

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2015**

	Unaudited As at 30.6.2015 RM'000	Audited As at 31.12.2014 RM'000
<b>Assets</b>		
Property, plant and equipment	189,727	187,476
Intangible assets	1,302	1,807
Investment in associates	16,647	18,459
Deferred tax assets	13,328	13,328
Receivables	37,055	36,539
<b>Total non-current assets</b>	<u>258,059</u>	<u>257,609</u>
Receivables, deposits and prepayments	271,531	302,612
Contract work-in-progress	156,385	149,774
Inventories	209,415	201,461
Current tax assets	14,118	12,146
Cash and cash equivalents	289,343	210,774
<b>Total current assets</b>	<u>940,792</u>	<u>876,767</u>
<b>Total assets</b>	<u>1,198,851</u>	<u>1,134,376</u>
<b>Equity</b>		
Share capital	108,956	108,756
Reserves	367,289	352,079
<b>Total equity attributable to owners of the Company</b>	<u>476,245</u>	<u>460,835</u>
<b>Non-controlling interests</b>	<u>(1,038)</u>	<u>(1,106)</u>
<b>Total equity</b>	<u>475,207</u>	<u>459,729</u>
<b>Liabilities</b>		
Deferred tax liabilities	6,606	6,428
<b>Total non-current liabilities</b>	<u>6,606</u>	<u>6,428</u>
Provisions for warranties	24,915	27,022
Payables and accruals	262,105	275,996
Dividends payable	26,149	-
Amount due to contract customers	279,641	253,037
Loans and borrowings	81,452	77,417
Current tax liabilities	14,805	12,184
Derivative liabilities	27,971	22,563
<b>Total current liabilities</b>	<u>717,038</u>	<u>668,219</u>
<b>Total liabilities</b>	<u>723,644</u>	<u>674,647</u>
<b>Total equity and liabilities</b>	<u>1,198,851</u>	<u>1,134,376</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<u>2.18</u>	<u>2.11</u>

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

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015 (2ND QUARTER)****(The figures have not been audited)**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
<b>Revenue</b>	A9	207,399	248,761	399,363	404,849
Cost of sales		(163,903)	(197,884)	(313,247)	(321,663)
<b>Gross profit</b>		43,496	50,877	86,116	83,186
Other income		136	104	559	188
Distribution expenses		(2,456)	(2,359)	(4,801)	(5,113)
Administrative expenses		(12,711)	(12,567)	(22,801)	(25,286)
<b>Results from operating activities</b>		28,465	36,055	59,073	52,975
Finance income (including MFRS 139)		297	517	657	1,032
Finance costs (including MFRS 139)		(691)	(530)	(1,338)	(875)
<b>Operating profit</b>	B5	28,071	36,042	58,392	53,132
Share of profit/(loss) of associates, net of tax		(1,176)	97	(1,811)	(14)
<b>Profit before tax</b>		26,895	36,139	56,581	53,118
Tax expense	B6	(10,387)	(10,154)	(17,409)	(16,869)
<b>Profit for the period</b>		16,508	25,985	39,172	36,249
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		16,586	26,388	39,083	38,394
Non-controlling interests		(78)	(403)	89	(2,145)
<b>Profit for the period</b>		16,508	25,985	39,172	36,249
<b>Earnings per ordinary share</b>					
Basic (Sen)	B11	7.61	12.25	17.95	17.83
Diluted (Sen)	B11	7.54	12.02	17.79	17.49

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015 (2ND QUARTER)****(The figures have not been audited)****(cont'd)**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
<b>Profit for the period</b>		16,508	25,985	39,172	36,249
<b>Other comprehensive (expenses)/ income, net of tax</b>					
<b>Item that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		5,029	(1,128)	1,909	17
<b>Other comprehensive income for the period, net of tax</b>		5,029	(1,128)	1,909	17
<b>Total comprehensive income for the period</b>		21,537	24,857	41,081	36,266
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		21,408	25,260	41,013	38,454
Non-controlling interests		129	(403)	68	(2,188)
<b>Total comprehensive income for the period</b>		21,537	24,857	41,081	36,266

