

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement Comprehensive Income

In RM'000	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		31.3.2014 (unaudited)	31.3.2013 (unaudited)	31.3.2014 (unaudited)	31.3.2013 (unaudited)
<u>Continuing operations</u>					
Revenue		204,649	262,034	204,649	262,034
Expenses		(175,830)	(251,195)	(175,830)	(251,195)
Other operating income	14	39,283	34,911	39,283	34,911
Profit from operations		68,102	45,750	68,102	45,750
Finance costs		(38,395)	(40,768)	(38,395)	(40,768)
Share of results of associates		678	297	678	297
Share of results of joint venture		(6,477)	(197)	(6,477)	(197)
Profit before tax		23,908	5,082	23,908	5,082
Income tax expense	15	(10,539)	(1,460)	(10,539)	(1,460)
Profit from continuing operations		13,369	3,622	13,369	3,622
<u>Discontinuing operations</u>					
Profit from discontinuing operations (net of tax)		5,851	-	5,851	-
Profit for the financial period		19,220	3,622	19,220	3,622
Other comprehensive income for the financial period, net of tax:					
Item that may be reclassified subsequent to comprehensive income					
- Currency translation differences		382	230	382	230
Total comprehensive income for the financial period, net of tax		19,602	3,852	19,602	3,852

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(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement Comprehensive Income

In RM'000	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		31.3.2014 (unaudited)	31.3.2013 (unaudited)	31.3.2014 (unaudited)	31.3.2013 (unaudited)
Profit for the financial period attributable to:					
Equity holders of the Company					
- from continuing operations		6,134	5,252	6,134	5,252
- from discontinuing operations		5,851	-	5,851	-
		<u>11,985</u>	<u>5,252</u>	<u>11,985</u>	<u>5,252</u>
Non controlling interest		7,235	(1,630)	7,235	(1,630)
		<u>19,220</u>	<u>3,622</u>	<u>19,220</u>	<u>3,622</u>
Total comprehensive income for the financial period attributable to:					
Equity holders of the Company					
- from continuing operations		6,629	5,422	6,629	5,422
- from discontinuing operations		5,851	-	5,851	-
		<u>12,480</u>	<u>5,422</u>	<u>12,480</u>	<u>5,422</u>
Non controlling interest		7,122	(1,570)	7,122	(1,570)
		<u>19,602</u>	<u>3,852</u>	<u>19,602</u>	<u>3,852</u>
Earnings per share attributable to the ordinary equity holders of the Company (sen)					
Basic and diluted					
- from the continuing operations	23	0.37	0.38	0.37	0.38
- from the discontinuing operations	23	0.35	-	0.35	-
		<u>0.72</u>	<u>0.38</u>	<u>0.72</u>	<u>0.38</u>

Note: The discontinuing operations in the financial period are in relation to the proposed disposal of an investment property, see Note 16(c) for details.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Financial Position

In RM'000	As at 31.3.2014 (unaudited)	As at 31.12.2013 (audited)
ASSETS		
Non current assets		
Property, plant and equipment	37,671	37,879
Investment properties	862,114	857,481
Land held for property development	821,651	818,996
Associates	91,796	90,957
Joint venture	88,511	94,988
Long term loan and receivable	538,219	531,909
Available for sale financial assets	577	577
Intangible assets	289,781	291,100
Deferred tax assets	32,524	33,513
	<u>2,762,844</u>	<u>2,757,400</u>
Current assets		
Inventories	8,399	8,399
Properties development costs	719,637	716,443
Trade and other receivables	530,228	649,160
Amount due from joint venture	197	537
Tax recoverable	3,547	10,480
Financial assets at fair value through profit or loss	4,112	4,533
Deposits, cash and bank balances	668,260	603,435
	<u>1,934,380</u>	<u>1,992,987</u>
Assets held for sale (see Note A below)	1,854,479	1,852,337
TOTAL ASSETS	<u><u>6,551,703</u></u>	<u><u>6,602,724</u></u>

