
Drawdown of bank borrowings	322,629	180,831
Repayment of bank borrowings	(297,973)	(160,599)
Repayment of Islamic Securities	(45,000)	(60,000)
Repayment of hire purchase payables	(1,166)	(1,098)
Purchase of treasury shares	(13,303)	(4,407)
Dividend paid	(44,362)	(7,148)
Dividend paid to non-controlling interest	(2,940)	(2,940)
Proceeds from issuance of shares	93,099	-
Proceeds from disposal of treasury shares	11,350	-
Proceeds from exercise of ESOS	439	-
Net cash generated from / (used in) financing activities	<u>47,457</u>	<u>(61,634)</u>

LBS BINA GROUP BERHAD (518482-H)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**
- For the financial year ended 31 December 2013 (cont'd)

	Current Year Ended 31.12.2013 RM'000	Preceding Year Ended 31.12.2012 RM'000
Net increase / (decrease) in cash and cash equivalents	222,847	(8,394)
Cash and cash equivalents at the beginning of financial year	45,901	55,182
Effect of exchange rate changes	1,427	(887)
Cash and cash equivalents at the end of financial year	<u>270,175</u>	<u>45,901</u>
Cash and cash equivalents comprise:-		
Continuing operations		
Deposits with licensed banks	152,757	40,203
Cash held under Housing Development Accounts	57,978	36,936
Cash and bank balances	78,610	19,958
Bank overdrafts	(762)	(28,587)
	<u>288,583</u>	<u>68,510</u>
Less : Fixed deposits pledged with licensed banks	(13,220)	(40,203)
Cash and bank balances pledged	(5,188)	(2,509)
	<u>270,175</u>	<u>25,798</u>
Discontinued operations		
Deposits with licensed banks	-	354
Cash and bank balances	-	20,103
	<u>-</u>	<u>20,457</u>
Less : Fixed deposits pledged with licensed banks	-	(354)
	<u>-</u>	<u>20,103</u>
	<u>270,175</u>	<u>45,901</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

NOTES TO THE INTERIM FINANCIAL REPORT (UNAUDITED)

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 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 for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial report 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 2012.

A2. Changes in accounting policies

Basis of accounting

The financial statements of the Group and of the Company have been prepared on the historical cost convention except as disclosed in the notes to the financial statements and in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

During the financial year, the Group and the Company have adopted the following new Financial Reporting Standards (“FRSs”), Issues Committee (“IC”) Interpretations and Amendments to FRSs and IC Interpretations which are effective and mandatory for the current financial year:

Amendments to FRS 1	Government Loans
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangement and Disclosure of Interests in Other Entities: Transition Guidance
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119 (2011)	Employee Benefits
FRS 127 (2011)	Separate Financial Statements
FRS 128 (2011)	Investments in Associates and Joint Ventures
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Improvements to FRSs (2012)	

A2. Changes in accounting policies (*Cont'd*)

Adoption of the above FRSs, IC Interpretations, Amendments to FRSs and IC Interpretations did not have any significant effect on the financial statements of the Group and of the Company, except as discussed below:

FRS 10 Consolidated Financial Statements

FRS 10 replaces all the guidance on control and consolidation in FRS 127 Consolidated and Separate Financial Statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

FRS 10 changes the definition of control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. It establishes control as the basis for determining which entities are consolidated in the consolidated financial statements and sets out the accounting requirements for the preparation of consolidated financial statements.

The adoption of FRS 10 may lead to consolidation of entities that were previously not included in the Group. The Group is currently examining the financial impact of application of FRS 10.

FRS 13 Fair Value Measurement

FRS 13 defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. The definition of fair value under this standard emphasises the principle that fair value is a market-based measurement, not an entity specific measurement.

The adoption of FRS 13 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting FRS 13.

FRS 119 Employee Benefits (2011)

This revised FRS 119 will supersede the existing FRS 119 when effective. This new standard makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses will no longer be deferred using the corridor approach. Past service costs, whether unvested or already vested, are recognised immediately in the profit or loss as incurred and the annual defined benefit costs in the profit or loss will include net interest expense/ income on the defined benefit asset/liability.

