

LAFARGE MALAYSIA BERHAD (1877-T)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2nd Quarter Ended		Year to Date Ended	
	30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
Revenue	665,548	717,218	1,361,635	1,393,846
Operating expenses	(551,289)	(573,155)	(1,112,304)	(1,113,991)
Depreciation and amortisation	(39,810)	(40,050)	(79,699)	(79,786)
Other income/(expenses)	11,380	(4,485)	13,543	(7,302)
Investment income	1,894	1,741	3,847	3,381
Interest income	1,484	2,424	3,396	5,341
Profit from operations	89,207	103,693	190,418	201,489
Finance cost	(36)	(504)	(36)	(730)
Share in results of associate	(3,424)	533	(5,280)	149
Profit before tax	85,747	103,722	185,102	200,908
Income tax expense	(22,417)	(26,323)	(47,838)	(49,689)
Profit for the period	63,330	77,399	137,264	151,219
Other comprehensive income/(loss), Items that will not be reclassified subsequently to profit or loss:	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operations	(4,639)	594	(5,872)	4,254
Net change in cash flow hedges	(247)	(247)	601	(677)
Total other comprehensive income/(loss) for the period, net of tax	(4,886)	347	(5,271)	3,577
Total comprehensive income for the period	58,444	77,746	131,993	154,796
Profit/(Loss) attributable to:				
Owners of the Company	63,319	77,327	137,011	151,255
Non-controlling interests	11	72	253	(36)
	63,330	77,399	137,264	151,219
Total comprehensive income/(loss) attributable to:				
Owners of the Company	58,434	77,675	131,740	154,833
Non-controlling interests	10	71	253	(37)
	58,444	77,746	131,993	154,796
Basic and diluted earnings per share (sen)	7.5	9.1	16.1	17.8

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31st December 2014 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYSIA BERHAD (1877-T)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment		1,488,243	1,466,860
Investment property		3,145	3,289
Prepaid lease payments on leasehold land		93,769	97,537
Goodwill on consolidation		1,203,677	1,203,677
Other intangible assets		2,540	2,678
Investment in associate		30,653	22,713
Other financial assets		2,171	2,189
Deferred tax assets		3,050	2,758
		<u>2,827,248</u>	<u>2,801,701</u>
 <u>Current assets</u>			
Inventories		282,718	275,359
Current tax assets		18,860	27,182
Trade receivables		405,571	372,013
Other receivables and prepaid expenses		51,689	37,287
Amounts owing by holding and other related companies		8,009	13,933
Derivative financial assets		3,927	2,288
Term deposits		95,873	191,092
Cash and bank balances		272,063	269,777
		<u>1,138,710</u>	<u>1,188,931</u>
Total assets		<u>3,965,958</u>	<u>3,990,632</u>
 EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Share capital		849,695	849,695
Reserves:			
Share premium		1,067,199	1,067,199
Exchange equalisation reserve		31,255	37,127
Capital redemption reserve		33,798	33,798
Investments revaluation reserve		36	36
Hedging reserve		2,020	1,419
Retained earnings		1,132,506	1,131,447
Equity attributable to owners of the Company		<u>3,116,509</u>	<u>3,120,721</u>
Non-controlling interests		4,476	4,223
Total equity		<u>3,120,985</u>	<u>3,124,944</u>

LAFARGE MALAYSIA BERHAD (1877-T)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
<u>Non-current liabilities</u>			
Retirement benefits		63,416	60,009
Deferred tax liabilities		184,368	193,365
		<u>247,784</u>	<u>253,374</u>
<u>Current liabilities</u>			
Trade payables		436,460	426,299
Other payables and accrued expenses		64,134	95,064
Amounts owing to holding and other related companies		27,265	21,925
Borrowings	B7	-	11
Derivative financial liabilities		-	69
Tax liabilities		1,354	970
Dividend payable		67,976	67,976
		<u>597,189</u>	<u>612,314</u>
Total liabilities		<u>844,973</u>	<u>865,688</u>
Total equity and liabilities		<u>3,965,958</u>	<u>3,990,632</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		<u>3.67</u>	<u>3.67</u>
Net tangible assets per share attributable to ordinary equity holders of the Company (RM)		<u>2.25</u>	<u>2.25</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31st December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

