

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

**Interim Financial Report**  
**31 October 2014**

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**Interim Financial Report - 31 October 2014**

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**S P SETIA BERHAD**  
**(Company No.: 19698-X)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 OCTOBER 2014**  
*(The figures have been audited)*

	As At 31 October 2014 RM'000	As At 31 October 2013 (Restated) RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	135,118	122,512
Investment Properties	700,205	613,559
Land Held for Property Development	4,643,294	4,620,800
Concession Assets	100,107	52,129
Investment in Jointly Controlled Entities	657,653	506,353
Investment in Associated Companies	94,101	1,689
Amount Owing by Former Joint Venture Partner	14,398	14,380
Deferred Tax Assets	172,706	192,847
	<u>6,517,582</u>	<u>6,124,269</u>
<b>Current Assets</b>		
Property Development Costs	2,982,007	2,573,270
Gross Amount Due from Customers	14,859	641
Inventories	46,043	23,566
Trade and Other Receivables	743,956	921,445
Amount Owing by Jointly Controlled Entities	315,088	139,218
Amount Owing by Associated Companies	-	9,283
Current Tax Assets	76,044	29,764
Deposits	1,165,099	940,560
Cash and Bank Balances	1,246,941	1,229,971
	<u>6,590,037</u>	<u>5,867,718</u>
<b>TOTAL ASSETS</b>	<u><u>13,107,619</u></u>	<u><u>11,991,987</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	1,903,748	1,844,034
Reserves		
Share Premium	2,290,486	2,128,696
Share-Based Payment Reserve	43,363	23,529
Exchange Translation Reserve	11,958	3,070
Retained Earnings	1,609,026	1,476,367
<b>Equity Attributable to Owners of the Company</b>	<u>5,858,581</u>	<u>5,475,696</u>
<b>Perpetual Bond</b>	622,998	-
<b>Non-controlling Interests</b>	310,101	255,238
<b>Total Equity</b>	<u>6,791,680</u>	<u>5,730,934</u>
<b>Non-Current Liabilities</b>		
Long Term Borrowings	3,387,935	3,336,264
Redeemable Cumulative Preference Shares	55,768	74,831
Deferred Tax Liabilities	10,769	6,233
	<u>3,454,472</u>	<u>3,417,328</u>
<b>Current Liabilities</b>		
Gross Amount Due to Customers	163	2,311
Trade and Other Payables	1,924,039	2,157,777
Short Term Borrowings	879,403	581,064
Bank Overdrafts	51,656	60,875
Current Tax Liabilities	6,206	41,698
	<u>2,861,467</u>	<u>2,843,725</u>
<b>Total Liabilities</b>	<u>6,315,939</u>	<u>6,261,053</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>13,107,619</u></u>	<u><u>11,991,987</u></u>
Net Assets Per Share Attributable to Owners of the Company	<u>2.31</u>	<u>2.23</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 YEAR ENDED 31 OCTOBER 2014**  
*(The figures have been audited)*

	<b>3 MONTHS ENDED</b>		<b>12 MONTHS ENDED</b>	
	<b>31 October 2014</b>	<b>31 October 2013 (Restated)</b>	<b>31 October 2014</b>	<b>31 October 2013 (Restated)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	1,233,528	965,683	3,810,102	3,261,159
Cost of sales	(875,813)	(643,266)	(2,702,488)	(2,225,485)
Gross profit	<u>357,715</u>	<u>322,417</u>	<u>1,107,614</u>	<u>1,035,674</u>
Other operating income	44,930	62,883	173,624	122,822
Selling and marketing expenses	(55,072)	(61,346)	(169,478)	(188,911)
Administrative and general expenses	(68,169)	(69,024)	(251,395)	(223,707)
Share of profits less losses of jointly controlled entities	(40,942)	(13,184)	(77,867)	(29,476)
Share of profits less losses of associated companies	(156)	(207)	(94)	(162)
Finance costs	(16,001)	(22,021)	(59,966)	(57,825)
Profit before taxation	<u>222,305</u>	<u>219,518</u>	<u>722,438</u>	<u>658,415</u>
Taxation	(67,404)	(59,641)	(205,719)	(173,983)
Profit for the period	<u>154,901</u>	<u>159,877</u>	<u>516,719</u>	<u>484,432</u>
Other comprehensive income:				
Items that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	(15,719)	9,914	8,867	1,592
Total comprehensive income for the period	<u>139,182</u>	<u>169,791</u>	<u>525,586</u>	<u>486,024</u>
Profit attributable to:				
Holders of Perpetual Bond	9,133	-	32,066	-
Non-controlling interests	14,458	30,236	78,977	66,084
	<u>23,591</u>	<u>30,236</u>	<u>111,043</u>	<u>66,084</u>
Owners of the Company	131,310	129,641	405,676	418,348
	<u>154,901</u>	<u>159,877</u>	<u>516,719</u>	<u>484,432</u>
Total comprehensive income attributable to:				
Holders of Perpetual Bond	9,133	-	32,066	-
Non-controlling interests	14,502	30,229	78,956	66,074
	<u>23,635</u>	<u>30,229</u>	<u>111,022</u>	<u>66,074</u>
Owners of the Company	115,547	139,562	414,564	419,950
	<u>139,182</u>	<u>169,791</u>	<u>525,586</u>	<u>486,024</u>
Earnings per share attributable to equity holders of the Company				
- Basic earnings per share (sen)	<u>5.19</u>	<u>5.27</u>	<u>16.30</u>	<u>17.95</u>
- Diluted earnings per share (sen)	<u>5.15</u>	<u>5.23</u>	<u>16.21</u>	<u>17.84</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 YEAR ENDED 31 OCTOBER 2014**  
*(The figures have been audited)*

