

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

**Interim Financial Report**  
**30 April 2014**

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**Interim Financial Report - 30 April 2014**

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**S P SETIA BERHAD**  
**(Company No.: 19698-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2014**  
*(The figures have not been audited)*

	As At 30 April 2014 RM'000	As At 31 October 2013 (Restated) RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	122,674	120,410
Investment Properties	678,887	613,559
Land Held for Property Development	4,482,623	4,569,938
Concession Assets	79,536	52,129
Investment in Jointly Controlled Entities	682,261	506,353
Investment in Associated Companies	1,742	1,689
Amount Owing by Former Joint Venture Partner	14,398	14,380
Deferred Tax Assets	186,669	192,847
	<u>6,248,790</u>	<u>6,071,305</u>
<b>Current Assets</b>		
Property Development Costs	2,964,005	2,624,132
Gross Amount Due from Customers	1,237	641
Inventories	23,807	23,566
Trade and Other Receivables	754,386	921,531
Amount Owing by Jointly Controlled Entities	218,923	139,218
Amount Owing by Associated Companies	9,280	9,283
Current Tax Assets	62,543	29,765
Deposits	1,302,645	939,997
Cash and Bank Balances	1,404,412	1,223,097
	<u>6,741,238</u>	<u>5,911,230</u>
<b>TOTAL ASSETS</b>	<u>12,990,028</u>	<u>11,982,535</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	1,844,034	1,844,034
Reserves		
Share Premium	2,128,696	2,128,696
Option Reserve	47,645	23,529
Exchange Translation Reserve	50,332	3,070
Retained Earnings	1,638,118	1,467,071
<b>Equity Attributable to Owners of the Company</b>	<u>5,708,825</u>	<u>5,466,400</u>
<b>Perpetual Bond</b>	622,799	-
<b>Non-controlling Interests</b>	305,771	255,238
<b>Total Equity</b>	<u>6,637,395</u>	<u>5,721,638</u>
<b>Non-Current Liabilities</b>		
Long Term Borrowings	3,243,003	3,347,628
Redeemable Cumulative Preference Shares	74,756	74,831
Deferred Tax Liabilities	2,442	6,224
	<u>3,320,201</u>	<u>3,428,683</u>
<b>Current Liabilities</b>		
Gross Amount Due to Customers	1,767	2,311
Trade and Other Payables	2,075,532	2,157,678
Short Term Borrowings	835,490	569,700
Bank Overdrafts	86,416	60,875
Current Tax Liabilities	33,227	41,650
	<u>3,032,432</u>	<u>2,832,214</u>
<b>Total Liabilities</b>	<u>6,352,633</u>	<u>6,260,897</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>12,990,028</u>	<u>11,982,535</u>
Net Assets Per Share Attributable to Owners of the Company	<u>2.32</u>	<u>2.22</u>

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

**S P SETIA BERHAD**  
**(Company No.: 19698-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 APRIL 2014**  
*(The figures have not been audited)*

	<b>3 MONTHS ENDED</b>		<b>6 MONTHS ENDED</b>	
	<b>30 April 2014</b>	<b>30 April 2013 (Restated)</b>	<b>30 April 2014</b>	<b>30 April 2013 (Restated)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	952,352	753,726	1,673,911	1,488,655
Cost of sales	(680,985)	(520,661)	(1,197,498)	(1,036,804)
Gross profit	<u>271,367</u>	<u>233,065</u>	<u>476,413</u>	<u>451,851</u>
Other operating income	27,422	24,856	90,035	37,173
Selling and marketing expenses	(34,398)	(43,553)	(70,293)	(80,327)
Administrative and general expenses	(67,724)	(49,816)	(129,692)	(93,672)
Share of profits less losses of jointly controlled entities	(15,149)	(6,891)	(23,971)	(9,769)
Share of profits less losses of associated companies	12	17	53	19
Finance costs	(16,158)	(12,548)	(30,009)	(24,414)
Profit before taxation	<u>165,372</u>	<u>145,130</u>	<u>312,536</u>	<u>280,861</u>
Taxation	(46,974)	(39,552)	(77,149)	(69,536)
Profit for the period	<u>118,398</u>	<u>105,578</u>	<u>235,387</u>	<u>211,325</u>
Other comprehensive income:				
Item that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	(3,554)	(23,774)	47,254	(26,710)
Total comprehensive income for the period	<u>114,844</u>	<u>81,804</u>	<u>282,641</u>	<u>184,615</u>
Profit attributable to:				
Holders of Perpetual Bond	8,835	-	13,799	-
Non-controlling interests	35,292	11,360	50,541	23,920
	<u>44,127</u>	<u>11,360</u>	<u>64,340</u>	<u>23,920</u>
Owners of the Company	74,271	94,218	171,047	187,405
	<u>118,398</u>	<u>105,578</u>	<u>235,387</u>	<u>211,325</u>
Total comprehensive income attributable to:				
Holders of Perpetual Bond	8,835	-	13,799	-
Non-controlling interests	35,240	11,367	50,533	23,931
	<u>44,075</u>	<u>11,367</u>	<u>64,332</u>	<u>23,931</u>
Owners of the Company	70,769	70,437	218,309	160,684
	<u>114,844</u>	<u>81,804</u>	<u>282,641</u>	<u>184,615</u>
Earnings per share attributable to equity holders of the Company				
- Basic earnings per share (sen)	<u>3.02</u>	<u>3.95</u>	<u>6.96</u>	<u>8.52</u>
- Diluted earnings per share (sen)	<u>3.00</u>	<u>3.95</u>	<u>6.91</u>	<u>8.50</u>