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Financial Position

In RM'000	As at 31.3.2014 (unaudited)	As at 31.12.2013 (audited)
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,651,311	1,651,311
Share premium	247,780	247,780
Accumulated losses	(263,071)	(275,056)
Other reserves	51,649	51,381
	<u>1,687,669</u>	<u>1,675,416</u>
Non controlling interest	68,667	61,318
Total equity	<u>1,756,336</u>	<u>1,736,734</u>
Non current liabilities		
Loan stock at cost	7,000	7,000
Long term borrowings	922,156	908,986
Long term liabilities	26,753	27,128
Deferred tax liabilities	94,109	95,068
	<u>1,050,018</u>	<u>1,038,182</u>
Current liabilities		
Trade and other payables	1,073,242	1,102,112
Current tax liabilities	13,562	9,639
Senior and Junior Sukuk	1,058,459	1,058,462
Short term borrowings	1,478,356	1,535,851
Guaranteed return to a non controlling interest	115,000	115,000
	<u>3,738,619</u>	<u>3,821,064</u>
Liabilities associated with assets held for sale (see Note A below)	6,730	6,744
Total liabilities	<u>4,795,367</u>	<u>4,865,990</u>
TOTAL EQUITY AND LIABILITIES	<u><u>6,551,703</u></u>	<u><u>6,602,724</u></u>
Net assets per share attributable to the equity holders of the Company (sen)	<u>102.2</u>	<u>101.5</u>

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Financial Position

In RM'000	As at 31.3.2014 (unaudited)	As at 31.12.2013 (audited)
Note A		
Non current assets held for sale		
Service concession asset	1,321,672	1,321,672
Investment properties	396,891	396,891
Deferred tax asset in relation to investment property	4,926	4,926
Long term loan and receivable	130,990	128,848
	<u>1,854,479</u>	<u>1,852,337</u>
Liabilities associated with assets held for sale		
Other payables	6,730	6,744
Net assets held for sale	<u>1,847,749</u>	<u>1,845,593</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Cash Flows

In RM'000	3months ended	
	31.3.2014	31.3.2013 (unaudited)
Operating activities		
Cash receipts from customers	347,879	356,967
Cash paid to suppliers and employees	(246,296)	(498,478)
Cash generated from/(used in) operations	101,583	(141,511)
Finance cost paid	(325)	(114)
Taxes paid	(1,199)	(10,796)
Net cash generated from/(used in) operating activities from continuing operations	100,059	(152,421)
Net cash used in operating activities from discontinuing operation	(6,766)	-
Net cash generated from/(used in) operating activities	93,293	(152,421)
Investing activities		
Acquisition of equity investments	-	(2,200)
Proceeds from divestment of equity investments	67,800	-
Dividend received	-	85
Non equity investments	(19,900)	1,153
Net cash generated from/(used in) investing activities from continuing operations	47,900	(962)
Net cash generated from investing activities from discontinuing operations	71	-
Net cash generated from/(used in) investing activities	47,971	(962)
Financing activities		
Proceeds from borrowings	86,422	88,250
Repayment of borrowings	(130,914)	(4,860)
Interest paid	(22,239)	(31,632)
Placement of restricted cash	(45,155)	(3,195)
Net cash (used in)/ generated from financing activities from continuing operations	(111,886)	48,563
Net cash used in financing activities from discontinuing operations	(9,318)	-
Net cash (used in)/generated from financing activities	(121,204)	48,563
Net increase/(decrease) in cash and cash equivalent	20,060	(104,820)
Cash and cash equivalents at beginning of the financial period	308,520	397,815
Cash and cash equivalent at end of financial period	328,580	292,995

For the purpose of the statement of cash flows, the cash and cash equivalents comprised the following:

Bank balances and deposits	668,260	542,577
Less: Bank balances and deposits held as security value	(339,680)	(249,582)
	<u>328,580</u>	<u>292,995</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Changes in Equity