	Attributable to owners of the Company						Perpetual Bond	Non-controlling interests	Total Equity	
	Non-Distributable									
	Share Capital RM'000	Share Premium RM'000	Share- Based Payment Reserve RM'000	Warrant Reserve RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000				Total RM'000
<b>Balance at 1.11.2013</b>	1,844,034	2,128,696	23,529	-	(987)	1,530,271	5,525,543	-	(846)	5,524,697
Effects arising from adoption of FRS 10 and FRS 11	-	-	-	-	4,057	(53,904)	-	-	256,084	206,237
<b>Balance at 1.11.2013, as restated</b>	1,844,034	2,128,696	23,529	-	3,070	1,476,367	5,475,696	-	255,238	5,730,934
Total other comprehensive income for the year represented by exchange differences on translation of foreign operations	-	-	-	-	8,888	-	8,888	-	(21)	8,867
Profit for the year	-	-	-	-	-	405,676	405,676	-	78,977	484,653
Issuance of Perpetual Bond	-	-	-	-	-	-	-	609,000	-	609,000
Distribution for the year	-	-	-	-	-	-	-	32,066	-	32,066
Distribution paid	-	-	-	-	-	-	-	(18,068)	-	(18,068)
<b>Transactions with owners:</b>										
Dividends paid	-	-	-	-	-	(273,017)	(273,017)	-	-	(273,017)
Dividends declared to minority shareholder of a subsidiary company	-	-	-	-	-	-	-	-	(24,300)	(24,300)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(614)	(614)
Liquidation of subsidiaries	-	-	-	-	-	-	-	-	821	821
Issuance of ordinary shares										
- Dividend Reinvestment Plan ("DRP")	49,683	126,105	-	-	-	-	175,788	-	-	175,788
- Exercise of Employee Share Grant Plan ("ESGP")	3,048	9,751	(12,799)	-	-	-	-	-	-	-
- Exercise of Employee Share Option Scheme ("ESOS")	6,983	26,345	(4,751)	-	-	-	28,577	-	-	28,577
Share issuance expense	-	(411)	-	-	-	-	(411)	-	-	(411)
Share-based payment under Employees' Long Term Incentive Plan ("LTIP")	-	-	37,384	-	-	-	37,384	-	-	37,384
<b>Balance at 31.10.2014</b>	1,903,748	2,290,486	43,363	-	11,958	1,609,026	5,858,581	622,998	310,101	6,791,680
<b>Balance at 1.11.2012</b>	1,504,250	1,113,480	242	28,904	(2,686)	1,399,684	4,043,874	-	(4,754)	4,039,120
Effects arising from adoption of FRS 10 and FRS 11	-	-	-	-	4,154	(54,394)	(50,240)	-	221,876	171,636
<b>Balance at 1.11.2012, as restated</b>	1,504,250	1,113,480	242	28,904	1,468	1,345,290	3,993,634	-	217,122	4,210,756
Total other comprehensive income for the year represented by exchange differences on translation of foreign operations	-	-	-	-	1,602	-	1,602	-	(10)	1,592
Profit for the year	-	-	-	-	-	418,348	418,348	-	66,084	484,432
<b>Transactions with owners:</b>										
Acquisition of additional shares in subsidiary companies	-	-	-	-	-	(35,641)	(35,641)	-	(8,158)	(43,799)
Dividends paid	-	-	-	-	-	(254,477)	(254,477)	-	-	(254,477)
Dividends declared to minority shareholder of a subsidiary company	-	-	-	-	-	-	-	-	(19,800)	(19,800)
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 issuance expense	-	(9,867)	-	-	-	-	(9,867)	-	-	(9,867)
Share-based payment under Employees' Long Term Incentive Plan ("LTIP")	-	-	23,529	-	-	-	23,529	-	-	23,529
ESOS lapsed	-	-	(242)	-	-	242	-	-	-	-
Warrants lapsed	-	-	-	(2,605)	-	2,605	-	-	-	-
<b>Balance at 31.10.2013</b>	1,844,034	2,128,696	23,529	-	3,070	1,476,367	5,475,696	-	255,238	5,730,934

