



For Immediate Release

28 August 2012

MULPHA RECORDED REVENUE OF RM262.43 MILLION FOR 1H2012

Mulpha recorded revenue of RM262.43 million for the six month ended 30 June 2012 compared to revenue of RM292.51 million, down by 10.1% on the same period in 2011. However, impairment losses from FKP Property Ltd, a 26.22% associate, impacted the performance for the half year. The losses are substantially due to a write down in the fair value of FKP's retirement portfolio due to a change of valuation assumptions given current market conditions. This resulted in an overall net loss of RM319.94 million for the six month period. The write down is non-cash in nature, and has no impact on MIB Group's existing operations. The underlying profit after tax of FKP remains healthy at A\$94.7 million (approximately RM306.3 million) for its full financial year ended 30 June 2012.

Managing Director and Chief Executive Officer of FKP, Mr Peter Brown said, "We believe in the intrinsic value of our business, with high-quality assets, one of the largest footprints in retirement across the country and a well-positioned development pipeline. We expect that in due course our intrinsic value will translate into strong earnings".

FKP today also announced a fully underwritten 6 for 7 accelerated non-renounceable pro-rata entitlement offer of new fully paid ordinary stapled securities to raise approximately A\$208 million (RM 672m). MIB intends to subscribe to its entitlement under the offer, which amounts to 272,439,913 New Stapled Securities at the offer price of A\$0.20 each for a total cash consideration of A\$54.49 million (equivalent to RM176.22 million based on today's exchange rate of AUD1.00 to RM3.234)

The net proceeds from this Entitlement Offer will be used to strengthen FKP's balance sheet through the reduction of debt and to provide liquidity and headroom under the covenants in FKP's debt facilities.

Despite the prevailing weakness in Australian property market, the Group is confident that our Australian operations are well positioned to benefit from an upturn of the real estate markets. The Group is committed to FKP and will continue to support our associate in this challenging market, said Mr Lee Seng Huang, Mulpha's Executive Chairman.

Mulpha International Bhd is a diversified conglomerate and a component stock of the Bursa Malaysia Composite Index since 1983 and listed on the Main Market of Bursa Malaysia Securities Berhad. Its shareholder's fund is in excess of RM 3.0 billion. The Group's focus is on property development and investment, infrastructure and civil construction with operations and investments in Malaysia, Vietnam and Australia.

Over the years, Mulpha has leveraged on its expertise abroad to become Malaysia's largest real estate investor and developer in Australia, owning world-class assets that include Sanctuary Cove and Hyatt Regency Sanctuary Cove in Queensland, InterContinental Sydney, Norwest Business Park Sydney, The Hotel School Sydney, Bimbagen Estate in New South Wales' Hunter Valley and the world-renowned and award-winning Hayman Great Barrier Reef.



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