In RM'000	Attributable to equity holders of the Company				Total	Non controlling interests	Total equity
	Share Capital	Share premium	Other reserves	Accumulated losses			
At 1 January 2014	1,651,311	247,780	51,381	(275,056)	1,675,416	61,318	1,736,734
Comprehensive income							
- Profit for the financial period	-	-	-	11,985	11,985	7,235	19,220
Other comprehensive income							
- Currency translation differences	-	-	268	-	268	114	382
Total comprehensive income	-	-	268	11,985	12,253	7,349	19,602
Transactions with owners	-	-	-	-	-	-	-
At 31 March 2014 (unaudited)	<u>1,651,311</u>	<u>247,780</u>	<u>51,649</u>	<u>(263,071)</u>	<u>1,687,669</u>	<u>68,667</u>	<u>1,756,336</u>
Other reserves							
In RM'000	Revaluation reserve	Other reserve	Currency translation reserves	Share option reserve	Warrants reserve	Retirement benefit reserve	Total
At 1 January 2014	28,090	1,666	445	1,877	19,574	(271)	51,381
Other comprehensive income							
- Currency translation differences	-	-	268	-	-	-	268
Total other comprehensive loss	-	-	268	-	-	-	268
Transactions with owners	-	-	-	-	-	-	-
At 31 March 2014 (unaudited)	<u>28,090</u>	<u>1,666</u>	<u>713</u>	<u>1,877</u>	<u>19,574</u>	<u>(271)</u>	<u>51,649</u>

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Condensed Consolidated Statement of Changes in Equity

In RM'000	Attributable to equity holders of the Company				Total	Non controlling interests	Total equity
	Share Capital	Share premium	Other reserves	Accumulated losses			
At 1 January 2013	1,387,811	134,475	32,269	(140,759)	1,413,796	69,134	1,482,930
Comprehensive income							
- Loss for the financial year	-	-	-	(109,132)	(109,132)	(8,819)	(117,951)
Other comprehensive income							
- Currency translation differences	-	-	(657)	-	(657)	(282)	(939)
- Actuarial loss on defined benefit obligation	-	-	(271)	-	(271)	(4)	(275)
Total comprehensive income	-	-	(928)	(109,132)	(110,060)	(9,105)	(119,165)
Transactions with owners							
Acquisition of subsidiaries	263,500	113,305	19,574	-	396,379	1,491	397,870
Employees' share option scheme							
- options granted	-	-	1,669	-	1,669	-	1,669
- options lapsed	-	-	(1,203)	1,203	-	-	-
Dividends							
- financial year ended 31 December 2012	-	-	-	(26,368)	(26,368)	-	(26,368)
- financial year ended 31 December 2013	-	-	-	-	-	(202)	(202)
Total transactions with owners	263,500	113,305	20,040	(25,165)	371,680	1,289	372,969
At 31 December 2013 (audited)	1,651,311	247,780	51,381	(275,056)	1,675,416	61,318	1,736,734

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

Other reserves

In RM'000	Revaluation <u>reserve</u>	Other <u>reserve</u>	Currency translation <u>reserves</u>	Share option <u>reserve</u>	Warrants <u>reserve</u>	Retirement benefit <u>reserve</u>	<u>Total</u>
At 1 January 2013	28,090	1,666	1,102	1,411	-	-	32,269
Other comprehensive income							
- Currency translation differences	-	-	(657)	-	-	-	(657)
- Actuarial loss on defined benefit obligation	-	-	-	-	-	(271)	(271)
Total other comprehensive loss	-	-	(657)	-	-	(271)	(928)
Transactions with owners							
Upon acquisition of subsidiaries	-	-	-	-	19,574	-	19,574
Employees' share option scheme							
- options granted	-	-	-	1,669	-	-	1,669
- options lapsed	-	-	-	(1,203)	-	-	(1,203)
Total transactions with owners	-	-	-	466	19,574	-	20,040
At 31 December 2013 (audited)	<u>28,090</u>	<u>1,666</u>	<u>445</u>	<u>1,877</u>	<u>19,574</u>	<u>(271)</u>	<u>51,381</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

1. Basis of preparation

The financial report has been prepared in accordance with FRS134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's financial statements for the financial year ended 31 December 2013.

The accounting policies and methods of computation adopted for the financial report are consistent with those adopted for the annual financial statements for the financial year ended 31 December 2013, other than for the compliance with the new/revised Financial Reporting Standards (FRS) that came into effect during the financial period under review.

The Group has applied the following new standards, amendments to standard and interpretations that came into effect during the financial period under review:

- Amendments to FRS 132 "Financial Instruments: Presentation"
- Amendments to FRS 136 "Impairment of Assets"

The above new amendments to standard do not have financial impact on the results of the Group as these changes only affect disclosures.