(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 YEAR ENDED 31 OCTOBER 2014**  
*(The figures have been audited)*

	12 MONTHS ENDED 31 October 2014 RM'000	12 MONTHS ENDED 31 October 2013 (Restated) RM'000
Profit before taxation	722,438	658,415
Adjustments for:-		
Non-cash items	85,424	59,342
Non-operating items	(38,049)	(11,955)
Operating profit before changes in working capital	<u>769,813</u>	<u>705,802</u>
Changes in property development costs	187,288	152,073
Changes in gross amount due from/to customers	(14,906)	13,366
Changes in inventories	(20,850)	(444)
Changes in receivables	(39,254)	273,961
Changes in payables	(12,046)	41,856
Cash generated from operations	<u>870,045</u>	<u>1,186,614</u>
Interest received	36,163	21,455
Interest paid	(196,729)	(147,111)
Rental received	1,810	726
Tax paid	(263,048)	(262,849)
Net cash generated from operating activities	<u>448,241</u>	<u>798,835</u>
<b>Investing Activities</b>		
Additions to land held for future development	(488,160)	(1,369,365)
Purchase of property, plant and equipment	(23,062)	(41,090)
Purchase of investment properties	(115,171)	(150,626)
Additions to concession assets	(56,573)	(47,702)
Proceeds from disposal of property, plant and equipment	16,496	1,032
Proceeds from disposal of investment properties	44,324	15,834
Proceeds from disposal of unquoted investment	-	216
Proceeds from disposal of associated company	1,908	-
Disposal of a subsidiary company	(528)	(483)
Liquidation of subsidiary companies	(4,982)	25
Additional interest in a jointly controlled entity	-	(2,188)
Acquisition of additional shares in existing subsidiary companies	-	(43,799)
Acquisition of additional investment in jointly controlled entities	(254,644)	-
Capital contribution to an associated company	(93,249)	-
Acquisition of additional redeemable preference shares in subsidiary companies	-	(15,450)
Advances to jointly controlled entities	(173,257)	(50,741)
Advances to associated companies	-	(9,283)
Repayment by associated companies	9,720	-
Development expenditure paid	-	(11,121)
Deposit and part consideration paid for acquisition of land	-	(40,000)
Other investments	45,477	40,455
Net cash used in investing activities	<u>(1,091,701)</u>	<u>(1,724,286)</u>

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**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2014**  
*(The figures have been audited)*

	<b>12 MONTHS ENDED 31 October 2014  RM'000</b>	<b>12 MONTHS ENDED 31 October 2013 (Restated) RM'000</b>
<b>Financing Activities</b>		
Proceeds from issue of shares by the Company	28,577	1,338,568
Proceeds from issuance of perpetual bond	609,000	-
Redemption of bonds	-	(250,000)
Payment of share issue expenses	(411)	(9,867)
Drawdown of bank borrowings	1,131,150	2,038,506
Repayment of bank borrowings	(777,265)	(1,232,590)
Redeemable cumulative preference share dividends paid to minority shareholder of subsidiary companies	(3,353)	(2,672)
Advances from a minority shareholder of a subsidiary company	15,619	30,323
Perpetual bond distribution paid	(18,068)	-
Interest paid	(2,923)	(2,019)
Dividends paid	(97,229)	(254,477)
Net cash generated from financing activities	<u>885,097</u>	<u>1,655,772</u>
Net changes in cash and cash equivalents	241,637	730,321
<b>Effect of exchange rate changes</b>	1,970	1,942
<b>Cash and cash equivalents at 1 November 2013/2012</b>	2,089,195	1,356,932
<b>Cash and cash equivalents at 31 October 2014/2013</b>	<u>2,332,802</u>	<u>2,089,195</u>
	<b>31 October 2014</b>	<b>31 October 2013 (Restated)</b>
	RM'000	RM'000
Deposits	1,165,099	940,560
Cash and bank balances	1,246,941	1,229,971
Bank overdrafts	(51,656)	(60,875)
	<u>2,360,384</u>	<u>2,109,656</u>
Less: Deposits pledged and maintained in Sinking Fund	(2,000)	(2,000)
Sinking Fund, Debt Service Reserve and Escrow Accounts	(25,582)	(18,461)
	<u>2,332,802</u>	<u>2,089,195</u>

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

## NOTES TO THE INTERIM FINANCIAL REPORT

### 1. Basis of preparation

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

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

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

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

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

FRS 10 – 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.

The adoption of FRS 10 has called for the reassessment of the Company’s involvement with its investees, which led to the consolidation of two additional entities, S P Setia Foundation and Setia Badminton Academy from its inception. The impact of this change on the Group’s reported financial position, financial performance and cash flows is not material.