The adoption of FRS 119 (2011) will result in a change in accounting policy. The Group is currently examining the financial impact of adopting FRS 119 (2011).

FRS 127 Separate Financial Statements (2011)

Upon the adoption of FRS 10, the accounting requirements relating to the preparation of consolidated financial statements are no longer covered under FRS 127. This revised FRS 127 only cover the requirements relating to the accounting for investments in subsidiary companies, associated companies and joint ventures in the separate financial statements of the entity. In such cases, the entity should account for such investments either at cost, or in accordance with FRS 9.

The adoption of FRS 127 (2011) will result in a change in accounting policy. The Group is currently examining the financial impact of adopting FRS 127 (2011).

LBS BINA GROUP BERHAD (518482-H)

A2. Changes in accounting policies (*Cont'd*)

FRS 128 Investments in Associates and Joint Ventures (2011)

This revised FRS 128 incorporates the requirements for accounting for joint ventures, as well as associates, to be equity accounted following the issue of FRS 11. However, the revised FRS 128 exempts the investor from applying equity accounting in certain circumstances, i.e. where the investment in the associated company or joint venture is held indirectly via venture capital organisations or mutual funds and similar entities. In such cases, the entity shall measure the investment at fair value through profit or loss, in accordance with FRS 9.

The adoption of FRS 128 (2011) will result in a change in accounting policy. The Group is currently examining the financial impact of adopting FRS 128 (2011).

The Group and the Company have not early adopted the following FRSs, revised FRSs, IC Interpretations and Amendments to FRSs, which have been issued as at the date of authorisation of these financial statements and will be effective for the financial periods as stated below:

		Effective date for financial periods beginning on or after
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127 (2011)	Investment Entity	1 January 2014
IC Interpretation 21	Levies	1 January 2014
FRS 9 (IFRS 9 (2009))	Financial Instruments (IFRS 9 issued by IASB in November 2009)	1 January 2015
FRS 9 (IFRS 9 (2010))	Financial Instruments (IFRS 9 issued by IASB in October 2010)	1 January 2015

The above FRSs, revised FRSs, IC Interpretations and Amendments to FRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the initial applications of these FRSs, Amendments to FRSs and IC Interpretations will have no significant impact on the financial statements of the Group and of the Company, except as discussed below:

FRS 9 Financial Instruments

FRS 9 (IFRS 9 (2009)) replaces the guidance in FRS 139 Financial Instruments: Recognition and Measurement on classification and measurement of financial asset. FRS 9 requires financial asset to be measured at fair value or amortised cost. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

LBS BINA GROUP BERHAD (518482-H)

A2. Changes in accounting policies (*Cont'd*)

FRS 9 Financial Instruments (*Cont'd*)

FRS 9 (IFRS 9 (2010)) includes the requirements for the classification and measurement of financial liabilities and for derecognition. Measurement for financial liability designated as at fair value through profit or loss, requires the amount of change in the fair value of the financial liability, that is attributable to the change of credit risk of that liability, is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

Under FRS 139, the entire amount of the change in fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The adoption of FRS 9 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting FRS 9.

New Malaysian Financial Reporting Standards ("MFRS Framework")

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture ("MFRS 141") and IC Interpretation 15 Agreements for Construction of Real Estate ("IC Interpretation 15"), including its parent, significant investor and venturer (hereinafter called "Transitioning Entities").

On 30 June 2012, the MASB announced that the mandatory effective date for adoption of the new MFRS by the Transitioning Entities is deferred from 1 January 2013 to 1 January 2014.

On 7 August 2013, the MASB has decided to allow agriculture and real estate companies, including their parents, significant investors and ventures (Transitioning Entities) to defer the adoption of the MFRS Framework for an additional year. This deferment takes into account the latest status of the IASB's work plan on the two transitional issues that have yet to be resolved. Transitioning Entities continue to have the option to either apply the MFRS Framework or the FRS Framework for annual periods beginning on or after 1 January 2014. In light of the development and revisions of the project timelines by the IASB, the Board has decided to extend the transitional period for another year, i.e. the adoption of the MFRS Framework by all entities for annual periods beginning on or after 1 January 2015.