The Malaysian Accounting Standard Board has given the Transitioning Entities the option to continue to apply the Financial Reporting Standards framework until 31 December 2014. The Group is a Transitioning Entities due to its involvement in the development and construction of real estate. The Group shall adopt the new IFRS-compliant framework, Malaysian Financial Reporting Standard from financial year beginning 1 January 2015.

3. Audit report of the preceding annual financial statements

The audit report of the Group's preceding annual financial statements was not subject to any qualification.

4. Seasonal or cyclical fluctuations

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the current financial period.

5. Items of unusual nature, size or incidence

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows.

6. Material changes in estimates of amounts reported

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

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

7. Debt and equity securities

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial period.

8. Dividends

On 25 February 2014, the Directors recommended the payment of a first and final single tier dividend in respect of the financial year ended 31 December 2013 of 1.0% or 1.0 sen per ordinary share, totaling approximately RM16.51 million which are subject to the approval of the members of the Company at the forthcoming Annual General Meeting.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

9. Segmental reporting

	Engineering and Construction RM'000	Property development and investment RM'000	Infrastructure RM'000	Facilities management and parking RM'000	Investment holding and others RM'000	Total RM'000	Discontinued operations RM'000	Total RM'000
3 months ended 31.3.2014								
Total revenue	122,209	153,691	-	20,777	10	296,687	12,198	308,885
Inter segment revenue	(85,037)	(2,288)	-	(4,713)	-	(92,038)	(450)	(92,488)
External revenue	37,172	151,403	-	16,064	10	204,649	11,748	216,397
Segment results	5,390	35,109	(1,049)	3,821	(11,521)	31,750	10,030	41,780
Interim payment from Government						26,234	-	26,234
Finance income						10,118	111	10,229
Finance costs						(38,395)	(2,805)	(41,200)
Share of results of joint venture and associates	318	(5,817)	(300)	-	-	(5,799)	-	(5,799)
Profit before tax						23,908	7,336	31,244

Note: Effective 1st January 2014, environmental businesses/projects have been reclassified under Engineering and Construction division. Hence, the previously Infrastructure and Environmental division is now known as Infrastructure division.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

9. Segmental reporting (continued)

	Engineering and construction RM'000	Property development and investment RM'000	Infrastructure and environmental RM'000	Facilities management and parking RM'000	Investment holding and others RM'000	Total RM'000
3 months ended 31.3.2013						
Total revenue	260,995	73,634	8,362	23,105	38	366,134
Inter segment revenue	(95,224)	(2,580)	-	(6,296)	-	(104,100)
External revenue	165,771	71,054	8,362	16,809	38	262,034
Segment results	6,496	15,381	(537)	2,717	(8,765)	15,292
Interim payment from Government						24,990
Finance income						5,468
Finance costs						(40,768)
Share of results of joint venture and associates	2,032	(661)	(1,271)	-	-	100
Profit before tax						5,082

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without any material amendments from the previous financial statements.

11. Material events subsequent to the financial period

There were no material events subsequent to the end of the financial period.

12. Changes in the composition of the Group

There are no changes in the composition of the Group as at to-date.

13. Contingent liabilities or contingent assets

The Group's contingent liabilities, which comprises trade and performance guarantees, amounted to RM184.1 million as at 31 March 2014 (as compared to RM226.9 million as at 31 December 2013). There are no material contingent assets to be disclosed.

14. Other operating income

Other operating income was mainly due to the Government's interim payment commencing 1 May 2012 to reimburse the operating and maintenance expenses inclusive of finance costs in relation to the Eastern Dispersal Link Highway (EDL) project during the intervening period until final agreement is reached for the Government of Malaysia to take over the expressway.

There was no other item of unusual nature in the other operating income in the current financial period.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

15. Income tax expenses

In RM'000	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.3.2014	31.3.2013	31.3.2014	31.3.2013
In Malaysia				
Taxation				
- current year	(11,355)	(2,949)	(11,355)	(2,949)
- under /(over) provision in prior years	762	961	762	961
Deferred tax	54	528	54	528
	<u>(10,539)</u>	<u>(1,460)</u>	<u>(10,539)</u>	<u>(1,460)</u>

Taxation is provided mainly due to non availability of group relief for losses of certain subsidiaries to be utilized to set off against the taxable profits of other entities and also due to certain expenses being non tax deductible.