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

**S P SETIA BERHAD**  
**(Company No.: 19698-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 APRIL 2014**  
*(The figures have not been audited)*

	Attributable to owners of the Company					Retained Earnings RM'000	Total RM'000	Perpetual Bond RM'000	Non-controlling interests RM'000	Total Equity RM'000	
	Share Capital RM'000		Share- Based Payment Reserve RM'000		Warrant Reserve RM'000						Exchange Translation Reserve RM'000
<b>Balance at 1.11.2013</b>	1,844,034	2,128,696	23,529	-	-	3,070	1,467,071	5,466,400	-	255,238	5,721,638
Total other comprehensive income for the period represented by exchange differences on translation of foreign operations	-	-	-	-	-	47,262	-	47,262	-	(8)	47,254
Profit for the period	-	-	-	-	-	-	171,047	171,047	-	50,541	221,588
Issuance of Perpetual Bond	-	-	-	-	-	-	-	-	609,000	-	609,000
Perpetual Bond distribution payable	-	-	-	-	-	-	-	-	13,799	-	13,799
<b>Transactions with owners:</b>											
Share-based payment under Employees' Long Term Incentive Plan ("LTIP")	-	-	24,116	-	-	-	-	24,116	-	-	24,116
<b>Balance at 30.04.2014</b>	1,844,034	2,128,696	47,645	-	-	50,332	1,638,118	5,708,825	622,799	305,771	6,637,395
<b>Balance at 1.11.2012</b>	1,504,250	1,113,480	242	28,904	-	1,468	1,336,672	3,985,016	-	217,122	4,202,138
Total other comprehensive income for the period represented by exchange differences on translation of foreign operations	-	-	-	-	-	(26,721)	-	(26,721)	-	11	(26,710)
Profit for the period	-	-	-	-	-	-	187,405	187,405	-	23,920	211,325
<b>Transactions with owners:</b>											
Acquisition of additional shares in subsidiary companies	-	-	-	-	-	-	(35,641)	(35,641)	-	(8,159)	(43,800)
Issuance of ordinary shares:											
- Exercise of Warrants	99,259	322,750	-	(26,299)	-	-	-	395,710	-	-	395,710
- Placement	240,525	702,333	-	-	-	-	-	942,858	-	-	942,858
Share issue expenses	-	(9,429)	-	-	-	-	-	(9,429)	-	-	(9,429)
ESOS lapsed	-	-	(242)	-	-	-	242	-	-	-	-
Warrants lapsed	-	-	-	(2,605)	-	-	2,605	-	-	-	-
<b>Balance at 30.04.2013</b>	1,844,034	2,129,134	-	-	-	(25,253)	1,491,283	5,439,198	-	232,894	5,672,092

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

**S P SETIA BERHAD**  
**(Company No.: 19698-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 APRIL 2014**  
*(The figures have not been audited)*