The Group is subject to the application of IC Interpretation 15, therefore falls within the scope definition of Transitioning Entities and has 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 the Group's 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 is currently assessing the implications and financial impact of transition to the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2013 could be different if prepared under the MFRS Framework.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 was not subject to any qualification.

LBS BINA GROUP BERHAD (518482-H)

A4. Seasonal or cyclical factors

The operations of the Group during the quarter under review were not materially affected by any significant seasonal or cyclical factors.

A5. Unusual items due to their nature, size or incidence

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

A6. Material changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods or prior year that have a material effect in the current quarter's results.

A7. Debt and equity securities

There were no issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the current financial year-to-date, save and except as follows:-

- (i) Issuance of shares pursuant to the Company's Employee Share Option Scheme ("ESOS")
The Company has issued and allotted 27,375,050 and 4,739,350 and 175,500 and 36,900 ordinary shares of RM1.00 each for cash at RM1.00, RM1.081 and RM1.218 and RM1.455 per share respectively arising from the exercise of options granted under the ESOS.
- (ii) Issuance of shares pursuant to the exercise of warrants
A total of 60,772,000 warrants were exercised and converted into ordinary shares of RM1.00 each which resulted in 60,772,000 ordinary shares of RM1.00 each being issued and allotted.
- (iii) Share buyback by the Company
The Company repurchased 9,548,000 of its issued shares from the open market for a total consideration of RM13,303,465 and held as Treasury Shares. Subsequently, the Company resold 7,370,000 of its Treasury Shares in the open market for a total consideration of RM11,349,614.

A8. Dividend paid

During the financial quarter under review, a Special Dividend of 8 sen per ordinary share ("tax exempt dividend") was paid on 18 October 2013 in respect of the financial year ended 31 December 2013.

LBS BINA GROUP BERHAD (518482-H)

A9. Segment information

Year ended 31 December 2013

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Racing Circuit RM'000	Elimination RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Consolidated RM'000
REVENUE								
External revenue	518,500	-	10,456	4,577	-	533,533	14,863	548,396
Inter-segment	-	218,621	180,824	-	(399,445)	-	-	-
Total Revenue	518,500	218,621	191,280	4,577	(399,445)	533,533	14,863	548,396
RESULTS								
Segment results	101,515	(77)	338,549	(2,250)	-	437,737	3,231	440,968
Interest income	2,863	-	1,218	16	-	4,097	38	4,135
Finance costs	(10,014)	-	(4,574)	(333)	-	(14,921)	-	(14,921)
Share of results of associates	-	-	(25)	-	-	(25)	-	(25)
Profit / (loss) before taxation	94,364	(77)	335,168	(2,567)	-	426,888	3,269	430,157
Taxation	(34,710)	(24)	635	337	-	(33,762)	39	(33,723)
Profit/ (loss) for the financial year	59,654	(101)	335,803	(2,230)	-	393,126	3,308	396,434
Assets								
Additional to non-current assets	193,474	1,814	137,201	494,566	-	827,055	-	827,055
Segment assets	1,129,971	52,673	613,207	215,657	-	2,011,508	-	2,011,508
Other non-cash expenses								
Bad debts written off	82	-	-	-	-	82	-	82
Depreciation	2,781	13	50	3,055	-	5,899	-	5,899
Property, plant and equipment written off	20	252	15	-	-	287	-	287
Loss on disposal of property, plant and equipment	36	-	-	-	-	36	-	36
Unrealised loss on foreign exchange	-	-	1,979	43	-	2,022	228	2,250
Impairment of goodwill on consolidation	12,700	-	-	-	-	12,700	-	12,700
Impairment on investment properties	-	-	49	-	-	49	-	49
Share-based payment	-	-	3,195	-	-	3,195	-	3,195

LBS BINA GROUP BERHAD (518482-H)

A9. Segment information (Cont'd)

Year ended 31 December 2013 (Cont'd)

