



SALCON BERHAD (Company No: 593796-T)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2013 - UNAUDITED**

	30/06/2013	31/12/2012
	RM'000	RM'000
Assets		
Property, plant and equipment	82,506	81,219
Intangible assets	14,716	14,897
Concession intangible assets	137,090	123,807
Trade and other receivables	551,150	515,236
Investment properties	8,446	8,446
Investment in associate	29,812	28,329
Other investments	86	86
Deferred tax assets	2,420	2,420
Total non-current assets	<u>826,226</u>	<u>774,440</u>
Trade and other receivables, including derivatives	317,081	309,674
Inventories	31,526	26,404
Current tax assets	1,199	1,366
Cash and cash equivalents	130,820	115,392
Total current assets	<u>480,626</u>	<u>452,836</u>
Total assets	<u><u>1,306,852</u></u>	<u><u>1,227,276</u></u>
Equity		
Share capital	267,299	260,869
Reserves	92,978	75,995
Retained earnings	83,429	79,691
Total equity attributable to owners of the Company	<u>443,706</u>	<u>416,555</u>
Non-controlling interests	<u>255,307</u>	<u>225,490</u>
Total equity	<u><u>699,013</u></u>	<u><u>642,045</u></u>
Liabilities		
Loans and borrowings	277,659	263,078
Deferred tax liabilities	6,495	6,495
Total non-current liabilities	<u>284,154</u>	<u>269,573</u>
Trade and other payables, including derivatives	236,791	230,429
Loans and borrowings	82,967	80,582
Current tax liabilities	3,927	4,647
Total current liabilities	<u>323,685</u>	<u>315,658</u>
Total liabilities	<u><u>607,839</u></u>	<u><u>585,231</u></u>
Total equity and liabilities	<u><u>1,306,852</u></u>	<u><u>1,227,276</u></u>
Net assets per share (RM)	0.83	0.80

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



SALCON BERHAD (Company No: 593796-T)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE CUMULATIVE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Year	Corresponding	Year	Corresponding
	Quarter	Quarter	Todate	Period
	30/06/2013	30/06/2012	30/06/2013	30/06/2012
	RM'000	RM'000	RM'000	RM'000
Revenue	67,584	69,724	138,364	148,665
Cost of sales	(47,048)	(55,317)	(98,322)	(119,726)
Gross Profit	20,536	14,407	40,042	28,939
Other income	5,051	6,444	9,437	11,524
Other expenses	0	-	-	-
Tendering and distribution costs	(956)	(1,333)	(1,863)	(2,351)
Administrative expenses	(13,925)	(12,368)	(26,433)	(23,633)
Profit from operations	10,706	7,150	21,183	14,479
Interest expense	(4,872)	(4,793)	(10,237)	(9,375)
Interest income	4,236	3,242	8,469	6,513
Share of profit after tax and minority interest of associates	736	792	1,484	1,606
Profit before tax	10,806	6,391	20,899	13,223
Taxation	(2,409)	(1,730)	(4,761)	(2,852)
Profit for the period	8,397	4,661	16,138	10,371
Profit attributable to:				
Owners of the Company	1,315	251	3,738	2,758
Non-controlling interests	7,082	4,410	12,400	7,613
Profit for the period	8,397	4,661	16,138	10,371
Basic earnings per ordinary share (sen)	0.25	0.05	0.71	0.55
Diluted earnings per ordinary share (sen)	0.24	-	0.67	0.53

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE CUMULATIVE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year ToDate	Preceding Year Corresponding Period
	30/06/2013 RM'000	30/06/2012 RM'000	30/06/2013 RM'000	30/06/2012 RM'000
Profit for the period	8,397	4,661	16,138	10,371
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operations	21,814	10,258	26,656	(1,393)
Total other comprehensive income	21,814	10,258	26,656	(1,393)
Total comprehensive income for the period	30,211	14,919	42,794	8,978
Total comprehensive income attributable to:				
Owners of the Company	15,597	8,477	19,470	1,317
Non-controlling interests	14,614	6,442	23,324	7,661
Total comprehensive income for the period	30,211	14,919	42,794	8,978