	<b>6 MONTHS ENDED 30 April 2014  RM'000</b>	<b>6 MONTHS ENDED 30 April 2013 (Restated) RM'000</b>
Profit before taxation	312,536	280,861
Adjustments for:-		
Non-cash items	60,473	7,295
Non-operating items	(15,613)	3,083
Operating profit before changes in working capital	<u>357,396</u>	<u>291,239</u>
Changes in property development costs	(4,131)	99,311
Changes in gross amount due from/to customers	(210)	10,513
Changes in inventories	(240)	526
Changes in receivables	23,431	237,595
Changes in payables	10,239	(76,637)
Cash generated from operations	<u>386,485</u>	<u>562,547</u>
Interest received	17,193	8,766
Interest paid	(97,116)	(68,310)
Rental received	1,128	68
Tax paid	(115,569)	(104,626)
Net cash generated from operating activities	<u>192,121</u>	<u>398,445</u>
<b>Investing Activities</b>		
Additions to land held for future development	(152,911)	(923,204)
Purchase of property, plant and equipment	(8,621)	(11,672)
Additions to investment properties	(76,004)	(53,390)
Additions to concession assets	(27,407)	(18,611)
Proceeds from disposal of property, plant and equipment	60	53
Proceeds from disposal of investment property	20,570	1,614
Acquisition of additional investment in subsidiary companies	-	(43,800)
Acquisition of additional redeemable preference shares in subsidiary companies	-	(15,450)
Acquisition of additional investment in jointly controlled entities	(202,429)	(450)
Advances to jointly controlled entities	(9,481)	(93,490)
Repayment by associated company	2	-
Development expenditure paid	-	(9,259)
Deposit and part consideration paid for acquisition of land	-	(66,936)
Other investments	37,613	3,015
Net cash used in investing activities	<u>(418,608)</u>	<u>(1,231,580)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 APRIL 2014**  
*(The figures have not been audited)*

	<b>6 MONTHS ENDED 30 April 2014</b>	<b>6 MONTHS ENDED 30 April 2013 (Restated)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Financing Activities</b>		
Proceeds from issue of shares by the Company	-	1,338,568
Proceeds from issuance of perpetual bond	609,000	-
Redemption of bonds	-	(250,000)
Payment of share issue expenses	-	(9,429)
Drawdown of bank borrowings	383,739	1,284,589
Repayment of bank borrowings	(235,601)	(870,247)
Dividends paid to a minority shareholder of a subsidiary company	(1,400)	(1,400)
Advances from a minority shareholder of a subsidiary company	-	5,273
Interest paid	(1,577)	(1,031)
Net cash generated from financing activities	<u>754,161</u>	<u>1,496,323</u>
Net changes in cash and cash equivalents	527,674	663,188
<b>Effect of exchange rate changes</b>	4,782	(3,235)
<b>Cash and cash equivalents at 1 November 2013/2012</b>	2,081,758	1,349,625
<b>Cash and cash equivalents at 30 April 2014/2013</b>	<u>2,614,214</u>	<u>2,009,578</u>
	<b>30 April 2014</b>	<b>30 April 2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits	1,302,645	982,194
Cash and bank balances	1,404,412	1,181,579
Bank overdrafts	(86,416)	(122,073)
	<u>2,620,641</u>	<u>2,041,700</u>
Less: Deposits pledged and maintained in Sinking Fund	(2,000)	-
Sinking Fund, Debt Service Reserve and Escrow Accounts	(4,427)	(32,122)
	<u>2,614,214</u>	<u>2,009,578</u>

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

## NOTES TO THE INTERIM FINANCIAL REPORT

### 1. Basis of preparation

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

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

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

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

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

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

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

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

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



## 1. Basis of preparation (continued)

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

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
<b>Statement of Financial Position</b>				
<b>At 31 October 2013</b>				
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	121,856	11,276	(12,722)	120,410
Investment Properties	1,013,046	60,107	(459,594)	613,559
Land Held for Property Development	4,918,472	233,118	(581,652)	4,569,938
Concession Assets	52,129	-	-	52,129
Investment in Jointly Controlled Entities	-	-	506,353	506,353
Investment in Associated Companies	1,689	-	-	1,689
Amount Owing by Former Joint Venture Partner	14,380	-	-	14,380
Amount Owing by Jointly Controlled Entities	41,569	(41,569)	-	-
Deferred Tax Assets	167,885	26,082	(1,120)	192,847
	<u>6,331,026</u>	<u>289,014</u>	<u>(548,735)</u>	<u>6,071,305</u>
<b>Current Assets</b>				
Property Development Costs	2,693,117	163,180	(232,165)	2,624,132
Gross Amount Due from Customers	641	-	-	641
Inventories	43,244	-	(19,678)	23,566
Trade and Other Receivables	1,058,472	36,582	(173,523)	921,531
Amount Owing by Jointly Controlled Entities	32,220	107,070	(72)	139,218
Amount Owing by Associated Companies	9,283	-	-	9,283
Current Tax Assets	30,541	-	(776)	29,765
Deposits	1,024,981	18,140	(103,124)	939,997
Cash and Bank Balances	1,218,237	84,336	(79,476)	1,223,097
	<u>6,110,736</u>	<u>409,308</u>	<u>(608,814)</u>	<u>5,911,230</u>
<b>TOTAL ASSETS</b>	<u>12,441,762</u>	<u>698,322</u>	<u>(1,157,549)</u>	<u>11,982,535</u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share Capital	1,844,034	-	-	1,844,034
Share Premium	2,128,696	-	-	2,128,696
Option Reserve	23,529	-	-	23,529
Exchange Translation Reserve	(987)	-	4,057	3,070
Retained Earnings	1,530,271	(57,832)	(5,368)	1,467,071
<b>Equity Attributable to Equity Holders of the Company</b>	<u>5,525,543</u>	<u>(57,832)</u>	<u>(1,311)</u>	<u>5,466,400</u>
<b>Non-controlling Interests</b>	<u>(846)</u>	<u>256,084</u>	<u>-</u>	<u>255,238</u>
<b>Total Equity</b>	<u>5,524,697</u>	<u>198,252</u>	<u>(1,311)</u>	<u>5,721,638</u>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	3,915,084	105,862	(673,318)	3,347,628
Redeemable Cumulative Preference Shares	-	156,657	(81,826)	74,831
Deferred Tax Liabilities	4,951	1,294	(21)	6,224
	<u>3,920,035</u>	<u>263,813</u>	<u>(755,165)</u>	<u>3,428,683</u>

