

Quarterly rpt on consolidated results for the financial period ended 31/12/2013

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MUHIKBAH ENGINEERING (M) BHD

Financial Year End 31/12/2013
 Quarter 4
 Quarterly report for the financial period ended 31/12/2013
 The figures have not been audited

Attachments - available for download above

- Default Currency
- Other Currency

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION

	31/12/2013			
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO PRECEDING YEAR	
	QUARTER	CORRESPONDING QUARTER	DATE	CORRESPONDING PERIOD
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	631,569	1,000,811	1,899,819	2,625,525
2 Profit/(loss) before tax	46,453	-124,960	133,997	-34,977
3 Profit/(loss) for the period	37,429	-138,591	114,917	-61,083
4 Profit/(loss) attributable to ordinary equity holders of the parent	24,551	-145,948	85,189	-93,241
5 Basic earnings/(loss) per share (Subunit)	5.85	-35.91	20.69	-22.94
6 Proposed/Declared dividend per share (Subunit)	4.50	2.50	4.50	2.50
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)		1.3300		1.1200

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

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MUHIBBAH ENGINEERING (M) BHD
(Company No : 12737-K)
(Incorporated in Malaysia)

ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 31.12.2013 RM'000	AUDITED AS AT 31.12.2012 RM'000
Assets		
Property, plant and equipment	715,167	718,477
Investment in associates	187,750	171,331
Other non-current assets	25,769	18,360
Total non-current assets	928,686	908,168
Receivables, deposits and prepayments	685,253	917,718
Amount due from contract customers	380,567	456,683
Inventories	212,505	208,595
Current tax assets and other assets	10,768	6,023
Cash and cash equivalents	424,568	336,743
Total current assets	1,713,661	1,925,762
Total assets	2,642,347	2,833,930
Equity		
Share capital	211,214	204,124
Reserves	347,615	249,931
Total equity attributable to owners of the Company	558,829	454,055
Non-controlling interests	194,348	166,353
Total equity	753,177	620,408
Liabilities		
Payables and accruals	14,232	14,017
Loans and borrowings	137,297	154,404
Deferred tax liabilities	47,960	46,006
Total non-current liabilities	199,489	214,427
Provision, payables and accruals	563,011	607,746
Amount due to contract customers	382,533	416,920
Bills payables	616,600	686,843
Loans and borrowings	118,941	272,360
Tax liabilities and other liabilities	8,596	15,226
Total current liabilities	1,689,681	1,999,095
Total liabilities	1,889,170	2,213,522
Total equity and liabilities	2,642,347	2,833,930
Net assets per share attributable to owners of the Company (RM)	1.33	1.12

(The unaudited 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)

MUHIBBAH ENGINEERING (M) BHD

(Company No : 12737-K)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Revenue		631,569	1,000,811	1,899,819	2,625,525
Cost of sales and operating expenses		(589,494)	(1,143,885)	(1,796,391)	(2,698,754)
Other income		1,487	514	2,979	3,410
Results from operating activities		43,562	(142,560)	106,407	(69,819)
Interest income (including MFRS 139)		2,612	8,351	7,183	11,746
Finance costs (including MFRS 139)		(11,460)	(5,291)	(26,138)	(21,126)
Operating profit		34,714	(139,500)	87,452	(79,199)
Share of profit after tax and minority interest of equity accounted associates		11,739	14,540	46,545	44,222
Profit before tax		46,453	(124,960)	133,997	(34,977)
Tax expense	20.	(9,024)	(13,631)	(19,080)	(26,106)
Profit for the period		37,429	(138,591)	114,917	(61,083)
Other comprehensive income					
Foreign currency translation differences for foreign operations		1,492	(404)	12,293	(5,114)
Movement in revaluation of property, plant equipment, net of tax		-	56,239	-	56,239
Other comprehensive income for the period		1,492	55,835	12,293	51,125
Total comprehensive income for the period		38,921	(82,756)	127,210	(9,958)
Profit attributable to:					
Owners of the Company		24,551	(145,948)	85,189	(93,241)
Non-controlling interests		12,878	7,357	29,728	32,158
Profit for the period		37,429	(138,591)	114,917	(61,083)
Total comprehensive income attributable to:					
Owners of the Company		26,098	(95,280)	96,275	(47,132)
Non-controlling interests		12,823	12,524	30,935	37,174
Total comprehensive income for the period		38,921	(82,756)	127,210	(9,958)
Earnings per ordinary share					
Basic (Sen)	24.	5.85	(35.91)	20.69	(22.94)
Diluted (Sen)	24.	5.51	(35.35)	19.47	(22.58)