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

**FAVELLE FAVCO BHD (249243-W)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015 (2ND QUARTER)**

(The figures have not been audited)

	←←←←← Attributable to owners of the Company ←←←←←						→→→→→ Distributable →→→→→			
	Share Capital RM'000	Share Premium RM'000	Translation Reserves RM'000	Revaluation Reserves RM'000	Share Option Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total attributable to owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>6 months year ended 30 June 2015</b>										
<b>As at 1 January 2015</b>	108,756	40,596	(3,203)	15,191	1,457	(21)	298,059	460,835	(1,106)	459,729
Profit/(loss) for the period	-	-	-	-	-	-	39,083	39,083	89	39,172
Foreign currency translation	-	-	1,930	-	-	-	-	1,930	(21)	1,909
Total comprehensive income for the period	-	-	1,930	-	-	-	39,083	41,013	68	41,081
Contribution by and distribution to owners of the Company										
- Share options exercised	200	135	-	-	-	-	-	335	-	335
- Transfer to share premium for share options exercised	-	144	-	-	(144)	-	-	-	-	-
- Share-based payments	-	-	-	-	211	-	-	211	-	211
- Dividends to shareholders	-	-	-	-	-	-	(26,149)	(26,149)	-	(26,149)
<b>As at 30 June 2015</b>	<b>108,956</b>	<b>40,875</b>	<b>(1,273)</b>	<b>15,191</b>	<b>1,524</b>	<b>(21)</b>	<b>310,993</b>	<b>476,245</b>	<b>(1,038)</b>	<b>475,207</b>
<b>6 months year ended 30 June 2014</b>										
<b>As at 1 January 2014</b>	107,606	38,785	1,757	15,025	1,666	(21)	233,314	398,132	3,234	401,366
Profit for the period	-	-	-	-	-	-	38,394	38,394	(2,145)	36,249
Foreign currency translation	-	-	60	-	-	-	-	60	(43)	17
Total comprehensive income for the period	-	-	60	-	-	-	38,394	38,454	(2,188)	36,266
Contribution by and distribution to owners of the Company										
- Subscription of shares in a subsidiary	-	-	-	-	-	-	(659)	(659)	(1,212)	(1,871)
- Accretion of interest in a subsidiary	-	-	-	-	-	-	(564)	(564)	564	-
- Share options exercised	107	100	-	-	-	-	-	207	-	207
- Transfer to share premium for share options exercised	-	96	-	-	(96)	-	-	-	-	-
- Share-based payments	-	-	-	-	303	-	-	303	-	303
<b>As at 30 June 2014</b>	<b>107,713</b>	<b>38,981</b>	<b>1,817</b>	<b>15,025</b>	<b>1,873</b>	<b>(21)</b>	<b>270,485</b>	<b>435,873</b>	<b>398</b>	<b>436,271</b>

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015 (2ND QUARTER)****(The figures have not been audited)**

	Current Year To date 30.6.2015 RM'000	Preceding Year To date 30.6.2014 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	56,581	53,118
Adjustments for:		
Amortisation of intangible assets	525	554
Allowance for Impairment loss on receivables written back	(6,610)	(2,137)
Depreciation of property, plant and equipment	7,369	7,884
Finance costs	1,228	868
Finance costs under MFRS 139	110	7
Finance income	(534)	(997)
Finance income under MFRS 139	(123)	(35)
Gain on disposal of property, plant and equipment	(73)	5
Net unrealised (gain)/loss on foreign exchange	(4,066)	103
Property, plant and equipment written off	182	51
Provision for warranties	2,260	(1,224)
Share-based payments	211	303
Share of loss/(profit) of equity accounted associates	1,811	14
Reversal of provision for warranties	(1,135)	1,299
Operating profit/(loss) before changes in working capital changes	57,736	59,813
Changes in working capital:		
Inventories	(7,954)	(33,981)
Payables and accruals	26,878	38,969
Receivables, deposits and prepayments	34,104	(94,287)
Cash generated from operations	110,764	(29,486)
Interest received	534	997
Interest paid	(1,037)	(616)
Warranties paid	(3,277)	(3,294)
Income tax paid	(16,121)	(8,182)
<b>Net cash generated from/(used in) operating activities</b>	<b>90,863</b>	<b>(40,581)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(10,881)	(5,904)
Subscription of shares in a subsidiary	-	(1,871)
Proceeds from disposal of property, plant and equipment	1,298	19
<b>Net cash generated from/(used in) investing activities</b>	<b>(9,583)</b>	<b>(7,756)</b>