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Racing Circuit RM'000	Elimination RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Consolidated RM'000
<u>Other non-cash income</u>								
Unrealised gain on foreign exchange	-	-	(1,059)	(485)	-	(1,544)	(404)	(1,948)
Gain on disposal of property, plant and equipment	(226)	(1)	-	-	-	(227)	(8)	(235)
Gain on disposal of subsidiaries company	(271)	-	(341,561)	-	-	(341,832)	-	(341,832)
Gain on disposal of non-current assets classified as held for sale	-	(2,385)	-	-	-	(2,385)	-	(2,385)
Gain on acquisition of subsidiary companies	-	-	(2,940)	-	-	(2,940)	-	(2,940)
Reversal of impairment on receivables	(232)	-	-	-	-	(232)	-	(232)
Fair value adjustment on non-current liabilities	(1,442)	-	-	-	-	(1,442)	-	(1,442)

Year ended 31 December 2012

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Racing Circuit RM'000	Elimination RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Consolidated RM'000
<u>REVENUE</u>								
External revenue	502,026	3,337	4,281	-	-	509,644	22,176	531,820
Inter-segment	-	209,056	84,031	-	(293,087)	-	-	-
Total Revenue	502,026	212,393	88,312	-	(293,087)	509,644	22,176	531,820
<u>RESULTS</u>								
Segment results	96,339	169	(5,523)	-	-	90,985	(10,033)	80,952
Interest income	1,623	22	943	-	-	2,588	75	2,663
Finance costs	(11,109)	(18)	(7,330)	-	-	(18,457)	-	(18,457)
Share of results of associates	-	-	(102)	-	-	(102)	-	(102)
Profit / (loss) before taxation	86,853	173	(12,012)	-	-	75,014	(9,958)	65,056
Taxation	(28,400)	141	1,038	-	-	(27,221)	1,168	(26,053)
Profit/ (loss) for the financial year	58,453	314	(10,974)	-	-	47,793	(8,790)	39,003

LBS BINA GROUP BERHAD (518482-H)
A9. Segment information (Cont'd)
Year ended 31 December 2012 (Cont'd)

	Property Development RM'000	Construction RM'000	Management, Investment & Others RM'000	Racing Circuit RM'000	Elimination RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Consolidated RM'000
<u>Assets</u>								
Additional to non-current assets	41,960	9,872	-	-	-	51,832	13,185	65,017
Segment assets	886,653	30,373	70,708	-	-	987,734	447,274	1,435,008
<u>Other non-cash expenses</u>								
Depreciation	2,333	31	19	-	-	2,383	11,410	13,794
Property, plant and equipment written off	5	125	1	-	-	131	72	203
Bad debts written off	529	-	71	-	-	600	55	655
Inventories written down	660	-	-	-	-	660	-	660
Capital work-in-progress written off	-	-	-	-	-	-	242	242
Impairment on receivables	385	-	40	-	-	425	1,932	2,357
Impairment on investment properties	1	-	-	-	-	1	-	1
Impairment on goodwill in subsidiary company	11,330	-	-	-	-	11,330	-	11,330
Loss on disposal of property, plant and equipment	14	-	-	-	-	14	-	14
Loss on unrealised foreign exchange	-	-	3	-	-	3	-	3
Loss on disposal of associated company	-	-	490	-	-	490	-	490
Share-based payment	-	-	3,259	-	-	3,259	-	3,259
<u>Other non-cash income</u>								
Gain on unrealised foreign exchange	-	-	(89)	-	-	(89)	(287)	(376)
Gain on disposal of property, plant and equipment	(202)	(57)	-	-	-	(259)	(8)	(267)
Reversal of impairment on receivables	(279)	-	(2)	-	-	(281)	-	(281)
Reversal of impairment on land and property development costs	(16)	-	-	-	-	(16)	-	(16)
Reversal of impairment on inventories	(1,705)	-	-	-	-	(1,705)	-	(1,705)
Reversal of impairment on foreseeable loss on construction contract	-	(45)	-	-	-	(45)	-	(45)
Reversal on contingency sum provided in prior years	(3,817)	-	-	-	-	(3,817)	-	(3,817)
Fair value adjustment on non-current assets and non-current liabilities, net	(3,440)	-	-	-	-	(3,440)	-	(3,440)
Waiver of debts	-	-	-	-	-	-	(433)	(433)

LBS BINA GROUP BERHAD (518482-H)

A10. Valuation of property, plant and equipment

There was no fair value adjustment to the property, plant and equipment since the last annual audited financial statements.