## 1. Basis of preparation (continued)

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
<b>Statement of financial position</b>				
<b>At 31 October 2013</b>				
<b>Current Liabilities</b>				
Gross Amount Due to Customers	2,311	-	-	2,311
Trade and Other Payables	2,342,750	202,705	(387,777)	2,157,678
Short Term Borrowings	553,554	28,650	(12,504)	569,700
Bank Overdrafts	60,875	-	-	60,875
Current Tax Liabilities	37,540	4,902	(792)	41,650
	<u>2,997,030</u>	<u>236,257</u>	<u>(401,073)</u>	<u>2,832,214</u>
<b>Total Liabilities</b>	<u>6,917,065</u>	<u>500,070</u>	<u>(1,156,238)</u>	<u>6,260,897</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>12,441,762</u>	<u>698,322</u>	<u>(1,157,549)</u>	<u>11,982,535</u>
	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
<b>Statement of Comprehensive Income</b>				
<b>3 months ended 30 April 2013</b>				
Revenue	711,304	51,208	(8,786)	753,726
Cost of sales	(494,384)	(29,826)	3,549	(520,661)
Gross profit	<u>216,920</u>	<u>21,382</u>	<u>(5,237)</u>	<u>233,065</u>
Other operating income	25,905	(1,357)	308	24,856
Selling and marketing expenses	(44,277)	(2,278)	3,002	(43,553)
Administrative and general expenses	(55,137)	(1,329)	6,650	(49,816)
Share of profit less losses of jointly controlled entities	-	-	(6,891)	(6,891)
Share of profit less losses of associated companies	15	-	2	17
Finance costs	(13,296)	(2,244)	2,992	(12,548)
<b>Profit before taxation</b>	<u>130,130</u>	<u>14,174</u>	<u>826</u>	<u>145,130</u>
Taxation	(35,620)	5,020	(8,952)	(39,552)
<b>Profit for the period</b>	<u>94,510</u>	<u>19,194</u>	<u>(8,126)</u>	<u>105,578</u>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	(23,774)	-	-	(23,774)
Total comprehensive income for the period	<u>70,736</u>	<u>19,194</u>	<u>(8,126)</u>	<u>81,804</u>
<b>Profit attributable to:</b>				
Owners of the Company	95,770	(1,918)	366	94,218
Non-controlling interests	(1,260)	21,112	(8,492)	11,360
	<u>94,510</u>	<u>19,194</u>	<u>(8,126)</u>	<u>105,578</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	71,989	(1,918)	366	70,437
Non-controlling interests	(1,253)	21,112	(8,492)	11,367
	<u>70,736</u>	<u>19,194</u>	<u>(8,126)</u>	<u>81,804</u>

## 1. Basis of preparation (continued)

	As previously reported RM'000	Effects of adopting FRS 10 RM'000	Effects of adopting FRS 11 RM'000	As restated RM'000
<b>Statement of Comprehensive Income</b>				
<b>6 months ended 30 April 2013</b>				
Revenue	1,398,854	109,967	(20,166)	1,488,655
Cost of sales	(985,921)	(62,810)	11,927	(1,036,804)
Gross profit	412,933	47,157	(8,239)	451,851
Other operating income	41,052	(119)	(3,760)	37,173
Selling and marketing expenses	(78,858)	(5,779)	4,310	(80,327)
Administrative and general expenses	(103,054)	(2,240)	11,622	(93,672)
Share of profit less losses of jointly controlled entities	-	-	(9,769)	(9,769)
Share of profit less losses of associated companies	17	-	2	19
Finance costs	(25,791)	(3,369)	4,746	(24,414)
<b>Profit before taxation</b>	<b>246,299</b>	<b>35,650</b>	<b>(1,088)</b>	<b>280,861</b>
Taxation	(58,579)	(12,412)	1,455	(69,536)
<b>Profit for the period</b>	<b>187,720</b>	<b>23,238</b>	<b>367</b>	<b>211,325</b>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	(26,586)	(124)	-	(26,710)
Total comprehensive income for the period	161,134	23,114	367	184,615
<b>Profit attributable to:</b>				
Owners of the Company	188,683	(1,645)	367	187,405
Non-controlling interests	(963)	24,883	-	23,920
	187,720	23,238	367	211,325
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	162,086	(1,769)	367	160,684
Non-controlling interests	(952)	24,883	-	23,931
	161,134	23,114	367	184,615