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE CUMULATIVE SECOND QUARTER ENDED 30 JUNE 2013 – UNAUDITED**

	← Attributable to Owners of the Company →							Distributable	Non-controlling interests	Total equity
	← Non – distributable				Share					
	Share capital	Share premium	Warrant reserve	Translation reserve	Share option reserve	Revaluation reserve	Retained earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2012	237,154	36,627	22,150	6,227	2,347	150	84,743	389,398	159,032	548,430
- effect of adopting MFRSs	-	-	-	8,658	-	(150)	(8,508)	-	-	-
At 1 January 2012, restated	237,154	36,627	22,150	14,885	2,347	-	76,235	389,398	159,032	548,430
Total comprehensive income for the period	-	-	-	(1,441)	-	-	2,758	1,317	7,661	8,978
Share-based payment transactions	-	-	-	-	766	-	-	766	-	766
Acquisition by non-controlling interests	-	-	-	-	-	-	-	-	6,375	6,375
Issuance of shares - private placement	23,715	-	-	-	-	-	-	23,715	-	23,715
At 30 June 2012, restated	260,869	36,627	22,150	13,444	3,113	-	78,993	415,196	173,068	588,264
At 1 January 2013	260,869	36,627	22,150	13,309	3,909	-	79,691	416,555	225,490	642,045
Total comprehensive income for the period	-	-	-	15,732	-	-	3,738	19,470	23,324	42,794
Share-based payment transactions	-	-	-	-	1,251	-	-	1,251	-	1,251
Acquisition by non-controlling interests	-	-	-	-	-	-	-	-	6,493	6,493
Transfer to share premium for share options exercised	-	1,985	-	-	(1,985)	-	-	-	-	-
Share option exercised	6,430	-	-	-	-	-	-	6,430	-	6,430
At 30 June 2013	267,299	38,612	22,150	29,041	3,175	-	83,429	443,706	255,307	699,013

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE CUMULATIVE SECOND QUARTER ENDED 30 JUNE 2013 – UNAUDITED**

	6 months Ended 30/06/2013 RM'000	6 months Ended 30/06/2012 RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	20,899	13,223
Adjustments for :		
- Non-cash items	4,303	3,644
- Non-operating items	1,768	2,863
Operating profit before changes in working capital	<u>26,970</u>	<u>19,730</u>
Changes in working capital	<u>(32,758)</u>	<u>(34,331)</u>
Cash generate from operations	(5,788)	(14,601)
Income taxes paid	(5,313)	(1,803)
Interest paid	<u>(10,237)</u>	<u>(9,375)</u>
Net cash used in operating activities	<u>(21,338)</u>	<u>(25,779)</u>
<u>Cash flows from investing activities</u>		
- Proceeds from disposal of property, plant and equipment	10	359
- Acquisition of property, plant and equipment	(4,333)	(5,614)
- Acquisition of concession intangible assets	(9,318)	(44,607)
- Acquisition of subsidiary, net of cash acquired	-	(7,189)
- Interest received	934	6,513
Net cash used in investing activities	<u>(12,707)</u>	<u>(50,538)</u>
<u>Cash flows from financing activities</u>		
- Net proceeds from issue of shares capital	6,430	23,715
- Proceeds from issuing of equity shares in a subsidiary to non-controlling interests	6,493	5,968
- Proceeds from bank borrowings	65,081	31,379
- Repayments of bank borrowings	(60,950)	(48,795)
- Dividends paid to non-controlling interests	(1,552)	(559)
- Payment of hire purchase liabilities	(2,315)	(2,463)
Net cash generated from financing activities	<u>13,187</u>	<u>9,245</u>
Net decrease in cash and cash equivalents	(20,858)	(67,072)
Cash and cash equivalents at beginning of period	110,406	208,626
Exchange differences on translation of the financial statements of foreign entities	33,513	(2,111)
Cash and cash equivalents at end of period	<u>123,061</u>	<u>139,443</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



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The cash and cash equivalents comprise the following balance sheet amounts:

	6 months Ended 30/06/2013 RM'000	6 months Ended 30/06/2012 RM'000
Cash and bank balances	106,762	82,422
Deposits placed with licensed banks	24,058	68,299
Bank overdrafts	(3,357)	(6,876)
	127,463	143,845
Less: Amount placed with debts service reserve accounts	(4,402)	(4,402)
	123,061	139,443

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.



NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE CUMULATIVE SECOND QUARTER ENDED 30 JUNE 2013

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 – Interim Financial Reporting

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 – *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. It also complies with IAS 34 – *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and with the explanatory notes attached herein. These explanatory notes 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 last audited financial statements for year ended 31 December 2012. The audited financial statements of the Group as at and for the year ended 31 December 2012 were prepared under Malaysian Financial Reporting Standards (MFRSs).