A11. Changes in the composition of the Group

- (i) On 1 October 2013, a total of 405,300 Shares Options under ESOS were granted at the subscription price of RM1.693 to the eligible employees under the Fifth Grant of the ESOS.
- (ii) On 2 October 2013, Dragon Hill Corporation Limited (“DHCL”), a wholly-owned subsidiary of Intellplace Holdings Limited which in turn a wholly-owned subsidiary of the Company, has exercised its option to acquire Two Million Two Hundred Thousand (2,200,000) ordinary shares of HKD1.00 each in Lamdeal Investment Limited (“LIL”), a company incorporated in Hong Kong for a total cash consideration of USD One (USD1.00) only. Consequently, LIL became a wholly-owned subsidiary of DHCL and accordingly LIL’s subsidiaries became subsidiaries of DHCL.
- (iii) On 1 November 2013, a total of 194,500 Shares Options under ESOS were granted at the subscription price of RM1.609 to the eligible employees under the Sixth Grant of the ESOS.
- (iv) On 1 December 2013, a total of 121,400 Shares Options under ESOS were granted at the subscription price of RM1.500 to the eligible employees under the Seventh Grant of the ESOS.
- (v) On 5 December 2013, MITC Sdn Bhd (“MITC”), an indirectly wholly-owned subsidiary of the Company has acquired One Hundred and Five Thousand (105,000) ordinary shares of RM1.00 each in MITC Engineering Sdn Bhd (“MITCE”), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Eight Million Three Hundred Thousand (RM8,300,000) only. Consequently, MITC’s shareholding in MITCE has increased from 51% to 65%.

Other than the above, there were no changes in the composition of the Group during the quarter under review.

A12. Material subsequent events

- (i) On 1 January 2014, a total of 257,450 Shares Options under ESOS were granted at the subscription price of RM1.430 to the eligible employees under the Eighth Grant of the ESOS.
- (ii) On 1 February 2014, a total of 162,300 Shares Options under ESOS were granted at the subscription price of RM1.350 to the eligible employees under the Ninth Grant of the ESOS.

There were no material subsequent events as at 19 February 2014, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

A13. Capital commitments

Capital commitments not provided for in the interim financial report as at 31 December 2013 were as follows:

	Amount RM'000
Approved and contracted for	
- Cost Sharing Agreement	9,879
- Joint Venture Agreements for property development	89,338
	<hr/>
	99,217
	<hr/>

LBS BINA GROUP BERHAD (518482-H)

A14. Changes in contingent assets or contingent liabilities

	31.12.2013 RM'000	31.12.2012 RM'000
Bank guarantee issued for property development	<u>4,893</u>	<u>12,640</u>

There were no contingent assets as at the date of this interim financial report.

A15. Significant related party transactions

The related party transactions for the current financial year were summarised as below:-

	Amount RM'000
Contractor fee paid and payable	15,170
Sale of development properties	9,152
Legal fees paid and payable	557
Rental expenses	124
Rendering of insurance services	31
Rental income	9
Equity Investment	12,153

The nature and relationship between the Group and the related parties were as follows:-

- (i) A firm or companies in which a close family member of certain directors of the Company or a subsidiary company have financial interest;
- (ii) A firm or companies in which certain directors of the Company or its subsidiaries have financial interest;
- (iii) Persons who have financial interest in subsidiary companies; and
- (iv) Directors and key management personnel of the Company or its subsidiaries and their close family members.

B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of Group performance

Continuing operations

For the current quarter under review, the Group recorded revenue and profit before tax ("PBT") of approximately RM156 million and RM29 million respectively. These represent 17% increase in revenue and 68% increase in PBT over the result achieved in the corresponding quarter in year 2012.

For the financial year ended 31 December 2013, the Group recorded revenue and PBT of approximately RM534 million and RM427 million respectively. These represent a 5% increase in revenue and 469% increase in PBT over the result recorded in the preceding year 2012.

