

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As at 31.3.2014 RM'000	As at 31.12.2013 RM'000
Assets:			
Non-current			
Property and equipment		9,192	9,280
Investment properties		358,983	358,951
Investments in an associated company		2,099,224	2,060,706
Intangible assets		1,026	1,048
Available-for-sale securities		165	165
Deferred tax assets		1,029	1,776
Securities at fair value through profit or loss		12,754	12,406
Capital financing		9,668	10,431
		2,492,041	2,454,763
Current			
Capital financing		341,557	400,862
Trade receivables		200	41
Other assets		2,025	449
Tax recoverable		9,097	9,537
Securities at fair value through profit or loss		48,644	56,655
Cash and bank balances		1,896	2,015
		403,419	469,559
Total Assets		2,895,460	2,924,322
Liabilities:			
Non-current			
Deferred tax liabilities		11,736	11,829
Current			
Deferred income		1,078	2,004
Trade payables		746	459
Tax payable		85	164
Borrowings	B8	240,567	290,219
Other liabilities		13,270	24,039
		255,746	316,885
Total Liabilities		267,482	328,714
Net Assets		2,627,978	2,595,608
Equity:			
Share capital		969,058	969,058
Treasury shares, at cost	A5	(10,541)	(787)
		958,517	968,271
Reserves		1,669,461	1,627,337
Total Equity / Equity attributable to Owners of the Company		2,627,978	2,595,608
Net Assets per share attributable to Owners of the Company (RM)		2.73	2.68

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2013)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

	Current quarter ended 31.3.2014 RM'000	Comparative quarter ended 31.3.2013 RM'000	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Revenue	15,116	13,438	15,116	13,438
Direct costs	(3,724)	(2,845)	(3,724)	(2,845)
Gross profit	11,392	10,593	11,392	10,593
Other income	1,094	8,295	1,094	8,295
Administrative expenses	(3,445)	(2,733)	(3,445)	(2,733)
Other items of expense	(1,980)	(750)	(1,980)	(750)
	7,061	15,405	7,061	15,405
Finance costs	(537)	(536)	(537)	(536)
	6,524	14,869	6,524	14,869
Share of profit of an associated company	38,336	29,299	38,336	29,299
Profit Before Tax	44,860	44,168	44,860	44,168
Income tax	(3,179)	(3,681)	(3,179)	(3,681)
Profit After Tax / Profit attributable to Owners of the Company	41,681	40,487	41,681	40,487
 Earnings Per Share attributable to Owners of the Company (sen):				
Basic / Diluted	4.31	4.18	4.31	4.18

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2013)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME**

	Current quarter ended 31.3.2014 RM'000	Comparative quarter ended 31.3.2013 RM'000	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Profit After Tax / Profit attributable to Owners of the Company	41,681	40,487	41,681	40,487
Other Comprehensive Income for the period, net of tax				
<u>Items will be reclassified subsequently to profit or loss:</u>				
Share of other comprehensive income in an associated company	443	4,516	443	4,516
Total Comprehensive Income attributable to Owners of the Company	42,124	45,003	42,124	45,003

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2013)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Owners of the Company					Total
	Share capital	Distributable Treasury shares (Note A5)	Revaluation reserve	Other reserve	Distributable Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 1.1.2014	969,058	(787)	76,321	(2,421)	1,553,437	2,595,608
Total Comprehensive Income	-	-	-	443	41,681	42,124
Share buybacks	-	(9,754)	-	-	-	(9,754)
Total transactions with Owners	-	(9,754)	-	-	-	(9,754)
As at 31.3.2014	969,058	(10,541)	76,321	(1,978)	1,595,118	2,627,978
As at 1.1.2013	969,058	(784)	80,337	555	1,395,951	2,445,117
Total Comprehensive Income	-	-	-	4,516	40,487	45,003
As at 31.3.2013	969,058	(784)	80,337	5,071	1,436,438	2,490,120

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2013)