(The unaudited 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)

MUHIIBAH ENGINEERING (M) BHD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)**

	Non-distributable		Attributable to shareholders of the Company		Distributable				
	Share capital RM'000	Treasury shares RM'000	Reserves attributable to capital RM'000	Reserve attributable to revenue RM'000	Retained earnings RM'000	Total equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000	
At 1 January 2012	204,107	(5,561)	130,392	3,340	183,115	515,393	124,583	639,976	
As previously stated	-	-	(604)	-	604	-	-	-	
Rectification of brought forward share option forfeited	204,107	(5,561)	129,788	3,340	183,719	515,393	124,583	639,976	
At 1 January 2012, restated									
Foreign currency translation differences for foreign operations	-	-	-	(4,804)	-	(4,804)	(310)	(5,114)	
Movement in revaluation of property, plant and equipment, net of tax	-	-	50,913	-	-	50,913	5,326	56,239	
Profit for the period	-	-	-	-	(93,241)	(93,241)	32,158	(61,083)	
Total comprehensive income for the period	-	-	50,913	(4,804)	(93,241)	(47,132)	37,174	(9,958)	
Share option exercised	17	-	13	-	-	30	924	954	
Share-based payments	-	-	8,421	-	-	8,421	735	9,156	
Capitalisation of retained earnings pursuant of bonus issued by subsidiary	-	-	3,000	-	(3,000)	-	-	-	
Issued of shares to non-controlling interest	-	-	-	-	-	-	1,746	1,746	
Dilution of interest in subsidiary	-	-	-	-	(7,416)	(7,416)	7,416	-	
Dividends to owner of the Company	-	-	-	-	(15,241)	(15,241)	-	(15,241)	
Dividends to non-controlling interest	-	-	-	-	-	-	(6,225)	(6,225)	
At 31 December 2012	204,124	(5,561)	192,135	(1,464)	64,821	454,055	166,353	620,408	
At 1 January 2013	204,124	(5,561)	192,135	(1,464)	64,821	454,055	166,353	620,408	
Foreign currency translation differences for foreign operations	-	-	-	11,086	-	11,086	1,207	12,293	
Profit for the period	-	-	-	-	85,189	85,189	29,728	114,917	
Total comprehensive income for the period	-	-	-	11,086	85,189	96,275	30,935	127,210	
Share options exercised	7,090	-	5,388	-	-	12,478	386	15,107	
Share-based payments	-	-	5,256	-	-	5,256	386	5,642	
Issued of shares to non-controlling interest	-	-	-	-	-	-	493	493	
Dilution of interest in subsidiary	-	-	-	-	(1,461)	(1,461)	1,461	-	
Dividends to owner of the Company	-	-	-	-	(7,774)	(7,774)	-	(7,774)	
Dividends to non-controlling interest	-	-	-	-	-	-	(7,909)	(7,909)	
At 31 December 2013	211,214	(5,561)	202,779	9,622	140,775	558,829	194,348	753,177	

(The unaudited 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)

MUHIBBAH ENGINEERING (M) BHD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)

	Unaudited YTD 31.12.2013 RM'000	Unaudited YTD 31.12.2012 RM'000
Profit before tax	133,997	(34,977)
Adjustment for:		
Bad debts written off	-	5,203
Depreciation and amortisation	53,697	47,938
Fair value adjustment on derivative instruments	3,296	5,325
Finance costs	39,549	44,380
Finance costs under MFRS 139	7,278	(1,159)
(Gain)/ loss on disposal of property, plant and equipments	(580)	(2,128)
Net Impairment loss on receivables	(10,759)	238,459
Interest income	(5,756)	(5,846)
Interest income under MFRS 139	(1,427)	(5,900)
Property, plant and equipment written off	3,923	93
Net provision for warranties	3,089	31,786
Reversal of impairment on other investment	(29)	(2)
Reversal of impairment on development cost	-	(138)
Share based payment	5,642	9,156
Share of profit of associates	(46,545)	(44,222)
Write-down of inventories	671	1,533
Operating profit before changes in working capital	186,046	289,501
Receivables, deposits and prepayments	233,045	(288,459)
Inventories	(16,914)	(7,163)
Payables and accruals	(47,758)	(62,653)
Amount due to/ (from) contract customers	41,729	250,261
Cash generated from/ (used in) operations	396,148	181,487
Net income taxes paid	(31,331)	(24,368)
Net cash generated from/(used in) operating activities	364,817	157,119
Cash flows from investing activities		
Additions to development expenditures	(4,250)	(1,261)
Dividend received from associates	39,620	19,625
Investment in associates	(4,165)	(8,389)
Interest received	5,756	5,846
Proceed from disposal of property, plant and equipment	9,439	9,953
Purchase of property, plant and equipment	(38,524)	(72,320)
Purchase of other non-currents assets	-	(1,800)
Net cash used in investing activities	7,876	(48,346)
Cash flows from financing activities		
Dividend paid to owners of the Company	(7,774)	(15,241)
Dividend paid to non-controlling interest	(7,909)	(6,225)
Interest paid	(39,549)	(44,380)
Proceed from exercise of share options	12,478	30
Proceed from issuance of shares to non-controlling interests of a subsidiary	3,122	2,670
Net drawdown/ (repayment) of loans and borrowings	(226,999)	(43,936)
Net cash generated from financing activities	(266,631)	(107,082)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)
(cont'd)**