The improved PBT for the financial year ended 31 December 2013 was mainly due to the gain arising from the disposal of subsidiaries and profit contribution from the on-going projects such as Pearl Villa, Royal Ivory, Royal Ivory 2, Royal Garden, BSP Skypark, I Hub Puchong in Bandar Saujana Putra, D' Island Residence and The Lake Residence in Puchong, Brinchang Square, The Vines and SomerSquare in Cameron Highlands and Min Garden in Batu Pahat.

Discontinued operations

The disposal deal was completed on 12 August 2013. Therefore, review of performance is not applicable.

There was no further detailed analysis of performance for other segments, as the Group is mainly involved in property development.

B2. Material change in quarterly results compared with the immediate preceding quarter

Continuing operations

For the current quarter under review, the Group's revenue and PBT were approximately RM156 million and RM29 million respectively as compared to the revenue and PBT of approximately RM135 million and RM358 million respectively in the immediate preceding quarter.

The higher PBT in immediate preceding quarter was mainly attributable to the gain arising from the disposal of subsidiaries.

B3. Prospects for the next financial year

The Group has achieved sales of RM621 million in the year 2013.

The Group plans to launch its new projects in Pahang, Klang Valley, Johor and will continue to source for strategic development lands to further enhance its performance.

With the Group's 18 ongoing projects, unbilled sales of approximately RM650 million as at 31 January 2014, new project launches in year 2014, the Group is confident of achieving further improvement in its performance for the financial year ending 31 December 2014.

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee to the public.

LBS BINA GROUP BERHAD (518482-H)

B5. Taxation

The breakdown of tax charges were as follows:-

	Individual Quarter		Cumulative Period	
	Current year Quarter 31.12.2013 RM'000	Preceding year Quarter 31.12.2012 RM'000	Current year To date 31.12.2013 RM'000	Preceding year To date 31.12.2012 RM'000
<u>Continuing operations:</u>				
Current year's provision	8,396	7,703	33,309	33,366
Under /(over) provision	854	97	1,366	(1,466)
Deferred taxation	193	(1,325)	(913)	(4,679)
Total tax expense	9,443	6,475	33,762	27,221
<u>Discontinued operations:</u>				
Current year's provision	-	10	2	28
Over provision	-	-	(25)	-
Deferred taxation	-	(325)	(16)	(1,196)
Total tax credit	-	(315)	(39)	(1,168)
Total	9,443	6,160	33,723	26,053

The effective tax rate of the Group for the current:-

- (i) quarter was higher than the statutory tax rate of 25% mainly due to losses of certain subsidiaries which cannot set off against taxable profits made by other subsidiaries, non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences; and
- (ii) financial year was lower than the statutory tax rate of 25% mainly due to the gain arising from disposal of subsidiaries.

B6. Status of corporate proposals announced but not completed

The following is the status of corporate proposals that have been announced by the Company but has not been completed as at 19 February 2014, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report :-

- (i) On 14 February 2014, Sinaran Restu Sdn Bhd (“Purchaser”), an indirect wholly-owned subsidiary of the Company, has entered into Two (2) Sale and Purchase Agreements (“SPAs”) with Lembaga Kumpulan Wang Simpanan Pekerja (“KWSP” or “Vendor”) for acquiring the following two pieces of 99-year leasehold land (expiring in November 2099) situated in Bandar Johor Bahru, Daerah Johor Bahru in the State of Johor (“the EPF Lands”) from KWSP for a total consideration of RM71,280,000.00 (“Acquisition”):-

- a) PN 38855 Lot 24962 measuring approximately 3,498 square meters; and
- b) PN 38876 Lot 24963 measuring approximately 14,016 square meters.

The SPAs are conditional upon the fulfillment of the following Condition Precedents on or before three (3) months from the date of the SPAs subject to an automatic extension of three (3) months (“Approval Period”) or any further approved extension by KWSP (“Extended Approval Period”):

- a) State Authority Consent approving the transfer of the EPF Lands from the Vendor to the Purchaser; and
- b) the Economic Planning Unit approval being obtained for the acquisition of the EPF Lands by the Purchaser.

There is no major new development to the above proposed Acquisition.