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Cash Flows From Operating Activities		
Profit before tax	44,860	44,168
Adjustments for:		
Non-cash and non-operating items	(3,755)	(12,689)
Share of profit of an associated company	(38,336)	(29,299)
Operating profit before working capital changes	2,769	2,180
<i>(Increase)/Decrease in operating assets:</i>		
Capital financing	60,668	(74,346)
Trade and other receivables	(1,735)	(454)
<i>Increase/(Decrease) in operating liabilities:</i>		
Deferred income	(926)	758
Other operating liabilities	262	294
Trade and other payables	(12,202)	(727)
Cash generated from/(used in) operations	48,836	(72,295)
Interest received	7,668	7,552
Interest paid	(2,308)	(1,575)
Income tax paid net of refund	(2,164)	(2,335)
Net cash generated from/(used in) operating activities	52,032	(68,653)
Cash Flows From Investing Activities		
Expenditure on investment properties	(32)	-
Payment for trademarks	(6)	(14)
Proceeds from disposals of securities at fair value through profit or loss	7,874	-
Purchase of property and equipment	(69)	(1,008)
Purchase of software licenses	(7)	(74)
Net cash generated from/(used in) investing activities	7,760	(1,096)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)**

	Note	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Cash Flows From Financing Activities			
(Repayment)/Drawdown of revolving credits		(49,620)	71,995
Interest paid		(537)	(536)
Payments for share buybacks	A5	(9,754)	-
Net cash (used in)/generated from financing activities		(59,911)	71,459
Net (decrease)/increase in cash and cash equivalents		(119)	1,710
Cash and Cash Equivalents at beginning of period		2,015	775
Cash and Cash Equivalents at end of period		1,896	2,485

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2013)

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") issued by the Malaysian Accounting Standards Board ("MASB")**A1. Basis of preparation**

The unaudited interim financial statements ("the quarterly report") have been prepared in accordance with the MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad. This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013 and the accompanying explanatory notes, which 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 2013. This quarterly report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2013, except for the adoption of the following amendments to published standards and interpretation to existing standard, which are effective for annual periods commencing 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 - Consolidated and Separate Financial Statements (Investment Entities)

Amendments to MFRS 132 - Financial Instruments: Presentation (Offsetting Financial Assets and Financial Liabilities)

Amendments to MFRS 139 - Financial Instruments: Recognition and Measurement (Novation of Derivatives and Continuation of Hedge Accounting)

IC Interpretation 21 - Levies

- (i) Amendments to MFRS 10, MFRS 12 and MFRS 127 introduce an exception to the principle of consolidation of subsidiaries for investment entities. Investment entities are entities whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the performance of its investments on fair value basis. The amendments require investment entities to measure particular subsidiaries at fair value in accordance with MFRS 139: Financial Instruments: Recognition and Measurement instead of consolidating them.
- (ii) Amendment to MFRS 132 - Financial Instruments: Presentation clarifies the meaning of 'currently has a legally enforceable right of set-off' that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business; the event of default; and the event of insolvency or bankruptcy. It also clarifies that certain gross settlement mechanisms with equivalent characteristics to net settlement will satisfy the criterion under MFRS 132.
- (iii) Amendment to MFRS 139 - Financial Instruments: Recognition and Measurement introduce novation of derivatives and continuation of hedge accounting.

A1. Basis of preparation (Cont'd)

- (iv) IC Interpretation 21 - Levies sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation clarifies that a liability to pay a levy is recognised when the obligating event occurs. Obligating event is the event identified by the legislation that triggers the payment of the levy.

The amendment to MFRS 139 is not applicable as the Group do not apply hedge accounting. The adoption of the above amendments to published standards and interpretation to existing standard do not give rise to any material financial impact to the Group.

The following amendments to published standards are applicable to the Group but not yet effective:

(a) Effective for annual periods commencing on or after 1 July 2014

- (i) Amendments to MFRS 119 - Defined Benefit Plans: Employee Contributions make available a guidance in accounting for contributions from employees or third parties to defined benefit plans.
- (ii) Amendments to "Annual Improvements to MFRSs 2010-2012 Cycle" consist of amendments to:

MFRS 2 - Share-based Payment

The amendment clarifies definition of 'vesting conditions' and 'market conditions' and introduces definition of 'performance condition' and 'service condition' to ensure consistency. A vesting condition is either a service condition or performance condition.

MFRS 3 - Business Combinations

The amendment requires the acquirer to classify an obligation to pay contingent consideration that meets the definition of a financial instrument as a financial liability or as equity on the basis of the definitions of an equity instrument and a financial liability as required under MFRS 132: Financial Instruments: Presentation. Other contingent consideration that is within the scope of MFRS 9: Financial Instruments shall be measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss in accordance with MFRS 9, the amendment removes options to recognise any resulting gain or loss either in profit or loss or in other comprehensive income.