LAFARGE MALAYSIA BERHAD (1877-T)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →							Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	← Non-distributable →				Distributable					
	Share Capital RM'000	Share Premium RM'000	Capital Redemption Reserve RM'000	Exchange Equalisation Reserve RM'000	Investment Revaluation Reserve RM'000	Hedging Reserve RM'000	Retained Earnings RM'000			
As at 1 January 2015	849,695	1,067,199	33,798	37,127	36	1,419	1,131,447	3,120,721	4,223	3,124,944
Profit for the period	-	-	-	-	-	-	137,011	137,011	253	137,264
Other comprehensive income/(loss) for the period, net of tax	-	-	-	(5,872)	-	601	-	(5,271)	-	(5,271)
Dividends	-	-	-	-	-	-	(135,952)	(135,952)	-	(135,952)
As at 30 June 2015	849,695	1,067,199	33,798	31,255	36	2,020	1,132,506	3,116,509	4,476	3,120,985
As at 1 January 2014	849,695	1,067,199	33,798	35,609	36	275	1,228,818	3,215,430	4,199	3,219,629
Profit for the period	-	-	-	-	-	-	151,255	151,255	(36)	151,219
Other comprehensive income/(loss) for the period, net of tax	-	-	-	4,255	-	(677)	-	3,578	(1)	3,577
Dividends	-	-	-	-	-	-	(220,921)	(220,921)	-	(220,921)
As at 30 June 2014	849,695	1,067,199	33,798	39,864	36	(402)	1,159,152	3,149,342	4,162	3,153,504

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31st December 2014 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYSIA BERHAD (1877-T)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months Financial Period Ended	
	30 June 2015 RM'000	30 June 2014 RM'000
<u>Cash Flows From Operating Activities</u>		
Profit before tax	185,102	200,908
Adjustments for:-		
Allowance for inventory obsolescence	1,945	5,880
Amortisation of:		
- other intangible assets	138	138
- prepaid lease payments on leasehold land	3,768	4,326
Depreciation of:		
- investment property	8	14
- property, plant and equipment	75,785	75,308
Derivative (gain)/loss	(861)	845
Dividend income	-	-
Finance cost	36	730
Impairment loss recognised on trade receivables	1,556	730
Interest income	(3,396)	(5,341)
Gain on disposal of:		
- property, plant and equipment	(141)	(366)
- investment property	(61)	-
Property, plant and equipment written off	496	-
Provision for retirement benefits	4,231	4,959
Reversal of impairment loss on trade receivables	(1,769)	-
Unrealised (gain)/loss on foreign exchange	(7,182)	965
Share in results of associate	5,280	(149)
Operating profit before changes in working capital	264,935	288,947
(Increase) /Decrease in:		
Inventories	(8,886)	(11,052)
Receivables	(45,872)	30,466
Amounts owing by holding and other related companies	17,102	8,756
(Decrease)/Increase in:		
Payables	(41,362)	40,451
Amounts owing to holding and other related companies	(14,624)	(2,455)
Cash generated from operations	171,293	355,113
Retirement benefits paid	(824)	(1,229)
Tax paid	(48,759)	(74,691)
Net cash generated from operating activities	121,710	279,193

LAFARGE MALAYSIA BERHAD (1877-T)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months Financial Period Ended	
	30 June	30 June
	2015	2014
	RM'000	RM'000
<u>Cash Flows From Investing Activities</u>		
Additions to property, plant and equipment	(71,044)	(32,540)
Acquisition of additional interest in associate	(14,049)	-
Dividend received	-	2,591
Interest received	3,396	5,341
Proceeds from disposal of:		
- property, plant and equipment	233	945
- investment property	197	-
- investment	18	-
Net cash used in investing activities	(81,249)	(23,663)
<u>Cash Flows From Financing Activities</u>		
Dividends paid	(135,952)	(212,424)
Interest paid	(36)	(730)
Repayment of borrowings	(11)	(445)
Net cash used in financing activities	(135,999)	(213,599)
Net Change in Cash and Cash Equivalents	(95,538)	41,931
Effects of currency translations	2,605	1,188
Cash and Cash Equivalents at beginning of the year	460,869	450,850
Cash and Cash Equivalents at end of the period	367,936	493,969

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31st December 2014 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYSIA BERHAD (1877-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A1. Basis of Preparation

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2014. The audited financial statements of the Group for the year ended 31 December 2014 were prepared in accordance with MFRS and International Financial Reporting Standards (“IFRS”). These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following MFRSs and amendments to MFRSs:

Adoption of Amendments to MFRSs

Effective for annual periods beginning on or after 1 July 2014:

Amendments to MFRS 119 Employee Benefits (Amendments relating to Defined Benefit Plans: Employee Contributions)

Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2010 – 2012 Cycle

Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2011 – 2013 Cycle

The adoption of the abovementioned Amendments to MFRSs has no significant effect to the Group’s consolidated financial statements of the current quarter or comparative consolidated financial statements of the prior financial year.

