



PARKSON RETAIL ASIA LIMITED

(Co. Reg. No. 201107706H)
(Incorporated in the Republic of Singapore)

Unaudited Financial Statements for the Financial Year ended 30 June 2012

HIGHLIGHTS

	Group					
	Quarter ended			Year ended		
	30.06.2012	30.06.2011	+/(-) %	30.06.2012	30.06.2011	+/(-) %
	S\$'000	S\$'000		S\$'000	S\$'000	
Gross Sales Proceeds	250,488	208,632	20.1	1,063,713	868,910	22.4
Revenue	108,549	92,712	17.1	442,276	367,314	20.4
Profit Before Tax	10,509	7,672	37.0	62,599	51,607	21.3
Net Profit Attributable to Owners	8,924	4,776	86.9	45,469	35,013	29.9
EPS - Basic and Fully Diluted (cents)	1.32	0.80	64.8	6.99	5.86	19.3

The Group performed strongly for the financial year ended 30 June 2012.

Total Gross Sales Proceeds (“GSP”) for the YTD 12 months FY2012 increased by 22.4% to S\$1.064 billion.

Same Store Sales (“SSS”) growth for YTD 12 months FY2012 in Malaysia and Indonesia were strong at 9.2% and 9.3% respectively, comparing Year-on-Year (“YoY”). The SSS for YTD 12 months FY2012 in Vietnam was commendable at 9.0% YoY despite the weak consumer spending there.

Profit Before Tax (“PBT”) for YTD 12 months FY2012 increased by 21.3% to S\$62.6 million. Excluding the initial public offering (“IPO”) expense charged to the income statement of S\$2.1 million, PBT for the YTD 12 months FY2012 would have increased by 25.3% to S\$64.7 million.

Attributable net profit for the YTD 12 months FY2012 increased by 29.9% to S\$45.5 million. Excluding the IPO expense of S\$2.1 million, attributable net profit for the YTD 12 months FY2012 would have increased by 35.7% to S\$47.6 million.

The Malaysian and Indonesian operations are expected to register continued growth for the new financial year FY2013, largely due to positive contributions from stores expansion and resilient consumer sentiment in these countries. The Group will face tough trading conditions in Vietnam due to weak consumer spending. The Group will opportunistically, in view of such weakness, undertake renovations and/or space adjustments to some of the Vietnam stores during the 1st half of FY2013. Such refurbishments will allow for improved retail experience and position the Vietnam operation to deliver the results when the retail environment recovers there.

Barring any unforeseen circumstances, the Group is optimistic that its performance for the financial year ending 30 June 2013 will be strong.



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PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) Consolidated Income Statement

	Group					
	Quarter ended			Year ended		
	30.06.2012	30.06.2011	+/(-) %	30.06.2012	30.06.2011	+/(-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	108,549	92,712	17.1	442,276	367,314	20.4
Other income	7,044	4,677	50.6	14,187	10,696	32.6
Items of expense						
- Changes in merchandise inventories and consumables	(40,995)	(35,790)	14.5	(173,186)	(151,698)	14.2
- Employee benefits expense	(12,509)	(9,688)	29.1	(46,646)	(34,769)	34.2
- Depreciation and amortisation expenses	(5,359)	(3,690)	45.2	(18,737)	(15,186)	23.4
- Rental expenses	(25,772)	(22,628)	13.9	(84,620)	(69,639)	21.5
- Finance costs	(81)	(31)	161.3	(468)	(526)	(11.0)
- Other expenses	(20,368)	(17,890)	13.9	(70,207)	(54,585)	28.6
Total expenses	(105,084)	(89,717)	17.1	(393,864)	(326,403)	20.7
Profit before tax	10,509	7,672	37.0	62,599	51,607	21.3
Taxation	(2,143)	(2,310)	(7.2)	(17,794)	(15,786)	12.7
Net profit for the period	8,366	5,362	56.0	44,805	35,821	25.1
Net profit for the period attributable to:						
Owners of the Company	8,924	4,776	86.9	45,469	35,013	29.9
Non-controlling interests	(558)	586	n/m	(664)	808	n/m
	8,366	5,362	56.0	44,805	35,821	25.1