The deferred tax was mainly due to the net impact from reversal of deferred tax liabilities and some non deductible temporary differences as well as recognition of unabsorbed tax losses as deferred tax asset.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

16. Corporate Proposal

Corporate proposal announced that are yet to be completed at the date of this report are as follows:-

- (a) The proposed acquisition of 70% equity interest of P.J Sentral Development Sdn Bhd.
- (b) The Company had on 29 January 2013 entered into a Sale Agreement with Ekovest Berhad ("Ekovest") and its subsidiaries for the disposal of the following:-
 - (i) 1,500,000 ordinary shares of RM1.00 each in Nuzen Corporation Sdn Bhd ("Nuzen") and 13,500,000 redeemable preference shares of RM1.00 each in Nuzen representing the Company's entire 30% equity interest in Nuzen to Wira Kristal Sdn Bhd, a wholly owned subsidiary of Ekovest;
 - (ii) 585 Series A redeemable preference shares of RM1.00 each in Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("Kesturi") to Ekovest Construction Sdn Bhd, a wholly subsidiary of Ekovest; and
 - (iii) RM54.0 million nominal value redeemable secured junior bonds in Kesturi to Ekovest.

for a total cash consideration of RM228.0 million.

- (c) The Company's wholly owned subsidiary, MRCB Sentral Properties Sdn Bhd had on 10 April 2014 entered into a conditional sale and purchase agreement ("SPA") with Maybank Trustees Berhad, acting as trustee for Quill Capita Trust, a real estate investment trust ("REIT") ("QCT"), for the disposal of the Group's investment property known as Platinum Sentral for a total consideration of RM750 million, of which RM486 million will be satisfied in cash and RM264 million will be satisfied via the proposal issuance of 206.25 million units in QCT ("Unit") at an issue price of RM1.28 per Unit.

Simultaneous with the execution of the SPA, the Company entered into Share Sale Agreement with CapitaLand RECM Pte Ltd ("CRPL") and Coast Capital Sdn Bhd ("CCSB") to acquire 40% equity interest and 1% equity interest in Quill Capita Management Sdn Bhd ("QCM") (being the management company of QCT) respectively, for a total cash consideration of RM5,882,835.80.

CRPL and CCSB are the existing shareholders of QCM, holding 40% and 30% equity interest in QCM respectively.

- (d) The Company had on 14 April 2014 entered into a Sale and Purchase Agreement with Bisraya Acres Sdn Bhd ("Bisraya Acres"), a wholly owned subsidiary of Gapurna Sdn Bhd, to acquire 3 parcels of land measuring 617,452 square feet in total located in Bukit Rahman Putra, Sungai Buloh from Bisraya Acres for a total cash consideration of RM83.0 million.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

17. Group borrowings

The tenure of the Group borrowings classified as short and long terms are as follows:

	As at 31.3.2014 RM'000	As at 31.12.2013 RM'000
Secured		
Short term	2,471,815	2,474,313
Long term	922,156	908,986
Unsecured		
Short term	<u>65,000</u>	<u>120,000</u>
Total	<u>3,458,971</u>	<u>3,503,299</u>

The increase in the Group borrowings was mainly due to the Group's drawdown on project loans and utilization of working capital facilities.

The Group's secured short term loans mainly consist of:-

- (a) The Senior and Junior Sukuk and the related syndicated term loan amounting to RM1.275 billion which were obtained for the purpose of financing the construction of the EDL that has been classified as asset held for sale since the last financial year;
- (b) Kuala Lumpur Sentral Lot B Q Sentral office, Lot D The Sentral Residences and the Lot G office towers project loans totaling RM758 million; and
- (c) RM380 million Guaranteed Islamic Medium Term Notes for Platinum Sentral which has been reclassified from long term loan to short term loan in line with the classification of Platinum Sentral as asset held for sale as a result of the proposed disposal as stated in Note 16(c).

The Group borrowings are all denominated in Ringgit Malaysia.