## 1. Basis of preparation (continued)

	As previously reported RM'000	Effects of adopting FRS 10 & FRS 11 RM'000	As restated RM'000
<b>Statement of Cash Flows</b>			
<b>6 months ended 30 April 2013</b>			
Net cash generated from operating activities	366,789	31,656	398,445
Net cash used in investing activities	(1,174,511)	(57,069)	(1,231,580)
Net cash generated from financing activities	1,496,680	(357)	1,496,323
Net changes in cash and cash equivalents	688,958	(25,770)	663,188
Effect of exchange rate changes	(8,280)	5,045	(3,235)
Cash and cash equivalents at 1 November 2012	1,420,479	(70,854)	1,349,625
Cash and cash equivalents at 30 April 2013	2,101,157	(91,579)	2,009,578

## 2. Seasonal or cyclical factors

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

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

There were no unusual items for the financial period ended 30 April 2014.

## 4. Changes in estimates

There were no material changes in estimates for the financial period ended 30 April 2014.

## 5. Debts and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period-to-date except for the issuance of RM609 million in nominal value of the unrated subordinated Islamic perpetual notes ("Perpetual Bond") on 13 December 2013.

## 6. Dividends paid

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

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

## 7. Segmental Reporting

The segmental analysis for the financial period ended 30 April 2014 is as follows:-

	<b>Property Development RM'000</b>	<b>Construction RM'000</b>	<b>Other Operations RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<u>Revenue</u>					
External sales	1,561,879	64,356	47,676	-	1,673,911
Inter-segment sales	116,808	182,786	63,669	(363,263)	-
Total revenue	<u>1,678,687</u>	<u>247,142</u>	<u>111,345</u>	<u>(363,263)</u>	<u>1,673,911</u>
Gross profit	462,736	2,872	10,805	-	476,413
Other operating income	70,294	655	19,086	-	90,035
Operating expenses	(189,355)	(4,319)	(6,311)	-	(199,985)
Share of net profits less losses of jointly controlled entities	(26,039)	2,185	(117)	-	(23,971)
Share of net profits less losses of associated companies	53	-	-	-	53
Finance costs	(24,620)	(3,644)	(1,745)	-	(30,009)
Profit before taxation	<u>293,069</u>	<u>(2,251)</u>	<u>21,718</u>	<u>-</u>	<u>312,536</u>
Tax expense					(77,149)
Profit for the period					<u><u>235,387</u></u>

## 8. Material Events subsequent to the End of Financial Period

There were no material transactions or events subsequent to the current quarter ended 30 April 2014 till 4 June 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

## 9. Changes in the Composition of the Group

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

- (i) Incorporation of China-Malaysia Qinzhou Industrial Park (Guangxi) Development Co., Ltd. ("CMQIP") on 22 November 2013 with an issued and paid up share capital of RMB300 million comprising of 300 million ordinary shares of RMB1.00 each ("the shares"). CMQIP is 45% owned by Qinzhou Development (Malaysia) Consortium Sdn Bhd, a jointly controlled entity of the Group; and
- (ii) Deregistration of Setia (Hangzhou) Development Company Limited from being a wholly owned subsidiary of S P Setia Berhad on 3 January 2014.

## 10. Contingent Liabilities

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

## 11. Capital Commitments

	<b>As at 30/04/2014 RM'000</b>
Commitments to purchase development land (contracted)	15,896
Contractual commitments for construction of investment properties	11,416
Contractual commitments for acquisition of property, plant and equipment	1,326
Contractual commitments in relation to Development Agreement	<u>100,000</u>

## 12. Significant Related Party Transactions

	<b>01/11/2013 To 30/04/2014 RM'000</b>
<i>Transactions with jointly controlled entities:-</i>	
(i) Project management and administrative fee received and receivable	1,774
(ii) Rental paid and payable	645
(iii) Security services rendered	161
(iv) Event service fee charged	14
(v) Group marketing fee charged	172
(vi) Sale of investment property	88,405
(vii) Staff secondment	946