n/m - denotes not meaningful

1(a)(ii) Consolidated Statement of Comprehensive Income

	Group					
	Quarter ended			Year ended		
	30.06.2012	30.06.2011	+/(-)	30.06.2012	30.06.2011	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net profit for the period	8,366	5,362	56.0	44,805	35,821	25.1
Other comprehensive gain/(loss):						
Foreign currency translation	(2,004)	(1,364)	46.9	(3,381)	(11,103)	(69.5)
Total comprehensive income	6,362	3,998	59.1	41,424	24,718	67.6
Total comprehensive income/(loss) attributable to:						
Owners of the Company	6,867	4,205	63.3	42,055	24,436	72.1
Non-controlling interests	(505)	(207)	144.0	(631)	282	n/m
	6,362	3,998	59.1	41,424	24,718	67.6

1(a)(iii) Additional information to the Consolidated Income Statement

	Group			
	Quarter ended		Year ended	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax is arrived after (charging)/crediting:				
Finance income	1,694	1,370	5,362	4,863
IPO expense charged to income statement	2	-	(2,051)	-

1(b)(i) Statements of Financial Position

	Group		Company	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	S\$'000	S\$'000	S\$'000	S\$'000
		(restated)		
ASSETS				
Non-current assets				
Property, plant and equipment	79,502	69,775	-	-
Land use right	8,494	8,498	-	-
Investments in subsidiaries	-	-	155,506	155,506
Other receivables	27,639	25,174	-	-
Prepayments	8,825	2,637	-	-
Intangible assets	7,513	7,302	-	-
Derivatives	21	21	-	-
Deferred tax assets	46	-	-	-
Investment securities	93	95	-	-
	132,133	113,502	155,506	155,506
Current assets				
Inventories	58,231	51,959	-	-
Trade and other receivables	29,137	23,765	33,957	8,290
Prepayments	5,431	909	-	-
Tax recoverable	798	16	-	-
Cash and short-term deposits	190,346	96,123	77,111	11,692
	283,943	172,772	111,068	19,982
Total assets	416,076	286,274	266,574	175,488
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	143,656	124,767	16,200	16,080
Other liabilities	23,234	27,466	-	2
Loans and borrowings	61	1,037	-	-
Tax payable	1,329	1,148	-	-
	168,280	154,418	16,200	16,082
Net current assets	115,663	18,354	94,868	3,900
Non-current liabilities				
Loans and borrowings	-	5	-	-
Other payables	7,020	4,508	-	-
Deferred tax liabilities	-	443	-	-
	7,020	4,956	-	-
Total liabilities	175,300	159,374	16,200	16,082
Net assets	240,776	126,900	250,374	159,406
Equity attributable to owners of the Company				
Share capital	231,676	159,279	231,676	159,279
Other reserves	(136,147)	(132,788)	(2,526)	209
Retained earnings/(accumulated losses)	142,295	96,826	21,224	(82)
	237,824	123,317	250,374	159,406
Non-controlling interests	2,952	3,583	-	-
Total equity	240,776	126,900	250,374	159,406
Total equity and liabilities	416,076	286,274	266,574	175,488

1b)(ii) Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

Group			
30.06.2012		30.06.2011	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5	56	9	1,028

Amount repayable after one year

Group			
30.06.2012		30.06.2011	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
--	--	5	--

Details of any collateral

	Group	
	30.06.2012	30.06.2011
	S\$'000	S\$'000
Borrowings		
Amount repayable in one year or less, or on demand		
Finance lease liabilities	5	9
Amount repayable after one year		
Finance lease liabilities	--	5

As at 30 June 2012, the Group's finance lease liabilities of S\$5,000 (30 June 2011: S\$14,000) are secured by charges over leased assets (motor vehicles).