1.1 Significant Accounting Policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for year ended 31 December 2012 except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC Interpretations by the Group with effect from 1 January 2013.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to MFRS 101, *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- MFRS 10, *Consolidated Financial Statements*
- MFRS 11, *Joint Arrangements*
- MFRS 12, *Disclosure of Interests in Other Entities*
- MFRS 13, *Fair Value Measurement*
- MFRS 119, *Employee Benefits* (2011)
- MFRS 127, *Separate Financial Statements* (2011)
- MFRS 128, *Investments in Associates and Joint Ventures* (2011)
- IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards – Government Loans*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 101, *Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*



- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*
- Amendments to MFRS 11, *Joint Arrangements: Transition Guidance*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Transition Guidance*

The adoption of the abovementioned MFRSs, Amendments to MFRSs and IC Interpretations will have no material impact on the financial statements of the Group.

At the date of authorization of these interim financial statements, the followings MFRSs, Amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*
- Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- MFRS 9, *Financial Instruments (2009)*
- MFRS 9, *Financial Instruments (2010)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Mandatory Date of MFRS 9 and Transition Disclosures*

2. Preceding Annual Financial Statement

The audit report of the Group's annual financial statements prepared under FRS for the year ended 31 December 2012 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The principal activities of the Group are not subject to any seasonal or cyclical changes.

4. Unusual Items that Affect the Financial Statements

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the cumulative quarter ended 30 June 2013.

5. Material Changes in Estimates

There were no changes in the estimates of amounts reported in prior financial years that have a material effect in the current interim period.



6. Debt and Equity Securities

There were no issuance and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the cumulative quarter ended 30 June 2013 other than the issuance of 12,859,500 new ordinary shares of RM0.50 each pursuant to the Employee's Share Option Scheme.

7. Dividends Paid

There were no payment of dividend for the cumulative quarter ended 30 June 2013.

8. Segmental Reporting

The segmental revenue and results of the Group for the cumulative quarter ended 30 June 2013 are as follows:-

	Constructions RM'000	Concessions RM'000	Others RM'000	Total RM'000
Revenue from external customers	44,320	87,730	6,314	138,364
Share of profit of associate	-	1,484	-	1,484
Segment profit	(3,276)	28,160	2,403	27,287
Depreciation and amortization	(587)	(2,917)	(1,116)	(4,620)
Finance costs	(312)	(9,468)	(457)	(10,237)
Finance income	542	7,871	56	8,469
Income tax expense	(1,546)	(2,978)	(237)	(4,761)
Profit/(Loss) after tax	(5,179)	20,668	649	16,138
Segment assets	246,600	947,554	112,698	1,306,852
<i>Included in the measure of segment assets are:</i>				
Investment in associate	-	29,812	-	29,812
Additions to non-current assets other than financial instruments and deferred tax assets	1,661	9,494	2,496	13,651

9. Valuations of Property, Plant and Equipment

There was no revaluation of property, plant and equipment during the cumulative quarter ended 30 June 2013. The valuation of land and buildings have been brought forward without amendment from the previous annual audited report.



10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period up to 23 August 2013 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report), that have not been reflected in the financial statement for the interim period.

11. Effect of 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) Eco-Coach & Tours (M) Sdn Bhd (“ECT”), a 51.3% owned subsidiary of Salcon Capital Sdn Bhd, which in turn is a wholly-owned subsidiary of Salcon Berhad, had on 26 June 2013 acquired 2 Ordinary Shares of RM1.00 each, representing 100% equity interest in Eco Tours Asia Sdn Bhd (Company No. 1049876-W) (“ETA”), a company incorporated in Malaysia, for a total cash consideration of RM2.00 (“the Acquisition”). Subsequent to the Acquisition, ETA shall become a wholly-owned subsidiary of ECT, which in turn is a subsidiary of the Company.

12. Changes in Contingent Liabilities/Contingent Assets

The contingent liabilities as at financial period ended 30 June 2013 are as follows:-

	RM'000
Bank guarantees given to third parties relating to performance, tenders and advance payment bonds	99,517
Guarantees given in favour of third parties	<u>10,918</u>

13. Net assets (NA) per share

The NA per share is derived as follows:-

	RM'000
Shareholders funds	443,706
No. of shares	<u>534,598</u>
NA per share (RM)	<u>0.83</u>



B. ADDITIONAL DISCLOSURE PURSUANT TO THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

1. Taxation

The breakdown of tax charge is as follows:-

	Current Quarter Ended 30/06/2013 RM'000	Cumulative Quarter To-date 30/06/2012 RM'000
Malaysian - current period	863	1,783
- prior years	-	-
Overseas - current period	1,546	2,978
	<u>2,409</u>	<u>4,761</u>

The Group's lower effective tax rate (excluding the results of associates which is equity accounted net of tax) is mainly due to certain overseas income is exempted from tax.