18. Material litigation

The Group is engaged in various litigations arising from its business transactions and the Board of Directors has been advised that reasonable defence exist on these claims and sufficient provision have been made by the Group. On this basis, the Board of Directors is of the opinion that the said litigations would not have any material effect on the financial position for the business of the Group.

On the other hand, the Group has also filed some claims, some of them are counter claims amounting to approximately RM20.4 million arising from its business transactions.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

19. Review of performance

The Group recorded revenue and profit before taxation of RM204.6 million and RM23.9 million for the current 1st quarter ended 31 March 2014 as compared to RM262.0 million and RM5.1 million respectively recorded in the preceding corresponding quarter ended 31 March 2013.

The lower revenue recorded for the current quarter was mainly due to lower revenue contribution by the engineering and construction division and also the reclassification of rental revenue of Platinum Sentral to discontinuing operations.

However, the property development division has recorded a notable improvement in revenue and significantly higher profit before taxation of RM151.4 million and RM35.1 million respectively in this current quarter as compared to RM71.0 million in revenue and RM15.4 million in profit before taxation recorded in the preceding corresponding quarter ended 31 March 2013. This is mainly attributable to the on-going property development projects of Lot B (Q Sentral office) and Lot D (The Sentral Residence) where construction works are in full force.

20. Variation of results against immediate preceding quarter

The Group recorded revenue and profit before taxation of RM204.6 million and RM23.9 million for the current quarter ended 31 March 2014 as compared to revenue of RM369.0 million and profit before taxation of RM19.3 million recorded in the preceding immediate quarter ended 31 December 2013.

The higher profit before taxation of RM23.9 million recorded for the current quarter as compared to the immediate preceding quarter was mainly derived from the property development division which generates higher profit margin.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

21. Prospects

With the Malaysian economy positively growing by 6.2% and the Group's continuing transformation and land acquisition plans, the Board is optimistic that the Group is on track on its focus of achieving its objective of being a major property player and is upbeat about the prospect of improving its results moving forward.

22. Variance on forecast profit/profit guarantee

Not applicable.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

23. Earnings per share (EPS)

Basic EPS

The basic EPS is calculated by dividing the net profit for the current financial period by the weighted average number of shares issued during the current financial period.

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	3 months ended	3 months ended
	31.3.2014	31.3.2013	31.3.2014	31.3.2013
Net profit for the financial period attributable to the owners of the parent (RM'000)				
- from continuing operations	6,134	5,252	6,134	5,252
- from discontinuing operations	5,851	-	5,851	-
Weighted average number of Ordinary shares in issue ('000)	1,651,311	1,387,811	1,651,311	1,387,811
Basic Earnings Per Share (sen)				
- from continuing operations	0.37	0.38	0.37	0.38
- from discontinuing operations	0.35	-	0.35	-

Diluted Earnings Per Share

There is no significant effect for the diluted earnings per share arising from the outstanding share options and warrants because the market value of the issued share ordinary shares as at 31 March 2014 was lower than the exercise prices of most of the share options ("ESOS") and warrants.

MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2014

Notes to the Interim Report

24. Breakdown of realised and unrealised profits or losses

The breakdown of the accumulated losses of the Group as at 31 March 2014, into realised and unrealised, pursuant to a directive issued by Bursa Malaysia Securities Berhad are as follows;

	Accumulated quarter ended 31.3.2014 (RM'000)	Accumulated quarter ended 31.12.2013(audited) (RM'000)
Total accumulated profit or losses:		
- Realised	47,845	31,201
- Unrealised	(60,012)	(69,561)
Total share of accumulated profit from associates:		
- Realised	18,311	17,632
Total share of accumulated losses from joint venture:		
- Realised	(13,489)	(7,012)
Add: Consolidation adjustments	(255,726)	(247,316)
Total Group accumulated losses	(263,071)	(275,056)

The analysis of realised and unrealised accumulated losses is compiled based on Guidance on Special Matter No.1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Listing Requirements as issued by the Malaysian Institute of Accountants.

The disclosure above is solely for compliance with the directive issued by Bursa Malaysia Securities Berhad and should not be used for any other purpose.

By Order of the Board

Mohd Noor Rahim Yahaya
Company Secretary

Kuala Lumpur
19 May 2014