1(c) Consolidated Statement of Cash Flows

	Group			
	Quarter ended		Year ended	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before tax	10,509	7,672	62,599	51,607
Adjustments for				
- Depreciation and amortisation expenses	5,359	3,690	18,737	15,186
- Finance costs	81	31	468	526
- Finance income	(1,694)	(1,370)	(5,362)	(4,863)
- Gain on disposal of property, plant and equipment	(12)	(23)	(35)	(23)
- Property, plant and equipment written off	-	127	45	127
- Gain on disposal of a subsidiary	-	(1,272)	-	(1,272)
- Others	(2,193)	3,208	(2,260)	4,128
Operating cash flows before changes in working capital	12,050	12,063	74,192	65,416
Changes in working capital				
- Inventories	(4,290)	(1,423)	(8,093)	(5,342)
- Trade and other receivables	7,073	28,295	(8,782)	(7,646)
- Prepayments	(9,266)	(321)	(11,217)	(3,498)
- Trade and other payables	4,230	(379)	27,576	10,087
- Other liabilities	5,137	(10,877)	(3,489)	8,654
Cash flows from operations	14,934	27,358	70,187	67,671
Finance income received	56	902	3,325	4,025
Finance costs paid	-	-	(94)	(24)
Income tax paid	(8,003)	(6,838)	(19,736)	(16,207)
Net cash generated from operating activities	6,987	21,422	53,682	55,465
Investing activities				
Purchase of property, plant and equipment	(2,001)	(2,600)	(28,525)	(9,638)
Addition of intangible assets	(161)	-	(713)	-
Addition of investment securities	-	-	-	(95)
Disposal of a subsidiary, net of cash	-	(115)	-	(115)
Acquisition of a subsidiary, net of cash	-	3,614	-	3,614
Proceeds from disposal of property, plant and equipment	58	28	93	28
Net cash generated from/(used in) investing activities	(2,104)	927	(29,145)	(6,206)
Financing activities				
Repayment of finance lease obligations	(2)	(12)	(9)	(47)
Repayment to immediate and ultimate holding companies	-	(14,839)	-	(14,839)
Dividends paid to non-controlling interests	-	(197)	-	(197)
Dividends paid to then existing shareholder	-	(56,323)	-	(56,323)
Contributions by non-controlling interests	-	489	-	489
Net IPO proceeds	-	-	72,397	-
Net cash generated from/(used in) financing activities	(2)	(70,882)	72,388	(70,917)
Net increase/(decrease) in cash and cash equivalents	4,881	(48,533)	96,925	(21,658)
Cash and cash equivalents at beginning of financial period	187,622	145,988	95,095	126,883
Effects of currency translation on cash and cash equivalents	(2,213)	(2,360)	(1,730)	(10,130)
Cash and cash equivalents at end of financial period	190,290	95,095	190,290	95,095

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

	Group			
	Quarter ended		Year ended	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank (less bank overdrafts)	19,046	36,257	19,046	36,257
Short-term bank deposits	171,244	58,838	171,244	58,838
	190,290	95,095	190,290	95,095

1(d)(i) Consolidated Statement of Changes in Equity

	Attributable to owners of the Company								Non-controlling Interests	Total Equity
	Share capital	Foreign currency translation reserve	Capital redemption reserve	Capital contribution from ultimate holding company	Merger reserve	Bargain purchase of non-controlling interests	Retained earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group										
Balance at 01.07.2011	159,279	(19,378)	1	9,903	(123,753)	439	96,826	123,317	3,583	126,900
Profit for the year	-	-	-	-	-	-	45,469	45,469	(664)	44,805
Foreign currency translation	-	(3,414)	-	-	-	-	-	(3,414)	33	(3,381)
Grant of equity-settled share options	-	-	-	55	-	-	-	55	-	55
Issuance of shares pursuant to the IPO	75,200	-	-	-	-	-	-	75,200	-	75,200
IPO expenses taken to equity	(2,803)	-	-	-	-	-	-	(2,803)	-	(2,803)
Balance at 30.06.2012	231,676	(22,792)	1	9,958	(123,753)	439	142,295	237,824	2,952	240,776
Balance at 01.07.2010	20,861	(8,801)	1	9,649	-	439	118,136	140,285	3,009	143,294
Profit for the year	-	-	-	-	-	-	35,013	35,013	808	35,821
Foreign currency translation	-	(10,577)	-	-	-	-	-	(10,577)	(526)	(11,103)
Grant of equity-settled share options	-	-	-	254	-	-	-	254	-	254
Issuance of shares	159,279	-	-	-	-	-	-	159,279	-	159,279
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	489	489
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(197)	(197)
Dividends paid to then existing shareholder	-	-	-	-	-	-	(56,323)	(56,323)	-	(56,323)
Adjustment pursuant to Restructuring Exercise	(20,861)	-	-	-	(123,753)	-	-	(144,614)	-	(144,614)
Balance at 30.06.2011	159,279	(19,378)	1	9,903	(123,753)	439	96,826	123,317	3,583	126,900