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015 (2ND QUARTER)  
(cont'd)**

	Current Year To date 30.6.2015 RM'000	Preceding Year To date 30.6.2014 RM'000
<b>Cash flows from financing activities</b>		
Interest paid	(191)	(252)
Proceeds from issue of shares under ESOS scheme	335	207
Net proceeds from/(repayment of) revolving credit	850	4,167
Net repayment of term loans	(4,012)	(4,705)
<b>Net cash generated from/(used in) financing activities</b>	<u>(3,018)</u>	<u>(583)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	78,262	(48,920)
<b>Cash and cash equivalents at 1 January</b>	208,796	145,550
<b>Currency translation differences</b>	1,867	(9,123)
<b>Cash and cash equivalents at 30 June</b>	<u>288,925</u>	<u>87,507</u>

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

	30.6.2015 RM'000	30.6.2014 RM'000
Cash and bank balances	254,540	64,114
Deposit placed with licensed banks	34,803	30,137
Cash and cash equivalents per balance sheet	289,343	94,251
Bank overdrafts	(418)	(6,744)
	<u>288,925</u>	<u>87,507</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

**FAVELLE FAVCO BHD** (249243-W)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE PERIOD ENDED 30 JUNE 2015 (2ND QUARTER)****A NOTES TO THE INTERIM FINANCIAL STATEMENTS****A1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of 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 2014.

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2014, except for the accounting policy changes that are expected to be reflected in the 2015 audited financial statements.

Details of these changes in accounting policies are set out in Note A2. 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. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2014 except for the adoption of the following MFRSs, Amendments to MFRSs and IC Interpretations ("IC Int.") issued by the MASB which are effective for annual periods beginning on or after 1 January 2015:

<u>MFRSs and IC Interpretations</u> <u>(Including the Consequential Amendments)</u>	<u>Effective date</u>
• Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
• Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
• Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group and the Company's financial statements.

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

<u>MFRSs and IC Interpretations</u> <u>(Including the Consequential Amendments)</u>	<u>Effective Date</u>
• MFRS 9 Financial Instruments (IFRS issued by IASB in July 2014)	1 January 2018
• MFRS 15 Revenue from Contracts with Customers	1 January 2017
• Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and or its Associate or Joint Venture	1 January 2016
• Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016

## A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

### A2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

<u>MFRSs and IC Interpretations</u> <u>(Including the Consequential Amendments) (Cont'd)</u>	<u>Effective Date</u>
• Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
• Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
• Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendment to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
• Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
• Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The initial application of the abovementioned standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group upon their first adoption.

### A3. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for the preceding year ended 31 December 2014 were not subject to any qualification.

### A4. EXPLANATORY COMMENT ON SEASONALITY OR CYCLICALITY

We expect to ride fairly with the current cycle.

### A5. EXCEPTIONAL/UNUSUAL ITEMS

There are no exceptional/unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

### A6. CHANGE IN ESTIMATES

There are no material changes in estimates of amounts that have material effect in the current quarter.