The Group has not adopted the following new and revised MFRSs that have been issued but are not yet effective

MFRS 9	Financial Instruments ³
MFRS 15	Revenue from Contracts with Customers ²
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception ¹
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations ¹
Amendments to MFRS 101	Disclosure Initiative ¹
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to MFRS 127	Equity Method in Separate Financial Statements ¹
Amendments to MFRSs contained in the document entitled Annual Improvements to MFRSs 2012 – 2014 Cycle ¹	

- ¹ Effective for annual periods beginning on or after 1 January 2016
² Effective for annual periods beginning on or after 1 January 2017
³ Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

A3. Audit Report of Preceding Audited Financial Statements

The audit reports of the preceding annual financial statements of the Company and of the Group were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The operations of the Group are closely linked to the construction sector which would normally experience a slow-down in construction activities during festive seasons in Malaysia and Singapore.

A5. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting the Group's assets, liabilities, equity, net income or cash flows that are material and unusual because of their nature, size or incidence.

A6. Material Changes in Accounting Estimates

There were no material changes in estimates of amounts reported in prior interim periods or in previous financial years which have a material effect in the current quarter.

A7. Capital Issues, Dealings in Own Shares and Repayment of Debt

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares during the year under review.

A8. Dividend Paid

A third interim single-tier dividend of 8.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2014 amounting to RM67.976 million was paid on 14 January 2015.

A fourth interim single tier dividend of 8.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2014 amounting to RM67.976 million was paid on 15 April 2015.

A first interim single tier dividend of 8.0 sen per ordinary share of RM1.00 each in respect of the financial year ended 31 December 2015 amounting to RM67.976 million was paid on 15 July 2015.

A9. Segmental Information

Segment information is presented in respect of the Group’s business segments, which reflect the Group’s internal reporting structure that are regularly reviewed by the Group’s chief operating decision maker.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and liabilities that relate to investing and financing activities and cannot be reasonably allocated to individual segments. These include mainly corporate assets, other investments, deferred tax assets/liabilities and current tax assets/liabilities.

The Group is organised into the following main operating segments:

Cement	Cement business and trading of other building materials
Aggregates & Concrete	Aggregates and ready-mixed concrete business

Analysis of the Group's segment information is as follows:

6 Months Ended 30 June	Cement		Aggregates & Concrete		Elimination		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Segment revenue								
External revenue	1,113,948	1,149,371	247,687	244,475	-	-	1,361,635	1,393,846
Internal revenue	167,843	146,115	1,211	1,456	(169,054)	(147,571)	-	-
	<u>1,281,791</u>	<u>1,295,486</u>	<u>248,898</u>	<u>245,931</u>	<u>(169,054)</u>	<u>(147,571)</u>	<u>1,361,635</u>	<u>1,393,846</u>
Segment profit /(loss)	<u>185,258</u>	<u>197,088</u>	<u>1,764</u>	<u>(940)</u>	<u>-</u>	<u>-</u>	<u>187,022</u>	<u>196,148</u>
Reconciliation of segment profit to consolidated profit before tax:								
Interest income							3,396	5,341
Finance cost							(36)	(730)
Share in results of associate							(5,280)	149
Consolidated profit before tax							<u>185,102</u>	<u>200,908</u>
Segment assets	<u>3,584,497</u>	<u>3,510,028</u>	<u>261,598</u>	<u>263,918</u>	<u>(302,807)</u>	<u>(282,960)</u>	<u>3,543,288</u>	<u>3,490,986</u>
Reconciliation of segment assets to consolidated total assets:								
Investment in associate							30,653	21,062
Unallocated corporate assets							392,017	510,891
Consolidated total assets							<u>3,965,958</u>	<u>4,022,939</u>
Segment liabilities	<u>752,685</u>	<u>729,541</u>	<u>211,382</u>	<u>207,299</u>	<u>(304,816)</u>	<u>(284,506)</u>	<u>659,251</u>	<u>652,334</u>
Reconciliation of segment liabilities to consolidated total liabilities:								
Interest bearing instruments							-	43
Unallocated corporate liabilities							185,722	217,058
Consolidated total liabilities							<u>844,973</u>	<u>869,435</u>

A10. Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A11. Material Events Subsequent to Quarter End

There were no material events subsequent to the current financial quarter 30 June 2015 up to the date of this report which are likely to substantially affect the results of the operations of the Group.