Statement of Changes in Equity

	Share capital	Foreign currency translation reserve	Retained earnings / (Accumulated losses)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Company *				
Balance at 01.07.2011	159,279	209	(82)	159,406
Profit for the year	-	-	21,306	21,306
Foreign currency translation	-	(2,735)	-	(2,735)
Issuance of shares pursuant to the IPO	75,200	-	-	75,200
IPO expenses taken to equity	(2,803)	-	-	(2,803)
Balance at 30.06.2012	231,676	(2,526)	21,224	250,374

* The Company was incorporated on 31 March 2011.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	30.06.2012	30.06.2011
	No. of Shares	No. of Shares
Issued Share Capital	677,300,000 (Note1)	159,279,121
Treasury Shares held	--	--
Shares to be issued pursuant to the exercise of all the outstanding share options	--	--

Note 1:

	No. of shares
Pre-IPO share capital	597,300,000
Issuance of new shares pursuant to IPO	80,000,000
Issued Share Capital as at 30.06.2012	677,300,000

1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30.06.2012	30.06.2011
Total number of issued shares excluding treasury shares	677,300,000	159,279,121

The Company did not hold any treasury shares as at 30 June 2012 and 30 June 2011.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for the most recent audited financial statements for the financial year ended 30 June 2011, on the same basis referred to in the Prospectus dated 27 October 2011 and the Accountants' Report therein, except as mentioned in Note 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted all applicable new and revised Financial Reporting Standards ("FRSs") that became effective for financial years beginning on or after 1 July 2011. The adoption of these new and revised FRSs has no material impact to the Group.

6. Earnings per ordinary share

Earnings per ordinary share for the financial period based on the net profit attributable to shareholders:-

		Group			
		Quarter ended		Year ended	
		30.06.2012	30.06.2011	30.06.2012	30.06.2011
(i)	Based on weighted average number of shares (cents)	1.32	0.80	6.99	5.86
	- Weighted average number of shares ('000 shares)	677,300	597,300*	650,415	597,300*
(ii)	On a fully diluted basis (cents)	1.32	0.80	6.99	5.86
	- Weighted average number of shares ('000 shares)	677,300	597,300*	650,415	597,300*

* For the purpose of computing the earnings per ordinary share for the comparative period, the 597,300,000 shares were assumed to have taken place on 1 July 2010.

7. Net Asset Value per ordinary share

	Group		Company	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
Net asset value per ordinary share based on total number of issued shares excluding treasury shares (S\$)	0.35	0.77	0.37	1.00

8. Review of Group Performance

Review of Business Environments

The Group operates 54 department stores across Southeast Asia, with 38 stores in Malaysia, 8 stores in Vietnam and 8 stores (including a gourmet supermarket) in Indonesia. The target customers of the Group comprise the middle to upper middle income segments of the population. The countries in which the Group operates continue to experience income growth and rapid urbanisation and coupled with a young demographic, augurs well for the growth of the Group's businesses in these countries.

The SSS growth for Malaysia for Q4 FY2012 and YTD 12 months FY2012 were at 8.2% YoY and 9.2% YoY respectively. The planned shift of the Group's promotional calendar which saw Q4 FY2012 having additional 16 sale promotion days resulted in a stronger SSS of 8.2% for the quarter as compared to the previous Q3 FY2012. The SSS growth for the YTD 12 months FY2012 was within management's expectation at 9.2% YoY. Domestic consumption and liquidity remains strong despite the macro headwinds facing Malaysia, with weak export demand due to the debt crisis in Europe and the anaemic growth condition in United States.