	Unaudited YTD 31.12.2013 RM'000	Unaudited YTD 31.12.2012 RM'000
Currency translation differences	(4,467)	2,760
Net increase in cash and cash equivalents	101,595	4,451
Cash and cash equivalents at 1 January	320,285	315,834
Cash and cash equivalents at 31 December	<u>421,880</u>	<u>320,285</u>

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	31.12.2013 RM'000	31.12.2012 RM'000
Cash and bank balances	215,571	233,911
Deposits placed with licensed banks	208,997	102,832
Cash and cash equivalents per balance sheet	424,568	336,743
Bank overdrafts	(2,688)	(16,458)
	<u>421,880</u>	<u>320,285</u>

(The Condensed Consolidated Cash Flow statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012 and the accompanying notes attached to the interim financial statements)

MUHIBBAH ENGINEERING (M) BHD
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ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP
FOR THE YEAR ENDED 31 DECEMBER 2013 (4TH QUARTER)

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Listing Requirements"), including compliance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012. 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 2012.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following MFRSs, Amendments to certain MFRSs and IC Interpretations ("IC Int.") issued by the MASB which are effective for annual periods beginning on or after 1 July 2012 or 1 January 2013:

		<u>Effective Date</u>
• MFRS 7	Disclosure – Offsetting Financial Assets and Financial Liabilities	1 January 2013
• MFRS 10	Consolidated Financial Statements	1 January 2013
• MFRS 11	Joint Arrangements	1 January 2013
• MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
• MFRS 13	Fair Value Measurement	1 January 2013
• MFRS 119	Employee Benefits (revised)	1 January 2013
• MFRS 127	Separate Financial Statements	1 January 2013
• MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
• Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
• Amendments to MFRS 116	Property, Plant and Equipment	1 January 2013
• Amendments to MFRS 132	Financial Instrument: Presentation	1 January 2013
• Amendments to MFRS 134	Interim Financial Reporting	1 January 2013
• IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

The Group has not adopted the following MFRSs, Amendments to MFRSs were issued but not yet effective:

		<u>Effective Date</u>
• MFRS 9	Financial Instruments	1 January 2015
• Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2014
• Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
• Amendments to MFRS 127	Separate Financial Statements (2011): Investment Entities	1 January 2014
• Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

The initial application of a standard which will be applied prospectively or which requires extended disclosures, is not expected to have any financial impacts to the current and prior periods financial statements upon their first adoption.

3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The Auditors' Report of the financial statements for the preceding financial year ended 31 December 2012 was not subject to any qualification.

4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

5. EXCEPTIONAL OR UNUSUAL ITEMS

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review other than as disclosed.

6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior interim periods and prior financial years that have a material effect in the current quarter under review.

7. DEBT AND EQUITY SECURITIES

During the financial year ended 31 December 2013, a total of 14,180,000 new ordinary shares was issued pursuant to the exercise of the Employees' Share Option Scheme.

Other than as mentioned above, there were no cancellation, repurchase, resale and repayment of debts and equity securities during the period under review.

8. DIVIDEND PAYMENT

A first and final ordinary dividend of 5% (2.50 sen) per ordinary share of RM0.50 each totalling RM7.774 million in respect of the year ended 31 December 2012 was paid on 29 August 2013.