A12. Changes in Group Composition

There were no other changes in the composition for the Group in this quarter.

A13. Contingent Liabilities

The Group has no material contingent liabilities as at the date of this report.

A14. Commitments

Outstanding commitments in respect of capital commitments at end of reporting date not provided for in the financial statements are as follows:

	As at 30 June 2015 RM'000
In respect of capital expenditure:	
Approved and contracted for	88,731
Approved but not contracted for	74,565
	<u>163,296</u>

A15. Related Party Transactions

The related parties and their relationship with the Company and its subsidiaries are as follows:

Name of Related Parties	Relationship
Lafarge S.A.	Ultimate holding company of the Company
Associated International Cement Ltd	Immediate holding company of the Company
Alliance Concrete Singapore Pte Ltd	Associate of the Company
Cementia Trading AG	Subsidiary of Lafarge S.A.
Cement Shipping Company Ltd	Subsidiary of Lafarge S.A.
Cementia Asia Sdn Bhd	Subsidiary of Lafarge S.A.
Coprocem Services Malaysia Sdn Bhd	Subsidiary of Lafarge S.A.
Lafarge Asia Sdn Bhd	Subsidiary of Lafarge S.A.
Marine Cement Ltd	Subsidiary of Lafarge S.A.
PT Lafarge Cement Indonesia	Subsidiary of Lafarge S.A.
Lafarge Energy Solutions SAS	Subsidiary of Lafarge S.A.
Thalamar Shipping AG	Subsidiary of Lafarge S.A.

The related party transactions for financial quarter ended 30 June 2015 are as follows:

Description of Transactions	RM'000
Ultimate holding company of the Company:	
Provision of trademark licence and general assistance fee	17,178
Associate of the Group:	
Sales and/or purchase of cement and aggregates	26,174
Batching income	821
Management service fee	121
Subsidiaries of ultimate holding company of the Company:	
Sale and/or purchase of cement and clinker	123,143
Maintenance of hardware and software	4,789
Service fee for sourcing alternative fuel and raw materials	1,062
Rental income of office premises	338
Chartering of vessels	9,646
Administrative and supporting service fee	805
Service fees for sourcing solid fuels	409

The Directors are of the opinion that all related party transactions are entered into in the normal course of business and have been established under terms that are no less favourable than those that could be arranged with independent parties where comparable services or purchases are obtainable from unrelated parties. With regard to the agreement for the provision of trademark licence and general assistance, Lafarge S.A has the specialised expertise, technical competencies and/or facilities and infrastructure required for the provision of such services.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Group's Performance

Current Quarter vs. Corresponding Quarter of Previous Year.

Revenue for the current quarter of RM665.5 million was 7.2% lower than the corresponding quarter last year mainly attributed to the lower sales registered by cement, aggregates and concrete segments.

The Group's current quarter profit before tax of RM85.7 million was 17.3% lower compared to corresponding quarter last year of RM103.7 million mainly attributed to lower sales revenue as mentioned earlier, lower interest income and lower share of result from the Group's associated company.

The Group's interest income of RM1.5 million for the current quarter was lower compared with RM2.4 million in the previous year's corresponding quarter due to lesser amount of funds placed on short term deposits.

Share of Group's associated company recorded a loss of RM3.4 million as compared to a profit of RM0.5 million in the corresponding quarter last year mainly due to keen competition.

Current Period To Date vs. Corresponding Period to Date of Previous Year.

The Group's revenue of RM1,362 million for the half year ended 30 June 2015 decreased by 2.3 % from corresponding period last year. This decrease was attributed mainly to the lower sales revenue from the cement and aggregate segments partially mitigated by higher revenue from concrete segment. The Group's registered profit before tax of RM190.4 million representing a decrease of 5.5% compared to corresponding period last year. The lower profit before tax was on the back of lower sales revenue mentioned earlier, lower interest income and lower share of results from Group's associated company.

The Group's interest income of RM3.4 million for the current quarter was lower compared with RM5.3 million in the previous year's corresponding period due to lesser amount of funds placed on short term deposits.

Share of Group's associated company recorded a loss of RM5.3 million as compared to a profit of RM0.1 million in the corresponding period 2014 due to keen competition.

B2. Comparison with Preceding Quarter

	2nd Quarter Ended	1st Quarter Ended
	30 June 2015	31 March 2015
	RM'000	RM'000
Revenue	665,548	696,087
Profit before tax	<u>85,747</u>	<u>99,355</u>

The Group's profit before tax for the current quarter of RM85.7 million was 13.7% lower than the preceding quarter mainly due to lower sales from cement, aggregates and concrete segments. Higher share of loss from the Group's associated company also contributed to the lower profit in the current quarter.