### A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter under review except for the following:-

#### **Employees' Share Option Scheme ("ESOS")**

- a) During the current quarter ended 30 June 2015, a total of 74,000 new ordinary shares of RM0.50 each were issued at RM0.80 each, pursuant to the exercise of ESOS granted in 2011.
- b) During the current quarter ended 30 June 2015, a total of 7,000 new ordinary shares of RM0.50 each were issued at RM1.57 each, pursuant to the exercise of ESOS granted in 2012.

### A8. DIVIDENDS PAID

There is no dividend paid for the financial quarter under review.

## A NOTES TO THE INTERIM FINANCIAL REPORT (Cont'd)

### A9. SEGMENT REVENUE

The financial information by business segment is not presented as the Group's activities are primarily in the manufacturing and supplying of cranes.

	Inside Malaysia RM'000	Outside Malaysia RM'000	Conso- lidated RM'000
<b>GEOGRAPHICAL SEGMENTS</b>			
<b>Revenue</b>	<b>233,038</b>	<b>166,325</b>	<b>399,363</b>
<b>Results from operating activities</b>			<b>59,073</b>
Finance income			657
Finance costs			(1,338)
Share of profit/(loss) of associates, net of tax			(1,811)
<b>Profit before tax</b>			<b>56,581</b>
Segment assets			1,182,204
Investments in associates			16,647
<b>Total assets</b>			<b>1,198,851</b>
<b>Segments liabilities</b>			<b>723,644</b>

### A10. 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.

### A11. MATERIAL SUBSEQUENT EVENT

There were no material subsequent event from the end of the quarter to 19 August 2015, which is likely to substantially affect the results of the operations of the Company.

### A12. CHANGES IN THE GROUP'S COMPOSITION

There were no change in the Group's composition in the current quarter under review.

### A13. CONTINGENT LIABILITIES/ASSETS AS AT 30 JUNE 2015

#### Contingent liabilities - unsecured

Corporate guarantee for credit facilities granted to subsidiary companies

**RM'000**  
149,067

In the ordinary course of business, the Group and the Company also issue bank and performance guarantees to customers who awarded contracts to the Group.

#### Contingent liabilities - litigation

Please refer to note B9.

#### Contingent assets

There were no contingent assets as at 30 June 2015.

### A14. CAPITAL COMMITMENTS

There were no material capital commitments as at 30 June 2015 and up to 19 August 2015.

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1. REVIEW OF THE GROUP PERFORMANCE (YTD Q2 2015 vs YTD Q2 2014)**

The Group operates only in one business segment. Accordingly, detailed analysis of the performance of each business segment is not presented.

For the current quarter ended 30 June 2015, the Group recorded revenue of RM399.4 million with profit before tax of RM56.6 million as compared with revenue of RM404.8 million with profit before tax of RM53.1 million in the preceding quarter ended 30 June 2014. The increase in profit before tax for the Group was mainly due to an improvement in the operation efficiency.

**B2. COMPARISON WITH PRECEDING QUARTER RESULT (2015 Q2 vs 2015 Q1)**

The Group recorded a profit before tax of RM26.9 million for the current quarter as compared to the profit before tax of RM29.7 million in the preceding quarter. The decrease in profit before tax for the Group was mainly due to the forward hedging contracts locked in USD.

**B3. GROUP'S CURRENT YEAR PROSPECT**

Despite the challenging outlook in the current market, the Group has outstanding order book of RM 866 million as at 19 August 2015 from the global oil and gas, shipyard, construction and wind turbine industries.

The Group will be taking additional measures and actions for its business undertaking moving forward in the changing environment.