FRS 11 —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.

FRS 12 –This FRS prescribes the disclosure requirements for all forms of interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. Disclosures include significant judgements and assumptions made in determining the nature of the entity’s interest in another entity and the risks associated with those interests.

## 1. Basis of preparation (continued)

FRS 13 – This FRS 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. As defined in this standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FRS 13 did not materially impact any fair value measurement of the assets or liabilities of the Group.

The financial impact to the Group arising from the adoption of FRS 10 and FRS 11 are 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	13,378	(12,722)	122,512
Investment Properties	1,013,046	60,107	(459,594)	613,559
Land Held for Property Development	4,918,472	283,980	(581,652)	4,620,800
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>341,978</u>	<u>(548,735)</u>	<u>6,124,269</u>
<b>Current Assets</b>				
Property Development Costs	2,693,117	112,318	(232,165)	2,573,270
Gross Amount Due from Customers	641	-	-	641
Inventories	43,244	-	(19,678)	23,566
Trade and Other Receivables	1,058,472	36,496	(173,523)	921,445
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	-	(777)	29,764
Deposits	1,024,981	18,703	(103,124)	940,560
Cash and Bank Balances	1,218,237	91,210	(79,476)	1,229,971
	<u>6,110,736</u>	<u>365,797</u>	<u>(608,815)</u>	<u>5,867,718</u>
<b>TOTAL ASSETS</b>	<u>12,441,762</u>	<u>707,775</u>	<u>(1,157,550)</u>	<u>11,991,987</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	(48,535)	(5,369)	1,476,367
<b>Equity Attributable to Equity Holders of the Company</b>	<u>5,525,543</u>	<u>(48,535)</u>	<u>(1,312)</u>	<u>5,475,696</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>207,549</u>	<u>(1,312)</u>	<u>5,730,934</u>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	3,915,084	94,498	(673,318)	3,336,264
Redeemable Cumulative Preference Shares	-	74,831	-	74,831
Deferred Tax Liabilities	4,951	1,303	(21)	6,233
	<u>3,920,035</u>	<u>170,632</u>	<u>(673,339)</u>	<u>3,417,328</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	202,804	(387,777)	2,157,777
Short Term Borrowings	553,554	40,014	(12,504)	581,064
Bank Overdrafts	60,875	-	-	60,875
Current Tax Liabilities	37,540	4,950	(792)	41,698
	<u>2,997,030</u>	<u>247,768</u>	<u>(401,073)</u>	<u>2,843,725</u>
<b>Total Liabilities</b>	<u>6,917,065</u>	<u>418,400</u>	<u>(1,074,412)</u>	<u>6,261,053</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>12,441,762</u>	<u>625,949</u>	<u>(1,075,724)</u>	<u>11,991,987</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 31 October 2013</b>				
Revenue	900,168	93,167	(27,652)	965,683
Cost of sales	(614,394)	(46,237)	17,365	(643,266)
Gross profit	<u>285,774</u>	<u>46,930</u>	<u>(10,287)</u>	<u>322,417</u>
Other operating income	45,302	15,426	2,155	62,883
Selling and marketing expenses	(60,263)	(6,666)	5,583	(61,346)
Administrative and general expenses	(71,753)	(9,847)	12,576	(69,024)
Share of profit less losses of jointly controlled entities	-	-	(13,184)	(13,184)
Share of profit less losses of associated companies	(189)	-	(18)	(207)
Finance costs	(19,277)	(6,825)	4,081	(22,021)
<b>Profit before taxation</b>	<u>179,594</u>	<u>39,018</u>	<u>906</u>	<u>219,518</u>
Taxation	(52,225)	(8,064)	648	(59,641)
<b>Profit for the period</b>	<u>127,369</u>	<u>30,954</u>	<u>1,554</u>	<u>159,877</u>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	9,913	1	-	9,914
Total comprehensive income for the period	<u>137,282</u>	<u>30,955</u>	<u>1,554</u>	<u>169,791</u>
<b>Profit attributable to:</b>				
Owners of the Company	127,293	2,160	188	129,641
Non-controlling interests	76	28,794	1,366	30,236
	<u>127,369</u>	<u>30,954</u>	<u>1,554</u>	<u>159,877</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	137,213	2,161	188	139,562
Non-controlling interests	69	28,794	1,366	30,229
	<u>137,282</u>	<u>30,955</u>	<u>1,554</u>	<u>169,791</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>12 months ended 31 October 2013</b>				
Revenue	3,060,528	261,314	(60,683)	3,261,159
Cost of sales	(2,118,478)	(144,802)	37,795	(2,225,485)
Gross profit	942,050	116,512	(22,888)	1,035,674
Other operating income	108,466	17,730	(3,374)	122,822
Selling and marketing expenses	(181,555)	(18,964)	11,608	(188,911)
Administrative and general expenses	(241,369)	(13,534)	31,196	(223,707)
Share of profit less losses of jointly controlled entities	-	-	(29,476)	(29,476)
Share of profit less losses of associated companies	(162)	-	-	(162)
Finance costs	(57,087)	(12,873)	12,135	(57,825)
<b>Profit before taxation</b>	<b>570,343</b>	<b>88,871</b>	<b>(799)</b>	<b>658,415</b>
Taxation	(151,056)	(25,092)	2,165	(173,983)
<b>Profit for the period</b>	<b>419,287</b>	<b>63,779</b>	<b>1,366</b>	<b>484,432</b>
<b>Other comprehensive income:</b>				
Exchange differences on translation of foreign operations	1,689	(97)	-	1,592
Total comprehensive income for the period	420,976	63,682	1,366	486,024
<b>Profit attributable to:</b>				
Owners of the Company	417,858	490	-	418,348
Non-controlling interests	1,429	63,289	1,366	66,084
	419,287	63,779	1,366	484,432
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	419,557	393	-	419,950
Non-controlling interests	1,419	63,289	1,366	66,074
	420,976	63,682	1,366	486,024