2. Status of Corporate Proposals

- (i) The placement of 47,430,780 new ordinary shares of RM0.50 was completed and the shares were granted listing and quotation on the Main Board of Bursa Malaysia Securities Berhad on 20 March 2012. The status of the utilisation of the proceeds as at 23 August 2013 is as follows: (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Estimated Timeframe for Utilisation	Deviation RM'000	%	Explanation
Repayment of existing borrowings	23,515	(23,515)	Within 24 months	Nil	Nil	Completed
Estimated expenses for the placement	200	(200)	Within 3 months	Nil	Nil	Completed
Total	23,715	(23,715)		-	-	-



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- (ii) The placement of 54,025,268 new ordinary shares of RM0.50 was completed and the shares were granted listing and quotation on the Main Board of Bursa Malaysia Securities Berhad on 20 August 2013. The status of the utilisation of the proceeds as at 23 August 2013 is as follows: (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Estimated Timeframe for Utilisation	Deviation RM'000	%	Explanation
Working capital	15,752	-	Within 12 months	Nil	Nil	Not Completed
Repayment of existing borrowings	15,753	-	Within 9 months	Nil	Nil	Not Completed
Estimated expenses for the placement	100	-	Within 3 months	Nil	Nil	Not Completed
Total	31,605	-		-	-	-

3. Group Borrowings and Debt Securities

Total Group borrowings as at 30 June 2013 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Long Term Borrowings</u>			
Term loan	-	267,810	267,810
Finance lease creditors	9,849	-	9,849
	<u>9,849</u>	<u>267,810</u>	<u>277,659</u>
<u>Short Term Borrowings</u>			
Bank overdrafts	-	3,357	3,357
Revolving credits	-	8,000	8,000
Bankers acceptances	-	12,416	12,416
Term loan	-	54,929	54,929
Finance lease creditors	4,265	-	4,265
	<u>4,265</u>	<u>78,702</u>	<u>82,967</u>
Total Group Borrowings	<u>14,114</u>	<u>346,512</u>	<u>360,626</u>

Included in the above Group borrowings are the following loans denominated in Chinese Renminbi (RMB) :

	Foreign currency RMB'000	Equivalent RM'000
Long Term Borrowings (Unsecured)	416,225	215,270
Short Term Borrowings (Unsecured)	<u>53,999</u>	<u>27,928</u>



4. Changes in Material Litigation

There was no material update as at 23 August 2013 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

5. Material Changes in the Results of the Current Quarter compared to that of the Preceding Quarter

For the current financial quarter, the Group revenue declined slightly by 5% and the profit before tax increased by 7% as compared with the immediate preceding quarter.

In the Concessions Division, revenue and profit before tax increased by 2% and 31% respectively as compared to the immediate preceding quarter. Higher profit before tax is due to higher gross profit margin as compared with the immediate preceding quarter.

The revenue recorded in the Constructions Division was lower by 17% as compared to the immediate preceding quarter. Lower construction revenue as a result of lower order book has resulted the losses of RM3.00 million as compared to losses of RM630,000 in the same period of the preceding quarter.

For the Others Division, revenue and profit before tax was lower by 1% and 17% respectively as compared with the immediate preceding quarter. Higher operating expenses has resulted in the lower profit before tax.

6. Review of Performance of the Company and its Principal Subsidiaries

For the current financial quarter under review, the Group achieved lower revenues amounting to RM67.58 million as compared to RM69.72 million for the same period in the preceding year or a decrease of 3%. However, profit before taxation increased to RM10.81 million from RM6.39 million for the corresponding period in the preceding year.

The higher profit before tax was mainly attributable to the Concessions Division, whereby the gross profit recorded an increase of 38% as compared to the same period in the preceding year. The improvement arises from higher gross profit margin.

In the Constructions Division, revenue recorded in the current financial quarter was lower by 6% as compared to the same period in the preceding year. However, better gross profit margin enabled the Division to reduce losses of RM3.00 million as compared to losses of RM4.33 million in the same period of the preceding year.

In the Others Division, revenue was lower by 3% as compared to the same period in the preceding year. As a result of lower operating expenses this Division has recorded a profit before tax of RM401,000 as compared to loss before tax of RM54,000 in the preceding year.

For the cumulative quarter to date, the Group recorded revenue and profit before tax of RM138.36 million and RM20.90 million as compared to RM148.67 million and RM13.22 million respectively to the corresponding cumulative quarter in the preceding year.