MFRS 8 - Operating Segments

The amendment requires the disclosure of judgements made by management in applying the aggregation criteria in operating segments, including a brief description of the operating segments that have been aggregated in such manner and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics. A reconciliation of the total of the reportable segments' assets to the entity's assets is required if that amount is regularly provided to the chief operating decision maker.

MFRS 13 - Fair Value Measurement

The amendment clarifies that there is no change to the measurement requirements for short-term receivables and payables with no stated interest rate at invoice amounts without discounting when the effect of discounting is immaterial.

A1. Basis of preparation (Cont'd)

(a) Effective for annual periods commencing on or after 1 July 2014 (Cont'd)

- (ii) Amendments to "Annual Improvements to MFRSs 2010-2012 Cycle" consist of amendments to:
(Cont'd)

MFRS 116 - Property, Plant and Equipment

The amendment clarifies the accounting treatment when an asset is revalued. At the date of the revaluation, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. The gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated amortisation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or is eliminated against the gross carrying amount of the asset. The amount of the adjustment of accumulated depreciation or amortisation forms part of the increase or decrease in the carrying amount.

MFRS 124 - Related Party Disclosures

The amendment lengthens the definition of 'related party' to cover an entity, or any member of a group of which it is a party, that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

MFRS 138 - Intangible Assets

The amendment clarifies the accounting for the accumulated depreciation or amortisation when an asset is revalued, similar to MFRS 116: Property, Plant and Equipment above.

- (iii) Amendments to "Annual Improvements to MFRSs 2011-2013 Cycle" consist of amendments to:

MFRS 1 - First-time Adoption of Malaysian Financial Reporting Standards

The amendment requires an entity to use the MFRSs that are effective at the end of its first MFRS reporting period and clarifies that a first-time adopter allows to apply new MFRS that is not yet effective if that MFRS permits early application. It only explains the advantages of applying a more recent version of a MFRS.

MFRS 3 - Business Combinations

The amendment clarifies that MFRS 3 does not apply to the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

A1. Basis of preparation (Cont'd)

(a) Effective for annual periods commencing on or after 1 July 2014 (Cont'd)

- (iii) Amendments to "Annual Improvements to MFRSs 2011-2013 Cycle" consist of amendments to:
(Cont'd)

MFRS 13 - Fair Value Measurement

The amendment clarifies the application of exception under MFRS applies only to financial assets, and financial liabilities and other contracts within the scope of MFRS 139: Financial Instruments: Recognition and Measurement or MFRS 9: Financial Instruments, regardless of whether they meet the definitions of financial assets or financial liabilities in MFRS 132: Financial Instruments: Presentation.

MFRS 140 - Investment Property

The amendment requires a judgement to determine whether the acquisition of investment property is the acquisition of an asset or a group of assets or a business combination within the scope of MFRS 3: Business Combinations. Determining whether a specific transaction meets the definition of a business combination as defined in MFRS 3 and includes an investment property as defined in MFRS 140 requires the separate application of both Standard.

The adoption of the amendments to MFRS 119 will not have any financial impact to the Group as the defined benefit plan of the Group does not require employees or third parties to contribute to the plan. The adoption of amendments to "Annual Improvements to MFRSs Cycles" are not expected to have a material impact on the financial results of the Group as the amendments focus on clarification of the definition under respective standards and requirement on additional disclosures.

(b) Effective date yet to be determined

MFRS 9 - Financial Instruments

MFRS 9 will eventually replace MFRS 139: Financial Instruments: Recognition and Measurement with significant changes. The financial effects of the adoption are still being reviewed due to its complexity.

A2. Seasonal or cyclical factors

There were no significant seasonal or cyclical factors that will materially affect the business operations of the Group for the period under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014**A3. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the financial statements for the current year to date.

A4. Changes in estimates

There were no other significant changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current year to date.

A5. Changes in debt and equity securities**Share buybacks / Treasury shares of the Company**

During the current year to date, the Company has purchased 5,996,100 ordinary shares for a total cash consideration of RM9,753,937 from the open market at an average cost of RM1.63 per share. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965. Summary of share buybacks is as follows:

	Number of shares	Highest price RM	Lowest price RM	Average cost (included transaction costs) RM	Total amount paid RM
As at 1.1.2014	637,153	2.82	0.90	1.24	787,484
February	1,397,900	1.62	1.61	1.62	2,270,448
March	4,598,200	1.67	1.60	1.63	7,483,489
	5,996,100	1.67	1.60	1.63	9,753,937
As at 31.3.2014	6,633,253	2.82	0.90	1.59	10,541,421

Other than the above, there were no issuances, repurchases and repayments of debt and equity securities of the Company for the current year to date.