The Directors recommended that a first and final tax exempt dividend of 9% (4.50 sen) per ordinary share of RM0.50 totaling RM18.9 million for the year ended 31 December 2013, subject to approval of the shareholders at the forthcoming Annual General Meeting.

9. SEGMENT REVENUE AND RESULTS

Financial data by business segment for the Group:

	Year ended 31.12.2013	
	Revenue RM'000	Profit/(Loss) before tax RM'000
Infrastructure construction	1,466,662	45,428
Cranes	764,185	79,950
Marine ship repair and ship building	209,252	46,352
Concession	-	39,840
	<hr/>	<hr/>
	2,440,099	211,570
Less: Group eliminations	(540,280)	(77,573)
	<hr/>	<hr/>
	<u>1,899,819</u>	<u>133,997</u>

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

11. MATERIAL SUBSEQUENT EVENTS

There is no material subsequent event from the end of the current financial year to 21 February 2014, which is likely to substantially affect the results of the operations of the Company.

12. MATERIAL CHANGES IN THE GROUP'S COMPOSITION

There were no major changes in the composition of the Group during the current quarter under review.

13. CONTINGENT LIABILITIES/ASSETS

Since the last annual balance sheet as at 31 December 2012, there were no material changes in the contingent liabilities of the Company:

	RM'000
Corporate guarantees for credit facilities granted to subsidiary companies	<u>84,633</u>

14. CAPITAL COMMITMENTS

There were no material capital commitments as at 31 December 2013 and up to 21 February 2014.

15. COMPARISON WITH PRECEDING QUARTER RESULTS (Q4 2013 vs. Q3 2013)

The Group reported a higher revenue of RM631.6 million with higher profit after tax of RM37.4 million for the quarter ended 31 December 2013 as compared to revenue and profit after tax of RM475.4 million and RM29.2 million respectively for the preceding quarter ended 30 September 2013.

The improvement in profit after tax is mainly contributed by the cranes and concessions divisions.

16. REVIEW OF GROUP PERFORMANCE (YTD Q4 2013 vs. YTD Q4 2012)

The Group reported a lower revenue of RM1.9 billion for the financial year ended 31 December 2013 as compared to RM 2.6 billion for the financial year ended 31 December 2012 mainly due to delivery of major construction projects in the previous year. Nevertheless, the Group is reporting higher profit after tax of RM114.9 million for the current year under review as compared to loss after tax of RM61 million in the previous year mainly due to full provision on remaining amount receivable from Asia Petroleum Hub project in previous year.

The crane division has generated higher revenue and profit for the financial year ended 31 December 2013 with more sales order for oil and gas cranes and improvement in productivity. The concession division has also reported higher contribution with more airport passengers arrivals in Cambodia.

17. GROUP'S CURRENT YEAR PROSPECT

a) Secured Order Book

As at 21 February 2014, the total outstanding secured order book in hand of the Group is RM1.83 billion with orders up to year 2016, comprises of RM719 million from Infrastructure Construction Division, RM1.06 billion from Cranes Division and RM47 million from Shipyard Division.

b) Current Year Prospect

With the award by Petronas for the license for "Offshore Facilities Const-Major Onshore Fabrication" in June 2013, the Group has received invitation to participate for upcoming both onshore and offshore oil and gas projects. This is expected to have a positive contribution to the Muhibbah Group for the current and future financial years.

18. PROFIT FORECAST

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

19. OPERATING PROFIT

	Current Quarter 31.12.2013 RM'000	Cumulative Qtr To date 31.12.2013 RM'000
Operating profit is arrived at after (crediting)/charging the following:		
Depreciation and amortisation	12,910	53,697
Finance costs		
-Income statement	4,184	18,860
-contract cost	5,080	20,689
	<hr/> 9,264	<hr/> 39,549
Finance costs under MFRS 139	7,276	7,278
Interest income	(1,221)	(5,756)
Interest income under MFRS 139	(1,391)	(1,427)
(Gain)/loss on derivatives/ foreign exchange	2,948	(9,138)
(Gain)/loss on disposal of property,plant and equipment	<hr/> (138)	<hr/> (580)

20. TAXATION

	Current Quarter 31.12.2013 RM'000	Cumulative Qtr To date 31.12.2013 RM'000
Corporate tax expense		
Malaysia - current	(6,131)	(13,115)
Overseas - current	(1,694)	(4,437)
	(7,825)	(17,552)
Deferred tax expense		
Malaysia - current	(721)	(1,050)
Overseas - current	(478)	(478)
	(1,199)	(1,528)
Total tax expense	(9,024)	(19,080)

The Group's effective tax rate for the current year is lower than statutory tax rate mainly due to availability and utilisation of Group tax relief provision within the Group as well as actual realisation of previous years unrecognised deferred tax assets.