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

(i) Security services rendered to a trust body in which a director of the Company and the directors of subsidiary companies are the trustees	65
(ii) Rental charged to a trust body in which a director of the Company and the directors of subsidiary companies are the trustees	60
(iii) Rental charged to a trust body in which a former director of the Company is the trustee	7
(iv) Event fees charged to a trust body in which a former director of the Company is the trustee	75
(v) Supply and installation of timber decking to a trust body in which a former director of the Company is the trustee	10
(vi) Event fees charged to companies which the immediate family member of a director of the Company has interest	96
(vii) Sale of development properties to directors of the Company	22,028
(viii) Sale of development properties to directors of the subsidiary companies	16,277

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

**1. Review of Group Performance**

The Group reported a profit before taxation (“PBT”) of RM165.4 million, which is 14% higher than RM145.1 million reported for 2Q2013.

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

	<b>2Q2014</b>	<b>2Q2013</b>	<b>PTD2014</b>	<b>PTD2013</b>
	<b>RM’000</b>	<b>Restated RM’000</b>	<b>RM’000</b>	<b>Restated RM’000</b>
<b>Revenue</b>				
Property Development	891,245	709,729	1,561,879	1,400,218
Construction	38,773	20,830	64,356	45,310
Other Operations	22,334	23,167	47,676	43,127
	<u>952,352</u>	<u>753,726</u>	<u>1,673,911</u>	<u>1,488,655</u>
<b>Profit before taxation</b>				
Property Development	156,445	139,247	293,069	272,360
Construction	(1,608)	(1,336)	(2,251)	(1,169)
Other Operations	10,535	7,219	21,718	9,670
	<u>165,372</u>	<u>145,130</u>	<u>312,536</u>	<u>280,861</u>
<b>Profit attributable to owners of the Company</b>	74,271	94,218	171,047	187,405

**(a) Performance of the current quarter against the same quarter in the preceding year (2Q 2014 vs. 2Q 2013)**

**(i) Revenue and PBT**

The Group’s PBT of RM165.4 million for 2Q 2014 is higher than RM145.1 million reported for 2Q 2013. Revenue and PBT of the respective operating business segments for the current quarter are as analysed as follows:-

**Property Development**

Revenue and PBT from property development activities increased by 26% and 12% respectively. The increase were mainly contributed from higher revenue recognition from property development as a result of higher overall Group Sales achieved since FY2012, coupled with higher profit contribution from completed parcels and lower selling and marketing expenses incurred in 2Q 2014.

The % of increase in PBT is lower than the % of increase in revenue mainly due to the inclusion of the Goods and Services Tax (“GST”) financial impact and LTIP expense which was only granted since May 2013. The recognition of GST financial impact has inevitably reduced the overall profit margin of those launched and sold development parcels. The balance of the GST financial impacts will be reflected in future financial periods in accordance to future work progress.

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

## 1. Review of Group Performance (continued)

### (a) Performance of the current quarter against the same quarter in the preceding year (2Q 2014 vs. 2Q 2013) (continued)

#### (i) Revenue and PBT (continued)

##### Construction

Revenue for the current quarter is mainly derived from the construction of a concession asset in Penang and also the Jabatan Keretapi Negeri Sabah building in Sabah. These projects are undertaken pursuant to a Build-Operate-Transfer Agreement with the Majlis Perbandaran Pulau Pinang and a Development Agreement with the Sabah State Government respectively in exchange for development rights in Penang and land in Sabah for the Aeropod project. As such, the construction profit to be recognised on these projects will not be significant as the Group expects to derive most of the benefits from subsequent development activities to be undertaken in both states.

##### Other Operations

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

#### (ii) Profit Attributable to Shareholders

Despite the increase in Revenue and PBT, the Profit Attributable to Shareholders however decreased by RM19.9 million to RM74.3 million in current quarter mainly due to the distribution of profit to the non-controlling interests and the recognition of GST financial impact and LTIP expense, as mentioned above.

Excluding the GST financial impact and LTIP expense, the Profit Attributable to Shareholders in the current quarter increased by 14.3% for the reasons mentioned above.

### (b) Performance of the current period to-date against the same period in the preceding year (Q2 PTD 2014 vs. Q2 PTD 2013)

#### (i) Revenue and PBT

For the current period to-date, the Group achieved a PBT of RM312.5 million on the back of revenue totalling RM1,673.9 million, representing an 11% increase in PBT and 12% increase in revenue as compared to the preceding period.

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

##### Property Development

Revenue and PBT increased by 12% and 8% respectively for the reasons mentioned above under the analysis of the current quarter's performance.