A6. Dividends paid

There were no dividend paid during the current year to date.

A7. Segmental information

The Group operates domestically in Malaysia only, hence no geographical segmental information presented. Below is the business segment analysis:

RM'000	Investment Holding	Capital Financing	Property Investment	Inter-segments Eliminations	Total
Current year to date ended 31.3.2014					
Revenue					
External customers	-	10,852	4,264	-	15,116
Inter-segment	1,385	-	373	(1,758)	-
Total	1,385	10,852	4,637	(1,758)	15,116
Results					
Segment (loss)/profit	(2,435)	6,010	3,211	(262)	6,524
Share of profits of an associate	38,074	-	-	262	38,336
Profit before tax	35,639	6,010	3,211	-	44,860
Income tax					(3,179)
Profit after tax for the period					41,681
Preceding year to date ended 31.3.2013					
Revenue					
External parties	-	9,298	4,140	-	13,438
Inter-segment	1,971	-	301	(2,272)	-
Total	1,971	9,298	4,441	(2,272)	13,438
Results					
Segment profit	9,257	3,544	2,335	(267)	14,869
Share of profits of an associate	29,032	-	-	267	29,299
Profit before tax	38,289	3,544	2,335	-	44,168
Income tax					(3,681)
Profit after tax for the period					40,487

For measure of business segment profit or loss, the Group is organised into three major business segments based on products and services, which are regularly provided to and reviewed by the chief operating decision makers:

- (i) Investment Holding - Investing activities and other insignificant business segment, where investments contribute dividend income and interest income.
- (ii) Capital Financing - Capital financing activities, generating interest, fee and related income.
- (iii) Property Investment - Management and letting of properties, making rental yield and appreciation of properties.

Business segment revenue and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The inter-segment transactions have been entered into in the ordinary course of business at terms mutually agreed between the segments concerned and are not more favourable than those arranged with independent third parties and have been eliminated to arrive at the Group's results.

A7. Segmental information (Cont'd)

Total assets for each segment have no material change from the amount disclosed in the annual financial statements for the year ended 31 December 2013.

There were no differences in the basis of segmentation or in the basis of measurement of segment profit or loss since the annual financial statements for the year ended 31 December 2013 .

A8. Changes in the composition of the Group

There were no changes in the composition of the Group during the current year to date.

A9. Events after the end of the quarter

There were no events announced after the end of the quarter.

A10. Fair value measurement

Determination of fair value

The carrying amounts of trade and other receivables/payables, cash and cash equivalents, capital financing and short term borrowings are approximated fair values due to the relatively short term maturity in nature of these financial instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 inputs: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 inputs: other techniques for which all inputs which have a significant effect on the recorded fair values are observable for the assets or liabilities, either directly or indirectly.
- Level 3 inputs: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data for the assets or liabilities.

A10. Fair value measurement (Cont'd)

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
As at 31.3.2014				
Recurring fair value measurement:				
Financial assets				
Available-for-sale financial asset	-	-	165	165
Financial assets at fair value through profit or loss	61,398	-	-	61,398
Total	61,398	-	165	61,563

As at 31.12.2013**Recurring fair value measurement:**

Financial assets				
Available-for-sale financial asset	-	-	165	165
Financial assets at fair value through profit or loss	69,061	-	-	69,061
Total	69,061	-	165	69,226

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. There were no transfers between Level 1 and 2 during the year.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014

PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

B1. Performance analysis of the Group for the current quarter and year to date

The Group's financial results are analysed as below:-

	Current quarter ended 31.3.2014 RM'000	Comparative quarter ended 31.3.2013 RM'000	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Revenue	15,116	13,438	15,116	13,438
Profit after tax from the businesses	3,345	11,188	3,345	11,188
Share of profit of an associated company	38,336	29,299	38,336	29,299
Profit After Tax / Profit attributable to Owners of the Company	41,681	40,487	41,681	40,487

Overall performance

The Group's profit after tax / profit attributable to Owners of the Company for first quarter ended 31 March 2014 ("1Q14") of RM41.68 million was RM1.19 million or 3% higher than the comparative quarter ended 31 March 2013 ("1Q13") of RM40.49 million. The earnings per share for 1Q14 increased by 0.13 sen or 3% to 4.31 sen compared with 4.18 sen in 1Q13.