B3. Prospects

The outlook of the construction sector is expected to remain positive in 2015 driven mainly by the continued progress of key infrastructure projects and on-going commercial and residential development. The Group will continue to focus on product quality and providing solutions to customers whilst improving its efficiency in the overall operations. The market will remain very competitive against the backdrop of the recently installed and upcoming additional capacity by the industry players and the challenging domestic and global economic conditions.

B4. Profit Forecast and Profit Guarantee

The Group did not publish any profit forecast or profit guarantee during the current quarter ended 30 June 2015.

B5. Income Tax Expense

Income tax expense comprises the following:

	2nd Quarter Ended 30 June 2015 RM'000	Year To Date Ended 30 June 2015 RM'000
In respect of current year:		
- income tax	28,682	60,416
- deferred tax	(3,265)	(9,588)
 In respect of prior year:		
- income tax	(3,000)	(3,000)
- deferred tax	-	10
Total tax expense	22,417	47,838

The Group's effective tax rate for the current quarter is above the statutory tax rate of 25% in Malaysia mainly due to non tax-deductible expenses in certain subsidiaries.

B6. Status of Corporate Proposals

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

B7. Group Borrowings

The Group borrowings (denominated in Ringgit Malaysia) are as follows:

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
<u>Short-term borrowings</u>		
Finance lease (secured)	-	11
Total Group borrowings	-	11

B8. Material Litigation

The claim by the Singaporean Comptroller of Income Tax against LMCB Holdings Pte Ltd and Lafarge Malaysia Berhad in the High Court of Singapore is ongoing and there are no changes from the previous quarterly announcement.

B9. Dividend

The Directors has declared a second interim single tier dividend of 8 sen (2014: 9 sen) per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2015 which will be paid on 21 October 2015. The entitlement date for the dividend payment is on 28 September 2015.

A Depositor shall qualify for the entitlement only in respect of:

- (a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 28 September 2015 in respect of transfers; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

B10. Profit for the Period

	2nd Quarter Ended		Year to Date Ended	
	30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
Profit for the period is arrived after charging:				
Allowance for inventory obsolescence	690	3,691	1,945	5,880
Amortisation of:				
- other intangible assets	69	69	138	138
- prepaid lease payments on leasehold land	1,883	2,359	3,768	4,326
Depreciation of:				
- investment property	1	8	8	14
- property, plant and equipment	37,857	37,614	75,785	75,308
Derivative loss	-	56	-	845
Loss on disposal of property, plant and equipment	7	-	-	-
Impairment loss recognised on trade receivables	332	365	1,556	730
Property, plant and equipment written off	322	-	496	-
Provision for retirement benefits	2,113	2,475	4,231	4,959
Realised loss on foreign exchange	2,745	-	2,745	231
Unrealised loss on foreign exchange	-	534	-	965
and after crediting:				
Derivative gain	1,276	-	861	-
Gain on disposal of:				
- property, plant and equipment	-	226	141	366
- investment property	-	-	61	-
Reversal of impairment loss on trade receivables	1,064	-	1,769	-
Realised gain on foreign exchange	-	420	-	-
Unrealised gain on foreign exchange	4,158	-	7,182	-

B11. Earnings per share

Earnings per share are calculated as follows:

	2nd Quarter Ended		Year To Date Ended	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Profit attributable to equity holders of the Company (RM'000)	63,319	77,327	137,011	151,255
Weighted average number of ordinary shares in issue ('000)	849,695	849,695	849,695	849,695
Basic and diluted earnings per share (sen)	7.5	9.1	16.1	17.8

The basic and diluted earnings per share are the same as the Company has no dilutive potential ordinary shares.

B12. Disclosure of Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 30 June 2015, into realised and unrealised profits, is as follows:

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Total retained earnings of the Group:		
- realised	1,337,582	1,362,209
- unrealised	(63,840)	(117,394)
	<hr/> 1,273,742	<hr/> 1,244,815
Total share of retained earnings from associate:		
- realised	25,967	31,248
	<hr/> 1,299,709	<hr/> 1,276,063
Less: Consolidation adjustments	(167,203)	(144,616)
Total retained earnings as per statement of financial position	<hr/> <hr/> 1,132,506	<hr/> <hr/> 1,131,447

Dated: 27 August 2015
Petaling Jaya, Selangor Darul Ehsan.