The SSS for Vietnam for Q4 FY2012 was flat YoY, while SSS for the YTD 12 months FY2012 grew at 9.0% YoY. The Vietnam economy continues to face challenges from high inflation and trade deficit, resulting in tight government policies which slowed economic growth. This affected consumer spending which remained weak in Q4 FY2012, resulting in a flat SSS for Vietnam in the final quarter. However, our market leadership position in Vietnam has allowed us to record a commendable SSS growth for the YTD 12 months FY2012 at 9.0% YoY.

The SSS growth for Indonesia for Q4 FY2012 and YTD 12 months FY2012 were at 5.8% YoY and 9.3% YoY respectively. The SSS for Q4 FY2012 was affected by renovation works at the store located in Discovery Shopping Mall, Bali. The said renovation works started in March 2012 and was completed in May 2012. Limited export reliance for Indonesia leaves it relatively insulated from the weak global developments. Instead, robust private consumption and investments have continued to drive the Indonesian economy. The Group has entered into the Indonesian market via the acquisition of the Centro brand in June 2011, and the growth thus far has been within management's expectation.

Review of Operational Results

The Group recorded GSP of S\$250.5 million for Q4 FY2012, representing a growth of 20.1% YoY. GSP for the YTD 12 months FY2012 was S\$1.064 billion, representing a growth of 22.4% YoY. The components of GSP for Q4 FY2012 and YTD 12 months FY2012 are as follows:-

	Group					
	Quarter ended			Year ended		
	30.06.2012	30.06.2011	+ / (-)	30.06.2012	30.06.2011	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross Sales Proceeds						
Sale of goods - direct sales	51,603	46,101	11.9	218,399	187,663	16.4
Sale of goods - concessionaire sales	190,491	153,005	24.5	828,132	663,961	24.7
Total merchandise sales	242,094	199,106	21.6	1,046,531	851,624	22.9
Consultancy and management service fees	300	158	89.9	1,405	1,422	(1.2)
Rental income	8,094	9,368	(13.6)	15,777	15,864	(0.5)
Total gross sales proceeds	250,488	208,632	20.1	1,063,713	868,910	22.4

The key contributors to the GSP growth for Q4 FY2012 includes (i) SSS growth for Malaysia at 8.2% YoY, (ii) the inclusion of the sales performance of new stores during the period Q4 FY2012 and (iii) the inclusion of the business operation in Indonesia which was acquired in June 2011. The key contributors to the GSP growth for the YTD 12 months FY2012 are attributable to (i) SSS growth for Malaysia and Vietnam at 9.2% and 9.0% YoY respectively, (ii) the inclusion of the sales performance of new stores during the 12 months FY2012 and (iii) the inclusion of the business operation in Indonesia which was acquired in June 2011.

The Group generated total merchandise sales of S\$1.047 billion for the YTD 12 months FY2012, with concessionaire sales contributing 79.1% and direct sales contributing the balance of 20.9%. By product segment, the Fashion & Apparel category constituted 56.5% of the total merchandise sales, the Cosmetic & Accessories category constituted 26.4%, the Household, Electrical Goods & Others category constituted 13.9% while the remaining balance of 3.2% came from the Groceries & Perishables category.

The merchandise gross margins (a combination of the commission from concessionaires and direct sales margin) for Q4 FY2012 and YTD 12 months FY2012 exceeded management's expectation, increasing by 60 bps YoY to 24.4% and by 80 bps YoY to 24.1% respectively. The higher gross margins are due to the inclusion of the Indonesian operation which generates higher merchandise gross margin.