The improvement in profit was mainly due to higher share of profit of an associated company, RHB Capital Berhad ("RHBC") group, up by RM9.04 million (31%) to RM38.34 million; coupled with profits contribution from the Group's businesses of RM3.34 million (1Q13: RM11.19 million) which included a marked-to-market loss of RM0.57 million (1Q13: a marked-to-market gain of RM8.24 million). The Group's business profit has improved on the back of higher operating revenue of RM1.68 million or 12% to RM15.12 million compared with RM13.44 million in 1Q13. The revenue growth mainly derived from fee and interest income from capital financing business and rental yield from the investment properties.

The equity attributable to Owners of the Company as at 31 March 2014 strengthened by RM32.37 million to RM2.63 billion from RM2.60 billion at the end of 2013, resulting in net assets per share to improve by RM0.05 to RM2.73 at end of 31 March 2014 compared with RM2.68 at end of 2013.

B1. Performance analysis of the Group for the current quarter and year to date (Cont'd)
Performance analysis of the respective business segments

<u>Business Segments</u>	Current quarter ended 31.3.2014 RM'000	Comparative quarter ended 31.3.2013 RM'000	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
Investment holding	35,639	38,289	35,639	38,289
Capital financing	6,010	3,544	6,010	3,544
Property investment	3,211	2,335	3,211	2,335
Profit before tax	44,860	44,168	44,860	44,168

The **Investment Holding** segment remained as the Group's top profit contributor in 1Q14 with pre-tax profit of RM35.64 million versus RM38.29 million posted in 1Q13. Share of profit of RHBC improved by RM9.04 million, offset against loss on disposal of investment securities of RM0.94 million and marked-to-market loss of RM0.57 million on investment securities (1Q13: marked-to-market gain of RM8.24 million).

The **Capital Financing** segment continued to achieve profitable results with pre-tax profit of RM6.01 million in 1Q14, up RM2.47 million or 70% from RM3.54 million in 1Q13. The earnings growth was mainly due to increase in net fee income by RM1.24 million to RM2.85 million (1Q13: RM1.61 million) and; write back of impairment losses of RM0.60 million compared with allowance for impairment losses of RM0.75 million in 1Q13.

The **Property Investment** segment contributed higher pre-tax profit by RM0.87 million or 37% to RM3.21 million from RM2.34 million in 1Q13 on the back of higher rental yield.

B2. Commentary on pre-tax profit for current quarter ("1Q14") compared with immediate preceding quarter ("4Q13")

The Group recorded pre-tax profit of RM44.86 million in 1Q14 (4Q13: RM68.71 million) which was derived from the share of profit of RHBC group of RM38.34 million (4Q13: RM46.14 million) and the Group's businesses pre-tax profit from business operations of RM6.52 million (4Q13: RM22.57 million). The 4Q13 pre-tax profit comprised higher share of profit of RHBC group by RM7.80 million and; non-recurring profits totaling to RM16.08 million, including write backs of provision and allowances of RM9.37 million, appreciation of investment assets of RM5.70 million and bad debts recovered of RM1.01 million.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014**B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast****(a) Current year prospects**

(Commentary on the rest of the year)

With the improvement on business conditions and consumer sentiment in 1Q14, domestic demand continues to be the key driver of growth. Improving external demand and private investment will support economic growth.

The Group's Investment Holding segment will continue to benefit from the share of profit from its investment in RHBC group. Property Investment and Capital Financing segments are expected to generate positive returns to the Group with steady rental yield and profitable earnings respectively.

The Group continues to seek and evaluate business and investment opportunities to enhance its performance. The Board is confident that the Group will achieve satisfactory results for the rest of 2014.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast announced by the Company.

B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There were no revenue or profit forecast announced by the Company.

B5. Profit forecast/profit guarantee previously announced

There were no profit forecast or profit guarantee issued by the Company.

B6. Income tax expense

	Current quarter ended 31.3.2014 RM'000	Current year to date ended 31.3.2014 RM'000
In respect of current period:		
Income tax	(1,037)	(1,037)
Deferred taxation	(622)	(622)
Over provision in respect of prior year income tax	(1,520)	(1,520)
Income tax expense	<u>(3,179)</u>	<u>(3,179)</u>

Excluding share of profit of an associate company, the effective tax rate for the current year to date is marginally higher than the statutory tax rate of 25% mainly due to non-deductibility of certain expenses.