## 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>12 months ended 31 October 2013</b>			
Net cash generated from operating activities	669,599	129,236	798,835
Net cash used in investing activities	(1,712,570)	(11,716)	(1,724,286)
Net cash generated from financing activities	1,779,036	(123,264)	1,655,772
Net changes in cash and cash equivalents	<u>736,065</u>	<u>(5,744)</u>	<u>730,321</u>
Effect of exchange rate changes	6,757	(4,815)	1,942
Cash and cash equivalents at 1 November 2012	1,420,479	(63,547)	1,356,932
Cash and cash equivalents at 31 October 2013	<u><u>2,163,301</u></u>	<u><u>(74,106)</u></u>	<u><u>2,089,195</u></u>

## 2. Seasonal or cyclical factors

The business operations of the Group during the financial year 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 year ended 31 October 2014.

## 4. Changes in estimates

There were no material changes in estimates for the financial year ended 31 October 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 year to-date except for the following:

- (a) Issuance of RM609 million in nominal value of the unrated subordinated Islamic perpetual notes (“Perpetual Bond”) on 13 December 2013;
- (b) Issuance of 66,244,270 new ordinary shares of RM0.75 each pursuant to the Dividend Reinvestment Plan that provides shareholders with an option to reinvest their cash dividend in new ordinary shares at the following issue prices:

		1 <sup>st</sup> DRP	2 <sup>nd</sup> DRP
Issue price	(RM)	2.59	3.15
No. of shares issued	(‘000)	58,716	7,528

- (c) Allotment of 4,063,556 new ordinary shares of RM0.75 each pursuant to the exercise of Employee Share Grant Plan (“ESGP”); and
- (d) Issuance of 9,311,276 new ordinary shares of RM0.75 each pursuant to the exercise of Employees’ Share Options Scheme (“ESOS”) at the following option prices:

		ESOS 1	ESOS 2
Exercise price	(RM)	3.07	3.03
No. of shares issued	(‘000)	9,099	212

## 6. Dividends paid

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

A single tier final dividend, in respect of the financial year ended 31 October 2013 of 7 sen per ordinary shares of RM0.75 each and the implementation of a Dividend Reinvestment Plan that provides shareholders with an option to reinvest their cash dividend in new ordinary shares of RM0.75 each was approved by the shareholders (“1<sup>st</sup> DRP”).

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

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

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

Based on the election made by the shareholders, a total of 7,528,522 new S P Setia Shares were issued on 11 September 2014 and listed on the Main Market of Bursa Malaysia Securities Berhad on 12 September 2014. The remaining portion of RM77,192,172 was paid in cash on 11 September 2014.

## 7. Segmental Reporting

The segmental analysis for the financial year ended 31 October 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	3,509,863	196,161	104,078	-	3,810,102
Inter-segment sales	52,266	402,376	119,962	(574,604)	-
Total revenue	<u>3,562,129</u>	<u>598,537</u>	<u>224,040</u>	<u>(574,604)</u>	<u>3,810,102</u>
Gross profit	1,078,712	8,012	20,890	-	1,107,614
Other operating income	125,497	4,502	43,625	-	173,624
Operating expenses	(396,531)	(5,911)	(18,431)	-	(420,873)
Share of net profits less losses of jointly controlled entities	(83,801)	6,401	(467)	-	(77,867)
Share of net profits less losses of associated companies	(94)	-	-	-	(94)
Finance costs	(58,853)	(1,113)	-	-	(59,966)
Profit before taxation	<u>664,930</u>	<u>11,891</u>	<u>45,617</u>	<u>-</u>	<u>722,438</u>
Tax expense					<u>(205,719)</u>
Profit for the year					<u><u>516,719</u></u>