- (ii) On 17 February 2014, the Company announced that Bursa Malaysia Securities Berhad (“Bursa Securities”) has approved the participation of the Company in the Regularisation Plan of VTI Vintage Berhad (Company No. : 589167-W) (“VVB”) to subscribe the following interests in VVB for a total consideration of up to RM13,435,323.00 pursuant to VVB’s amended Proposed Regularisation Plan approved by Bursa Securities :-

- (i) 8,000,000 new ordinary shares of RM0.50 each in VVB at an issue price of RM0.50 each pursuant to VVB’s Proposed Private Placement (equivalent to RM4,000,000.00);
- (ii) 8,000,000 new ordinary shares of RM0.50 each in VVB at an issue price of RM0.50 together with warrants on the basis of 1 warrant for every 2 rights shares held pursuant to VVB’s Proposed Rights Issue with Warrants (equivalent to RM4,000,000.00); and
- (iii) undertake to the subscription of up to 10,870,646 unsubscribed rights shares pursuant to VVB’s Proposed Rights Issue with Warrants (equivalent up to RM5,435,323.00).

(hereinafter collectively referred to as the “Proposed Subscription”).

The Proposed Subscription is conditional upon all relevant approvals being obtained by VVB as announced by VVB on 17 February 2014.

There is no major new development to the above Proposed Subscription.

LBS BINA GROUP BERHAD (518482-H)

B7. Utilisation of proceeds from disposal

On 12 August 2013 ("completion date"), the Company has announced the completion of proposed disposal of 100% equity interest in Lamdeal Consolidated Development Ltd and Lamdeal Golf & Country Club Ltd to Jiuzhou Tourism Property Company Limited, a wholly owned subsidiary of Zhuhai Holdings Investment Group Limited ("Zhuhai Holdings") for an aggregate sale consideration of HKD1.65 billion.

Total sale consideration shall be satisfied by cash of HKD500 million, new Zhuhai Holdings shares and deferred cash payment of HKD850 million from Promissory Notes.

The Board is expected to disclose the detailed plan for the proposed utilisation of the deferred cash payment three months before the target receipt of each tranche of the deferred cash payment.

Cash proceeds of HKD500 million has been received on completion date.

The status of the utilisation of cash proceeds of HKD500 million as at 19 February 2014, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report was as follows:

	Note	Proposed Utilisation	Proposed Utilisation	Actual Utilisation	Proceeds Balance	Deviation		Intended Timeframe for Utilisation
		HKD'000	RM'000	RM'000	RM'000	RM'000	%	
Potential investment	1,2,4	174,376	73,046	(20,470)	52,576	-	-	Within 1 year
Operating expenses	1,2,4	58,125	24,349	(10,272)	14,077	-	-	Within 1 year
Miscellaneous expenses	1,2,4	1,499	628	(62)	566	-	-	Within 1 year
Reduction of bank borrowings	1,2	121,095	50,727	(54,019)	(3,292)	(3,292)	3%	Within 1 year
Reduction of other payables	1,2,3,4	128,905	53,998	(26,826)	27,172	-	-	Within 1 year
Expenses in relation to the disposal	1,2,4	16,000	6,702	(3,773)	2,929	-	-	Within 1 month
Dividend	3	-	-	(36,630)	(36,630)	(36,630)	100%	
		500,000	209,450	(152,052)	57,398	(39,922)	-	

Note :

- 1) Adopted the exchange rate of HKD1.00 : RM0.4189, being the closing rate as at completion date published by Bank Negara.
- 2) The proceeds balance is expected to be utilised within the intended timeframe from the receipt of the proceeds.
- 3) The shortfall in the funds allocated for repayment of bank borrowings and dividend payment will be funded from the funds allocated for potential investment.
- 4) Any unutilised proceeds has been placed in short term deposits until such relevant expenses have been identified.