B7. Status of corporate proposals and utilisation of proceeds**(a) Status of corporate proposals announced but not completed as at 26 May 2014 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)**

There were no corporate proposals announced.

(b) The status of utilisation of proceeds raised from any corporate proposal by the Company

There were no proceeds raised from any corporate proposal by the Company.

B8. Borrowings and debt securities as at the end of the reporting period

The Group do not issued any debt securities and the Group's borrowings denominated in Ringgit Malaysia (RM) at the end of the current year to date are as follows:-

	RM'000
Short term borrowings - Unsecured	
Revolving credits	<u>240,567</u>

B9. Changes in material litigation

As at 26 May 2014 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), the Group was not engaged in any material litigation either as plaintiff or defendant and the Directors are not aware of any proceedings pending or threatened against the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business operations of the Group.

B10. Dividends

No dividend has been declared or paid for the current year to date ended 31 March 2014 (1Q13: Nil).

B11. Earnings Per Share ("EPS") attributable to Owners of the Company

	Current quarter ended 31.3.2014	Comparative quarter ended 31.3.2013	Current year to date ended 31.3.2014	Preceding year to date ended 31.3.2013
Profit attributable to Owners of the Company (RM'000):	<u>41,681</u>	40,487	<u>41,681</u>	40,487
Weighted average number of ordinary shares in issue ('000 shares)	<u>966,833</u>	968,423	<u>966,833</u>	968,423
Basic / Dilutive EPS (sen)	<u>4.31</u>	4.18	<u>4.31</u>	4.18

There are no dilutive potential ordinary shares outstanding as at the reporting dates.

B12. Auditors' report of preceding annual financial statements

The auditors' report of the Group's preceding year's financial statements was not qualified.

B13. Items included in the Statements of Profit or Loss and Statements of Other Comprehensive Income

	Current quarter ended 31.3.2014 RM'000	Comparative quarter ended 31.3.2013 RM'000	Current year to date ended 31.3.2014 RM'000	Preceding year to date ended 31.3.2013 RM'000
(a) Profit before taxation is arrived at after (charging)/crediting:				
(i) Revenue				
- Interest income	7,668	7,552	7,668	7,552
- Rental income	4,264	4,140	4,264	4,140
(ii) Direct cost				
- Interest expense	(2,276)	(1,643)	(2,276)	(1,643)
(iii) Other income				
- Realised gain from foreign exchange translations of securities	472	-	472	-
- Unrealised gain from foreign exchange translations of securities	-	148	-	148
- Unrealised gain on revaluation of securities at fair value through profit or loss	-	8,095	-	8,095
- Write back of impairment losses on capital financing:				
- Collective assessment	48	-	48	-
- Individual assessment	552	3	552	3
(iv) Administrative expenses				
- Depreciation and amortisation	(193)	(183)	(193)	(183)
(v) Other items of expense				
- Loss arising from sale of securities	(1,409)	-	(1,409)	-
- Unrealised loss from foreign exchange translations	(449)	-	(449)	-
- Unrealised loss on revaluation of securities at fair value through profit or loss	(122)	-	(122)	-
- Allowance for impairment losses on capital financing:				
- Collective assessment	-	(750)	-	(750)
(vi) Finance costs				
- Interest expense	(537)	(536)	(537)	(536)
(b) Allowance for and write off of inventories and exceptional items are not applicable to the Group.				
(c) Items for other comprehensive income are disclosed in the Statement of Comprehensive Income.				

B14. Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the reporting date, into realised and unrealised profits or losses. On 20 December 2010, Bursa Malaysia further issued a guidance on the disclosure and the format required.

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirement, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits below is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and not to be applied for any other purpose.

Based on the above criteria, the breakdown of retained profits of the Group as at the reporting date is as follows:

	As at 31.3.2014 RM'000	As at 31.12.2013 RM'000
Total retained profits of the Company and its subsidiary companies		
- Realised	1,441,908	1,437,077
- Unrealised	110,069	111,294
	1,551,977	1,548,371
Total share of retained profit from associated company		
- Realised	211,626	173,109
- Unrealised	-	-
	1,763,603	1,721,480
Less : Consolidation adjustments	(168,485)	(168,043)
	1,595,118	1,553,437

By Order of the Board**Tan Sri Ong Leong Huat**
Chief Executive Officer / Group Managing DirectorKuala Lumpur
30 May 2014