##### Construction

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



## 1. Review of Group Performance (continued)

### (b) Performance of the current period to-date against the same period in the preceding year (Q2 PTD 2014 vs. Q2 PTD 2013) (continued)

#### (i) Revenue and PBT (continued)

##### Other Operations

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

#### (ii) Profit Attributable to Shareholders

The reduction in Profit Attributable to Shareholders from RM187.4 million in the preceding period to-date to RM171.1 million in current period to-date was mainly due to the reasons mentioned above under the analysis of the current quarter's performance.

Excluding the GST financial impact and LTIP expense, the Profit Attributable to Shareholders in the current period to-date increased by 15.6% for the reasons mentioned above.

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

The Group's current quarter profit before taxation is RM165.4 million, which is RM18.2 million higher than the preceding quarter ended 31 January 2014. The profit in the current quarter was higher due to generally higher profit recognition arising from better site progress from residential developments in Klang Valley and Johor Bahru.

## 3. Prospects for the Current Financial Year

The Group achieved RM715 million sales during the second quarter of FY2014. As at 31 May 2014, total Group Sales for the first seven months of the current financial year totalled to RM3.2 billion. This includes the Group's 40% share of the GBP257 million sales achieved by the residential phase 2 launch of its joint venture project, Battersea Power Station, amounting to RM558 million.

The various cooling off measures implemented by Bank Negara Malaysia has resulted in a moderation of sales of the Group for the current quarter in comparison to the previous quarters. Furthermore, with the speculation of a possible interest rate hike towards the second half of the calendar year, property buyers have adopted a cautious approach in their decisions to buy or invest in properties.

The Group's prospects going forward remained positive with a strong cash flow position and a massive unbilled sales amount of RM11.2 billion. The property sector will remain challenging for the remaining periods of FY2014 due to the various cooling off measures in place. However, with Malaysia's economy proving to be resilient with a GDP of 6.2% in the first quarter of the calendar year, the Group remains confident that demand for affordable and quality properties will remain strong.

## 4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

## 5. Income Tax

Income Tax comprises:-

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/04/2014	Restated 30/04/2013	30/04/2014	Restated 30/04/2013
	RM'000	RM'000	RM'000	RM'000
- current taxation	42,597	52,845	74,904	104,394
- in respect of prior years	(460)	211	(537)	922
- deferred taxation	4,837	(13,499)	2,782	(41,773)
- in respect of prior years	-	(5)	-	5,993
	<u>46,974</u>	<u>39,552</u>	<u>77,149</u>	<u>69,536</u>

The Group's effective tax rate for the current quarter is slightly higher than the statutory taxation rate mainly due to certain non-tax deductible expenses, however, the Group's effective tax rate for the financial period to-date is lower compared to the statutory taxation rate mainly due to certain income which is not subject to income tax.

## 6. Status of Corporate Proposals

(a) The following are the status of corporate proposals that have been announced by the Company which had been completed since the preceding quarter report and those which are not completed as at 4 June 2014, the latest practicable date which shall not be earlier than 7 days from the date of this announcement:-

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

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

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

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

## 6. Status of Corporate Proposals (continued)

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

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

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

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

As announced on 2 October 2013, the period for fulfillment of the conditions precedent in the Privatisation Agreement has been extended to expire on 28 June 2014;

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

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

- (v) On 20 March 2014, the shareholders of S P Setia approved an ordinary resolution for a single-tier Final Dividend of 7 sen per S P Setia Share held amounting to RM172.1 million for the financial year ended 31 October 2013 and an ordinary resolution to implement a Dividend Reinvestment Plan that provides shareholders with an option to reinvest their cash dividend in new ordinary shares of RM0.75 each in S P Setia ("S P Setia Shares") ("1st DRP") respectively at the Annual General Meeting and Extraordinary General Meeting of S P Setia.

The 1st DRP was applied towards the Final Dividend and the issue price of the S P Setia Shares issued pursuant to the 1st DRP ("New Shares") was fixed at RM2.59.

Based on the election made by the shareholders, a total of 58,715,748 New Shares were issued on 16 May 2014 and listed on the Main Market of Bursa Malaysia Securities Berhad on 19 May 2014. The New Shares issued represents 88.36% of the total number of new S P Setia Shares that would have been issued if all entitled shareholders had elected to reinvest their electable portions into new S P Setia Shares pursuant to the 1<sup>st</sup> DRP.