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

There were no material transactions or events subsequent to the current quarter ended 31 October 2014 till 9 December 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 year to-date except for the following:

- (i) Voluntarily winding up of Aneka Baru (M) Sdn Bhd (“Aneka Baru”), an inactive subsidiary of the S P Setia Berhad on 15 November 2013;
- (ii) 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, an associate of S P Setia Berhad;
- (iii) Deregistration of Setia (Hangzhou) Development Company Limited (“SHDC”), an inactive subsidiary of S P Setia Berhad on 3 January 2014;
- (iv) Striking off of Setia D-Nine Limited (“SD-Nine”) and Setia Saigon East Limited (“SSE”), which were dormant subsidiaries of the Group from the British Virgin Islands Government Register with effect from 1 May 2014;
- (v) Voluntarily winding up of Yunikhas Sdn Bhd (“Yunikhas”), an inactive subsidiary of S P Setia Berhad on 9 May 2014;
- (vi) Disposal of the entire 40 ordinary shares of RM1.00 each in Kuantan Pahang Holding Sdn Bhd (“Kuantan Pahang Holding”), representing 40% equity interest, for a total cash consideration of RM9,719,863 on 11 August 2014;
- (vii) Acquisition of 2 ordinary shares of RM1.00 each in KL East Sdn Bhd (“KL East”) on 17 September 2014, resulting in KL East becoming a wholly owned subsidiary of S P Setia Berhad;
- (viii) Voluntarily winding up of Golden Klang Valley Sdn Bhd (“GKV”), an inactive associate of S P Setia Berhad on 20 Oct 2014;
- (ix) Disposal of the entire 153,000 ordinary shares of RM1.00 each in S P Setia Security Services Sdn Bhd (“SPSSS”), representing 51% equity interest, for a total cash consideration of RM278,000 on 27 October 2014; and
- (x) Voluntarily winding up of Suharta Development Sdn Bhd (“Suharta Development”), an indirect subsidiary of S P Setia Berhad on 27 October 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 31/10/2014 RM'000</b>
Commitments to purchase development land (contracted)	12,303
Contractual commitments for construction of investment properties	9,551
Contractual commitments for acquisition of property, plant and equipment	717
Contractual commitments in relation to Development Agreement	<u>100,000</u>

## 12. Significant Related Party Transactions

	<b>01/11/2013 To 31/10/2014 RM'000</b>
<i>Transactions with jointly controlled entities:-</i>	
(i) Project management and administrative fee received and receivable	3,547
(ii) Rental paid and payable	1,218
(iii) Security services rendered	336
(iv) Event service fee charged	30
(v) Group marketing fee charged	323
(vi) Sale of investment properties	88,405
(vii) Staff secondment	1,746
(viii) Sale of building materials	200
(ix) Construction services rendered	36,613
(x) Interest charged	2,012
(xi) Transfer of motor vehicle	50

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

(i) Event fees charged to companies in which the immediate family member of a director of the Company has interest	96
(ii) Sale of development properties to directors of the Company and their immediate family members	19,114
(iii) Sale of development properties to immediate family member of a former director of the Company	15,218
(iv) Sale of development properties to directors of subsidiary companies and their immediate family members	47,125
(v) Sale of development properties to former directors of subsidiary companies and their immediate family members	7,287

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

**1. Review of Group Performance**

Revenue and profit before taxation (“PBT”) of the respective operating business segments are analysed as follows:-

	<b>4Q2014</b>	<b>4Q2013</b>	<b>YTD2014</b>	<b>YTD2013</b>
	<b>RM’000</b>	<b>Restated RM’000</b>	<b>RM’000</b>	<b>Restated RM’000</b>
<b>Revenue</b>				
Property Development	1,110,981	897,783	3,509,863	3,061,857
Construction	91,157	34,542	196,161	99,330
Other Operations	31,390	33,358	104,078	99,972
	1,233,528	965,683	3,810,102	3,261,159
<b>Profit before taxation</b>				
Property Development	206,128	199,003	664,930	622,925
Construction	6,926	3,222	11,891	1,140
Other Operations	9,251	17,293	45,617	34,350
	222,305	219,518	722,438	658,415
<b>Profit attributable to owners of the Company</b>	131,310	129,641	405,676	418,348

**(a) Performance of the current quarter against the same quarter in the preceding year (4Q 2014 vs 4Q 2013)**

**(i) Revenue and PBT**

The Group’s PBT of RM222.3 million for 4Q 2014 is slightly higher than RM219.5 million reported for 4Q 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 24% and 4% respectively.

The increase in revenue were mainly contributed from higher revenue recognition as a result of higher overall Group sales achieved since FY2012.

The % of increase in PBT is much lower than the % of increase in revenue mainly due to:

- Mismatch between initial expenses incurred and revenue recognition for projects in the United Kingdom and Australia as revenue is recognised at a point in time when the construction of the property is completed and handed over to the customer; and
- Goods and Services Tax (“GST”) financial impact of RM6.8 million charged out in the current quarter which was recognised progressively since 2Q 2014.