**B4. PROFIT FORECAST**

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

**B5. OPERATING PROFIT**

	Current Quarter 30.6.2015 RM'000	Cumulative Qtr To-date 30.6.2015 RM'000
<b>Operating profit is arrived at after (crediting)/charging the following:</b>		
Depreciation and amortization	4,033	7,894
Foreign exchange (gain)/loss	9,285	6,267
(Gain)/loss on derivatives	(3,002)	5,389
Finance costs	636	1,228
Finance costs under MFRS 139	55	110
Interest income	(236)	(534)
Interest income under MFRS 139	(61)	(123)

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B6. TAX EXPENSE**

	Current Quarter 30.6.2015 RM'000	Cumulative Qtr To-date 30.6.2015 RM'000
<b>Current tax expense</b>		
Malaysian Tax	(8,932)	(15,819)
Overseas	(1,395)	(1,395)
	(10,327)	(17,214)
<b>Deferred taxation expense</b>		
Malaysian Tax	(60)	(195)
Overseas	-	-
	(60)	(195)
<b>Total tax expense</b>	<b>(10,387)</b>	<b>(17,409)</b>

The Group's effective tax rate for the current period is higher than the statutory tax rate mainly due to the temporary timing difference.

**B7. CORPORATE PROPOSAL**

**(being a date not earlier than seven (7) days from the date of issue of the quarterly report)**

There is no other proposal announced but pending implementation as at the date of this report:

**B8. GROUP BORROWINGS AND DEBT SECURITIES**

	Foreign currency		RM'000
	Currency	Amount	
a) Short term borrowings			
Secured			
RM		514	514
AUD		523	1,516
Sub-total			2,030
Unsecured			
RM		79,422	79,422
Sub-total			79,422
<b>Total short term borrowings</b>			<b>81,452</b>
a) Long term borrowings			
Secured			
RM		-	-
Sub-total			-
<b>Total long term borrowings</b>			<b>-</b>
<b>Total borrowings</b>			<b>81,452</b>

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B9. CHANGES IN MATERIAL LITIGATION**

There are no material litigations that have material effect to the Group as at 19 August 2015 except for the following:-

**Litigation against the Company and Favelle Favco Cranes (USA) Inc**

**Supreme Court of the State of New York**

The Suits against the Company and its 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.

**Supreme Court of the State of New York, County of New York**

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

**B10. PROPOSED DIVIDENDS**

The directors did not declare any interim dividend for the financial quarter under review.

**B11. EARNINGS PER ORDINARY SHARE ("EPS")**

a) Basic EPS

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period

	Current Quarter 30.6.2015	Cumulative Qtr To-date 30.6.2015
Net profit attributable to the shareholders of the Company (RM'000)	16,586	39,083
Weighted average number of ordinary shares in issue (based on ordinary share of RM0.50 each) ('000)	217,902	217,739
Basic EPS (Sen)	7.61	17.95

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**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Cont'd)**

**B11. EARNINGS PER ORDINARY SHARE ("EPS") (Cont'd)**

b) Diluted EPS

For the purpose of calculating diluted EPS, the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effect of all potential ordinary shares, ie share options granted to employees.

	Current Quarter 30.6.2015	Cumulative Qtr To-date 30.6.2015
Net profit attributable to the shareholders of the Company (RM'000)	16,586	39,083
Weighted average number of ordinary shares in issue (based on ordinary share of RM0.50 each) ('000)	217,902	217,739
Effect of dilution ('000)	1,985	1,985
Adjusted weighted average number of ordinary shares in issue and issuales (based on ordinary share of RM0.50 each) ('000)	219,887	219,724
Diluted EPS (Sen)	7.54	17.79

**B12. REALISED AND UNREALISED PROFIT/LOSSES**

	As at 30.6.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits / (accumulated losses) of Favelle Favco Berhad and its subsidiaries:		
- Realised	244,991	237,327
- Unrealised	41,145	(5,268)
Total share of retained profits / (accumulated losses) from associated companies:		
- Realised	(3,534)	(1,538)
- Unrealised	46	11
Less: Consolidation adjustments	282,648 28,345	230,532 67,527
Total group retained profits / (accumulated losses) as per consolidated accounts	310,993	298,059

**B13. COMPARATIVE FIGURES**

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

**B14. 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 24 August 2015.

**Date: 24 August 2015**