LBS BINA GROUP BERHAD (518482-H)

B8. Borrowings and debt securities

Total Group borrowings and debt securities as at 31 December 2013 were as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Finance lease payables	1,019	-	1,019
Bank overdrafts	762	-	762
Bank borrowings	55,215	-	55,215
Short term borrowings	56,996	-	56,996
Finance lease payables	3,303	-	3,303
Bank borrowings	292,790	-	292,790
Islamic commercial papers / Islamic medium term notes	30,000	-	30,000
Long term borrowings	326,093	-	326,093
Total borrowings	383,089	-	383,089

Currency exposure profiles of borrowings were as follow:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Ringgit Malaysia	277,489	-	277,489
Hong Kong Dollar	105,600	-	105,600
	383,089	-	383,089

B9. Changes in material litigation

There was no material litigation as at 19 February 2014, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

B10. Dividend declared

No dividend has been declared during the quarter under review.

B11. Earnings per share ("EPS")

Basic EPS

The calculation of the basic earnings per share is based on the profit/ (loss) attributable to the equity holders of the Company and divided by the weighted average number of ordinary shares in issue:-

	Current year to date 31.12.2013	Preceding year to date 31.12.2012
Profit attributable to equity holders of the Company (RM'000)		
- continuing operations	389,498	42,693
- discontinued operations	2,823	(5,534)
	392,321	37,159
Weighted average number of ordinary shares in issue ('000)	408,618	383,370

LBS BINA GROUP BERHAD (518482-H)

B11. Earnings per share (“EPS”) (Cont’d)

Basic EPS(Cont’d)

	Current year to date 31.12.2013	Preceding year to date 31.12.2012
Basic EPS (sen)		
- continuing operations	95.32	11.14
- discontinued operations	0.69	(1.44)
Total	96.01	9.70

Diluted EPS

The calculation of the diluted earnings per share is based on the profit/ (loss) attributable to the equity holders of the Company and divided by the weighted average number of ordinary shares that would have been in issue upon full exercise of the remaining options under Warrants and the ESOS granted, adjusted for the number of such shares that would have been issued at fair value:-

	Current year to date 31.12.2013	Preceding year to date 31.12.2012
Profit attributable to equity holders of the Company (RM’000)		
- continuing operations	389,498	42,693
- discontinued operations	2,823	(5,534)
	392,321	37,159
Adjusted weighted average number of ordinary shares in issue (‘000)	426,551	383,370
Diluted EPS (sen)		
- continuing operations	91.31	# 11.14
- discontinued operations	0.66	# (1.44)
Total	91.97	# 9.70

The number of shares under ESOS and Warrants were not taken into account in the computation of diluted earnings per share because the effect on the basic earnings per share is antidilutive.

B12. Notes to the Statement of Comprehensive Income

	Current quarter 31.12.2013 RM’000	Current Year to date 31.12.2013 RM’000
Depreciation	(3,800)	(5,899)
Bad debts written off	(82)	(82)
Unrealised loss on foreign exchange	(403)	(301)
Impairment of goodwill arising on consolidation	(4,400)	(12,700)
Impairment on investment property	(49)	(49)
Property, plant and equipment written off	(267)	(287)
Share based payment	(165)	(3,195)
Gain on disposal of non-current assets classified as held for sale	2,305	2,385
Gain on disposal of property, plant and equipment	121	199
Reversal of impairment on receivables	232	232
Gain on disposal of subsidiary companies	5,441	341,832
Fair value adjustment on non-current liabilities	108	1,442
Gain on acquisition of subsidiary companies	2,940	2,940

LBS BINA GROUP BERHAD (518482-H)**B13. Realised and unrealised profits / (losses)**

	Unaudited 31.12.2013 RM '000	Audited 31.12.2012 RM '000
Total retained profits / (accumulated losses) of the Company and its subsidiaries:-		
- Realised	755,828	232,001
- Unrealised	(46,666)	(23,943)
	<u>709,162</u>	<u>208,058</u>
Total share of accumulated losses from associated companies: -		
- Realised	(288)	(576)
- Unrealised	-	-
	<u>708,874</u>	<u>207,482</u>
Less : Consolidation adjustments	(293,498)	(140,187)
Total Group retained profits as per consolidated accounts	<u><u>415,376</u></u>	<u><u>67,295</u></u>

The disclosure of realised and unrealised profits / (losses) above is solely for compliance with the directive issue by the Bursa Malaysia and should not be used for any other purpose.

By Order of the Board,

Cynthia Lim Mooi Pang
Executive Director

Petaling Jaya, Selangor Darul Ehsan
26 February 2014