21. CORPORATE PROPOSALS

There is no outstanding corporate proposal during the quarter under review.

22. GROUP BORROWINGS AND DEBT SECURITIES

	Foreign Currency		RM'000
	Currency	Amount	
a) Short term borrowings			
Secured	RM	11,592	11,592
	AUD	1,460	4,280
	Sub- total		15,872
Unsecured	RM	102,398	102,398
	USD	85	280
	SGD	145	376
	Sub- total		103,054
b) Hire purchase and finance lease	RM	15	15
	Sub- total		15
Total Short Term Borrowings			118,941
a) Long term borrowings			
Secured	RM	47,041	47,041
	Sub-total		47,041
Unsecured	RM	90,242	90,242
	Sub-total		90,242
b) Hire purchase and finance lease	RM	14	14
	Sub-total		14
Total Long Term Borrowings			137,297
Total borrowings			256,238

23. MATERIAL LITIGATION

The ongoing material litigation of the Group as at 21 February 2014 are as follow:

i. UEM Group Bhd ("UEM") v Muhibbah Engineering (M) Bhd ("Company")

At the Arbitration hearing on the claim by UEM, the Arbitrator ruled that they have no jurisdiction to rule on the claim and dismissed their request for Arbitration with cost.

ii. Muhibbah-LTAT JV v Government of Malaysia

The Arbitration proceedings commenced by Muhibbah-LTAT JV (of which the Company holds a 51% interest) against the Government of Malaysia vide the Ministry of Defence ("GOM") for claims outstanding from the Naval Base Project at Sepang Bay, Sabah is fixed for continued hearing in August 2014. Any recovery of such claims will be positive to the earnings of the company.

iii. Muhibbah Engineering (M) Bhd ("Company") v ZAQ Construction Sdn Bhd ("ZAQ")

The Company filed a suit against ZAQ for failure to make payment of the outstanding certified sums and contractual financing charges. The Company had in 2012 made full provision for the claim owing to the Company and do not foresee any further impact. In respect of the claim against ZAQ, the managing contractor for the project, ZAQ was wound up. However, the Company will continue its claim against ZAQ and any recovery of debts will be positive to the Company.

iv. Supreme Court of the State of New York

The Suits against the Company, its subsidiary Favelle Favco Berhad ("FFB") and FFB's subsidiary Favelle Favco Cranes (USA) Inc ("FFU"), commenced by persons/companies in New York vide suits instituted in the Supreme Court of the State of New York, as previously reported remain ongoing.

v. Supreme Court of the State of New York, Country of New York

The Suits against Favelle Favco Cranes (USA) Inc ("FFU"), commenced by Mr. Robert Pararella ("the Plaintiff") in the Supreme Court of the State of New York, as previously reported remain ongoing.

24. EARNINGS PER SHARE ("EPS")

a) Basic EPS

	Basic EPS		Diluted EPS	
	Current 31.12.2013	Cumulative 31.12.2013	Current 31.12.2013	Cumulative 31.12.2013
Net profit attributable to the owners of the Company (RM'000)	24,551	85,189	24,551	85,189
Weighted average number of ordinary shares in issue ('000)	419,342	411,683	419,342	411,683
Effect of dilution:				
Share options ('000)	-	-	11,172	11,172
Warrants ('000)	-	-	14,766	14,766
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	419,342	411,683	445,280	437,621
EPS (Sen)	5.85	20.69	5.51	19.47

25. REALISED AND UNREALISED PROFITS/LOSSES

	As at 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits/ (accumulated losses) of Muhibbah Engineering (M) Bhd and its subsidiaries:		
- Realised	191,202	112,489
- Unrealised	(55,387)	(51,889)
	135,815	60,600
Total retained profits/ (accumulated losses) from associated companies:		
- Realised	111,611	105,407
- Unrealised	636	(84)
	112,247	105,323
Less: Consolidation adjustments	(107,287)	(101,102)
Total Group retained profits	140,775	64,821

26. COMPARATIVE FIGURES

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

27. 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 27 February 2014.

By order of the Board of Directors
Company Secretary
Date : 28 February 2014