The Concessions Division recorded a higher profit before tax of RM23.65 million during the current cumulative quarter as compared to RM17.55 million for the same period in the preceding year which was attributed by the higher gross profit margin.

In the Constructions Division, revenue was 17% lower when compared to the corresponding cumulative quarter in the preceding year as a result of lower order book. Cost savings from projects enabled the



division to record a reduction in loss of RM3.63 million during the current cumulative quarter as compared to loss before tax of RM5.03 million for the same period in the preceding year.

The Others Division recorded a higher profit before tax of RM887,000 due to lower operating expenses as compared to profit before tax of RM711,000 for the same period in the preceding year.

7. Prospects

The Group first property development project in Selayang has received encouraging response on sales since its soft launched in April 2013. The construction is expected to commence in 3rd quarter of the year. For the Group's second venture property development in Johor, the project is expected to be launched in the first half of year 2014.

8. Variance of Profit Forecast / Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued.

9. Financial instruments - derivatives

As at 30 June 2013, the Group has the following outstanding foreign currency forward contracts under derivative financial instruments with the notional value of RM3.94 million:

Derivatives	Carrying Value RM'000	Fair Value RM'000
Foreign currency forward contracts – less than one year	(98)	(98)



10. Earnings Per Share

The basic and diluted earnings per share have been calculated based on the consolidated net profit attributable to equity holders of the parent for the period and the weighted average number of ordinary shares outstanding during the period as follows:

Basic earnings per share

	Current Quarter Ended 30/06/2013	Comparative Quarter Ended 30/06/2012	Cumulative Quarter To-date	
			30/06/2013	30/06/2012
Profit attributable to equity holders of the parent (RM'000)	<u>1,315</u>	<u>251</u>	<u>3,738</u>	<u>2,758</u>
<u>Weighted average number of ordinary shares</u>				
Issued ordinary shares at beginning of period ('000)	<u>521,738</u>	<u>474,308</u>	<u>521,738</u>	<u>474,308</u>
Effect of shares issued during the period ('000)	<u>2,301</u>	<u>47,431</u>	<u>2,301</u>	<u>26,061</u>
Weighted average number of ordinary shares ('000)	<u>524,039</u>	<u>521,739</u>	<u>524,039</u>	<u>500,369</u>
Basic earnings per share (sen)	0.25	0.05	0.71	0.55

Diluted earnings per share

	Current Quarter Ended 30/06/2013	Comparative Quarter Ended 30/06/2012	Cumulative Quarter To-date	
			30/06/2013	30/06/2012
Profit attributable to equity holders of the parent (RM'000)	<u>1,315</u>	<u>251</u>	<u>3,738</u>	<u>2,758</u>
<u>Weighted average number of ordinary shares (diluted)</u>				
Weighted average number of ordinary shares as above ('000)	<u>524,039</u>	<u>521,739</u>	<u>524,039</u>	<u>500,369</u>
Effect of approved unexercised ESOS ('000)	<u>32,505</u>	<u>23,290</u>	<u>32,505</u>	<u>23,290</u>
Weighted average number of ordinary shares (diluted)	<u>556,544</u>	<u>545,029</u>	<u>556,544</u>	<u>523,659</u>
Diluted earnings per share (sen)	0.24	*	0.67	0.53

* Note: Anti-dilutive



SALCON BERHAD (Company No: 593796-T)

11. Realised and Unrealised Profits

	As at 30/06/2013 RM'000	As at 31/12/2012 RM'000
Total retained earnings/(accumulated losses) of the Company and its subsidiaries:		
- Realised	118,394	117,303
- Unrealised	(4,157)	(4,476)
	114,237	112,827
Total share of retained profits from associated company:		
- Realised	8,012	6,529
Total share of retained profits from jointly controlled entities:		
- Realised	1,496	1,496
	123,745	120,852
Less: Consolidation adjustments	(40,316)	(41,161)
	83,429	79,691

12. Notes to the Condensed Consolidated Statement of Comprehensive Income

Profit before tax arrived at after (charging)/crediting the followings items:

	Current Quarter Ended 30/06/2013 RM'000	Cumulative Quarter To-date 30/06/2013 RM'000
Foreign Exchange Gain	-	135
Foreign Exchange Loss	(212)	(296)
Depreciation and amortization	(2,393)	(4,620)
	(2,605)	(4,781)



SALCON BERHAD (Company No: 593796-T)

Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 August 2013.

ON BEHALF OF THE BOARD

TAN SRI DATO' TEE TIAM LEE
Executive Deputy Chairman

Selangor Darul Ehsan
30 August 2013