Ongoing projects which contributed to the profit and revenue achieved include *Setia Alam* and *Setia Eco-Park* in Shah Alam, *Setia Ecohill* in Semenyih, *Setia Eco Glades* in Cyberjaya, *Setia Sky Residences* at Jalan Tun Razak, *KL Eco City* at Jalan Bangsar, *Aeropod* in Kota Kinabalu, *Bukit Indah*, *Setia Indah*, *Setia Tropika*, *Setia Eco Cascadia*, *Setia Business Park II*, *Setia Eco Gardens* and *Setia Sky 88* in Johor Bahru, *Setia Pearl Island*, *Setia Vista*, *Setia Greens*, *Setia V Residences* and *Brook Residences* 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 (4Q 2014 vs 4Q 2013) (continued)

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

##### Construction

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

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

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

##### Other Operations

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

#### (ii) Profit Attributable to Shareholders

The profit attributable to shareholders would have increased by 7% if the GST financial impact was not recognised.

### (b) Performance of the current year to-date against the same year in the preceding year (Q4 YTD 2014 vs. Q4 YTD 2013)

#### (i) Revenue and PBT

For the current year to-date, the Group achieved a PBT of RM722.4 million on the back of revenue totalling RM3,810.1 million, representing an 10% increase in PBT and 17% increase in revenue as compared to the preceding year.

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

##### Property Development

Revenue increased by 15% whilst PBT increased by 7%. The increase in PBT is lower as compared to revenue for the reasons mentioned above under the analysis of the current quarter’s performance.

##### Construction

Revenue and PBT remain a small percentage of overall Group operations. The increase in revenue and PBT are as mentioned above under the analysis of the current quarter’s performance.

## 1. Review of Group Performance (continued)

### (b) Performance of the current year to-date against the same period in the preceding year (Q4 YTD 2014 vs. Q4 YTD 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 year to-date compared to the preceding year to-date.

#### (ii) Profit Attributable to Shareholders

The Profit Attributable to Shareholders is RM405.7 million in the current year to-date, after taking early recognition of the GST financial impact of RM47.7 million. Without factoring the GST financial impact, the Profit Attributable to Shareholders is RM453.4 million, which would have been higher than the preceding year to-date of RM418.3 million.

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

The Group's current quarter profit before taxation is RM222.3 million, which is RM34.7 million higher than the preceding quarter ended 31 July 2014. The profit in the current quarter was higher mainly due to higher profit contribution from completed parcels.

## 3. Prospects for the Next Financial Year

The Group achieved RM922 million sales for the fourth quarter of FY2014, bringing total sales for the Group for the full financial year to RM4.62 billion and total unbilled sales to RM11.10 billion.

### *International Projects*

The international projects contributed RM1.80 billion (39%) towards the Group's total sales for the current financial year. Sales contribution from the Group's international projects continue to be strong and further underscores the management's deep conviction to venture into international projects in established global cities like London and Melbourne.

### *Malaysian Projects*

Despite the Malaysian property market going through a period of softness resultant from the property cooling measures implemented by Bank Negara Malaysia at the beginning of the financial year, the Group posted a satisfactory result of RM2.82 billion sales for its Malaysian Projects. The Group witnessed strong support for its launches during the financial year focusing on land banks that have ready infrastructure and amenities like *Setia Alam* and *Setia Eco Park*. Projects such as *Setia EcoHill* and *Setia Eco Glades* will benefit from new infrastructure projects including the Klang Valley Mass Rapid Transit ("KVMRT") project.

### 3. Prospects for the Next Financial Year (continued)

The Board remains confident that with the Group's strong brand name and the right product strategies, the Group will be able to garner strong support for its launches in Malaysia in FY2015.

In addition, the Group's high unbilled sales of RM11.10 billion place the Group in a strong position to perform well in the coming financial year.

### 4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

### 5. Income Tax

Income Tax comprises:-

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/10/2014	Restated 31/12/2013	31/10/2014	Restated 31/10/2013
	RM'000	RM'000	RM'000	RM'000
- current taxation	56,400	53,630	167,295	241,479
- in respect of prior years	4,932	16	13,919	6,442
- deferred taxation	12,361	7,069	37,635	(72,412)
- in respect of prior years	(6,289)	(1,074)	(13,130)	(1,526)
	<u>67,404</u>	<u>59,641</u>	<u>205,719</u>	<u>173,983</u>

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

### 6. Status of Corporate Proposals

(a) The following are the status of corporate proposals that have been announced by the Company which had been completed since the preceding quarter report and those which are not completed as at 9 December 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.