## 6. Status of Corporate Proposals (continued)

- (b) As at 30 April 2014, the status of the utilisation of proceeds raised under the Placement exercise which was completed on 25 February 2013, amounting to RM942.86 million is as set out below:-

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Actual utilisation RM'000</b>	<b>Reallocation RM'000</b>	<b>Balance unutilised RM'000</b>	<b>Intended timeframe for utilisation from completion date</b>
Existing projects and general working capital requirements	550,000	(204,224)	-	345,776	Within 24 months
Future expansion plans	181,900	(147,822)	1,092	35,170	Within 24 months
Repayment of bank borrowings	200,000	(200,000)	-	-	Within 3 months
Estimated expenses for the Corporate Exercise	10,958	(9,866)	(1,092)	-	Within 3 months
<b>Total</b>	<b>942,858</b>	<b>(561,912)</b>	<b>-</b>	<b>380,946</b>	

## 7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 30 April 2014 were as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Bank Overdrafts	1,802	84,614	86,416
Short Term Bank Borrowings	390,490	445,000	835,490
Long Term Bank Borrowings	2,743,003	500,000	3,243,003
	<b>3,135,295</b>	<b>1,029,614</b>	<b>4,164,909</b>

Currency exposure profile of borrowings is as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Ringgit Malaysia	2,412,197	1,019,358	3,431,555
Singapore Dollar	441,865	10,256	452,121
Australian Dollar	261,617	-	261,617
US Dollar	19,616	-	19,616
	<b>3,135,295</b>	<b>1,029,614</b>	<b>4,164,909</b>

## 8. Material Litigation

The Group is not engaged in any material litigation as at 4 June 2014, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

## 9. Dividends Declared

- (a) The Board of Directors has recommended an interim dividend in respect of the financial year ending 31 October 2014.
- (i) Amount per share : single tier dividend of 4 sen per share
- (ii) Previous corresponding period : 1.6 sen per share less income tax of 25%  
: 2.4 sen per share (single tier dividend)
- (iii) Date payable : To be determined later
- (iv) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.
- (b) Total dividend for the current financial period : single tier dividend of 4 sen per share

The Board has determined that the DRP will apply to the interim dividend and shareholders of the Company be given an option to elect to reinvest the entire interim dividend in new ordinary share(s) of RM0.75 each in the Company (“S P Setia Shares”).

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

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

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/04/2014	30/04/2013	30/04/2014	30/04/2013
		Restated		Restated
	'000	'000	'000	'000
Profit for the period attributable to equity holders of the Company (RM)	74,271	94,219	171,047	187,406
Number of ordinary shares at beginning of the period	2,458,712	2,138,012	2,458,712	2,005,668
Effect of shares issued pursuant to:				
- Placement	-	245,029	-	120,484
- Exercise of Warrants	-	-	-	73,728
Weighted average number of ordinary shares	2,458,712	2,383,041	2,458,712	2,199,880
Basic Earnings Per Share (sen)	3.02	3.95	6.96	8.52

## 10. Earnings Per Share Attributable To Equity Holders of The Company (continued)

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

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/04/2014 '000	30/04/2013 '000	30/04/2014 '000	30/04/2013 '000
Profit for the period attributable to equity holders of the Company (RM)	74,271	94,219	171,047	187,406
Weighted average number of ordinary shares as per basic Earnings Per Share	2,458,712	2,383,041	2,458,712	2,199,880
Effect of potential exercise of ESOS/ Warrants	15,404	-	15,829	4,863
Weighted average number of ordinary shares	2,474,116	2,383,041	2,474,541	2,204,743
Diluted Earnings Per Share (sen)	3.00	3.95	6.91	8.50

## 11. Realised and Unrealised Profits

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

	30/04/2014 RM'000	31/10/2013 (Restated) RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	2,094,318	1,855,594
- Unrealised	153,475	156,786
	<u>2,247,793</u>	<u>2,012,380</u>
Total share of retained profits from jointly controlled entities:		
- Realised	(31,127)	(7,358)
- Unrealised	897	1,099
	<u>(30,230)</u>	<u>(6,259)</u>
Total share of retained profits from associated companies:		
- Realised	(840)	(893)
- Unrealised	-	-
	<u>(840)</u>	<u>(893)</u>
Less: Consolidation adjustments	<u>(578,605)</u>	<u>(538,157)</u>
Total Group retained profits as per consolidated accounts	<u>1,638,118</u>	<u>1,467,071</u>

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

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

## 12. Notes to the Statement of Comprehensive Income

Notes to the Statement of Comprehensive Income comprises:-

	<b>3 MONTHS ENDED 30/04/2014 RM'000</b>	<b>6 MONTHS ENDED 30/04/2014 RM'000</b>
Interest income	19,874	35,316
Other income including investment income	7,548	15,105
Interest expense	(16,158)	(30,009)
Depreciation and amortisation	(7,402)	(12,933)
Provision for write off of receivables	N/A	N/A
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	-	39,614
Impairment of assets	N/A	N/A
Foreign exchange loss	(100)	(46)
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

## 13. Auditors' Report on Preceding Annual Financial Statements

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