## 6. Status of Corporate Proposals (continued)

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 FY2015;

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

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

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 6 February 2013, Setia Eco Templer Sdn Bhd (*formerly known as 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

- (iv) On 11 June 2014, S P Setia Berhad entered into a Shares Sales Agreement with Tun Dato’ Seri Zaki Bin Tun Azmi (“Tun Zaki”), the Independent Non-Executive Chairman of the Company to dispose its entire 153,000 ordinary shares of RM1.00 each in S.P. Setia Security Services Sdn Bhd, representing 51% equity interest to Tun Zaki for a cash consideration of RM278,000.

The proposed disposal has been completed on 27 October 2014.

## 6. Status of Corporate Proposals (continued)

(b) As at 31 October 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	(347,893)	-	202,107	Within 24 months
Future expansion plans	181,900	(182,992)	1,092	-	Within 24 months
Repayment of bank borrowings	200,000	(200,000)	-	-	Within 3 months
Estimated expenses for the Corporate Exercise	10,958	(9,866)	(1,092)	-	Within 3 months
<b>Total</b>	<b>942,858</b>	<b>(740,751)</b>	<b>-</b>	<b>202,107</b>	

## 7. Group Borrowings and Debt Securities

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

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Bank Overdrafts	1,718	49,938	51,656
Short Term Bank Borrowings	434,403	445,000	879,403
Long Term Bank Borrowings	2,887,935	500,000	3,387,935
	<u>3,324,056</u>	<u>994,938</u>	<u>4,318,994</u>

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	2,542,958	985,806	3,528,764
Singapore Dollar	386,370	9,132	395,502
Australian Dollar	367,110	-	367,110
US Dollar	27,618	-	27,618
	<u>3,324,056</u>	<u>994,938</u>	<u>4,318,994</u>

## 8. Material Litigation

The Group is not engaged in any material litigation as at 9 December 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) (i) The board of Directors has recommended a final dividend in respect of the financial year ended 31 October 2014.
- (ii) Amount per share : 5.7 sen single tier dividend
- (iii) Previous corresponding year : 7 sen single tier dividend
- (iv) Date payable : To be determined later
- (v) In respect of deposited securities, entitlement to dividends will be determined on the basis of record of depositors as at a date to be determined later.
- (b) Total dividends for the current financial year : 9.7 sen single tier dividend

## 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 year 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		12 MONTHS ENDED	
	31/10/2014	31/10/2013 Restated	31/10/2014	31/10/2013 Restated
	'000	'000	'000	'000
Profit for the year attributable to equity holders of the Company (RM)	131,310	129,641	405,676	418,348
Number of ordinary shares at beginning of the year	2,521,738	2,458,712	2,458,712	2,005,668
Effect of shares issued pursuant to:				
- Placement	-	-	-	221,415
- Exercise of Warrants	-	-	-	103,277
- Dividend Reinvestment Plan ("DRP")	4,010	-	27,554	-
- Exercise of ESGP	5	-	1,333	-
- Exercise of ESOS	5,443	-	1,445	-
Weighted average number of ordinary shares	2,531,196	2,458,712	2,489,044	2,330,360
Basic Earnings Per Share (sen)	5.19	5.27	16.30	17.95

## 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		12 MONTHS ENDED	
	31/10/2014	31/10/2013 Restated	31/10/2014	31/10/2013 Restated
	'000	'000	'000	'000
Profit for the year attributable to equity holders of the Company (RM)	131,310	129,641	405,676	418,348
Weighted average number of ordinary shares as per basic Earnings Per Share	2,531,196	2,458,712	2,489,044	2,330,360
Effect of potential exercise of LTIP/Warrants	18,014	20,660	13,461	14,668
Weighted average number of ordinary shares	2,549,210	2,479,372	2,502,505	2,345,028
Diluted Earnings Per Share (sen)	5.15	5.23	16.21	17.84

## 11. Realised and Unrealised Profits

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

	31/10/2014	31/10/2013 (Restated)
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	2,047,994	1,864,849
- Unrealised	142,809	156,730
	<u>2,190,803</u>	<u>2,021,579</u>
Total share of retained profits from jointly controlled entities:		
- Realised	(84,926)	(7,261)
- Unrealised	897	1,099
	<u>(84,029)</u>	<u>(6,162)</u>
Total share of retained profits from associated companies:		
- Realised	(987)	(893)
- Unrealised	-	-
	<u>(987)</u>	<u>(893)</u>
Less: Consolidation adjustments	<u>(496,761)</u>	<u>(538,157)</u>
Total Group retained profits as per consolidated accounts	<u>1,609,026</u>	<u>1,476,367</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 31/10/2014 RM'000</b>	<b>12 MONTHS ENDED 31/10/2014 RM'000</b>
Interest income	25,824	75,871
Other income including investment income	19,106	57,994
Interest expense	(16,001)	(59,966)
Depreciation and amortisation	(10,822)	(29,752)
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	-	39,759
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	(445)	(458)
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.