Review of Financial Results

Revenue and Other Income

The Group recorded revenue of S\$108.5 million for Q4 FY2012, representing an increase of 17.1% YoY. Revenue for the YTD 12 months FY2012 was S\$442.3 million, representing an increase of 20.4% YoY. These revenues increase are mainly a result of increase in commissions from concessionaire sales and direct sales revenue which are in line with the increase in GSP as explained above. The components of revenues for Q4 FY2012 and YTD 12 months FY2012 are as follows:-

	Group					
	Quarter ended			Year ended		
	30.06.2012	30.06.2011	+/(-) %	30.06.2012	30.06.2011	+/(-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sale of goods - direct sales	51,603	46,101	11.9	218,399	187,663	16.4
Commission from concessionaire sales	48,552	37,085	30.9	206,695	162,365	27.3
Consultancy and management service fees	300	158	89.9	1,405	1,422	(1.2)
Rental income	8,094	9,368	(13.6)	15,777	15,864	(0.5)
Total revenue	108,549	92,712	17.1	442,276	367,314	20.4

Other income for Q4 FY2012 and YTD 12 months FY2012 increased by 50.6% to S\$7.0 million and 32.6% to S\$14.2 million respectively. The components of other income include finance income of S\$1.7 million for Q4 FY2012 and S\$5.4 million for YTD 12 months FY2012.

Expenses

For Q4 FY2012 and YTD 12 months FY2012, total expenses of the Group increased by 17.1% YoY to S\$105.1 million and 20.7% YoY to S\$393.9 million respectively. Analysis of the major operating expense items for Q4 FY2012 and YTD 12 months FY2012 are as follows:

Changes in merchandise inventories and consumables

Changes in merchandise inventories and consumables refer to the cost of direct sales. Cost of sales for Q4 FY2012 and YTD 12 months FY2012 increased by 14.5% to S\$41.0 million and 14.2% to S\$173.2 million respectively. These increases are in line with the increase in direct sales.

Employee benefits expense

Staff cost increased by 29.1% to S\$12.5 million for Q4 FY2012, and 34.2% to S\$46.6 million for YTD 12 months FY2012. The increases are due primarily to (i) inclusion of the staff cost of the Indonesian operation which was acquired in June 2011, (ii) inclusion of the staff cost for new stores opened in FY2012, and (iii) annual wage review.

As a percentage of revenue, the staff cost ratios increased by 110 bps YoY to 11.5% for Q4 FY2012 and by 110 bps YoY to 10.5% for YTD 12 months FY2012. The increases are primarily due to (i) staff cost for new stores where the sales are lower at the initial stage and (ii) staff cost for the Indonesian operation which has a higher staff cost ratio.

Depreciation and amortisation expenses

Depreciation and amortisation increased by 45.2% to S\$5.4 million for Q4 FY2012, and 23.4% to S\$18.7 million for YTD 12 months FY2012. The increases are primarily due to the inclusion of the depreciation costs for (i) the Indonesian operation acquired in June 2011 and (ii) the new stores opened in FY2012.

As a percentage of revenue, depreciation and amortization expense ratios increased by 100 bps YoY to 4.9% for Q4 FY2012 and by 10 bps YoY to 4.2% for YTD 12 months FY2012. The higher ratio for Q4 FY2012 was due to amortisation of intangible assets recorded during the quarter. The lower ratio for the YTD 12 months FY2012 was due primarily to lower depreciation arising from the retirement of older assets.

Rental expenses

Rental expense increased by 13.9% to S\$25.8 million for Q4 FY2012, and by 21.5% to S\$84.6 million for YTD 12 months FY2012. The increases are largely due to inclusion of the rental costs for (i) the Indonesian operation acquired in June 2011 and (ii) the new stores opened in FY2012.

As a percentage of revenue, the rental expense ratios declined by 70 bps YoY to 23.7% for Q4 FY2012 but increased by 20 bps YoY to 19.1% for YTD 12 months FY2012. The higher ratio for the YTD 12 months FY2012 was primarily due to new stores that are paying fixed rentals in FY2012 but where the sales are lower at the initial stage.

Other expenses

Other expenses consist mainly of (a) promotional and advertising expenses, (b) selling and distribution expenses and (c) general and administrative expenses which increased by 13.9% to S\$20.4 million for Q4 FY2012 and 28.6% to S\$70.2 million for YTD 12 months FY2012. The increases are due mainly to (i) the inclusion of the other expenses for the Indonesian operation acquired in June 2011, (ii) the inclusion of other expenses for new stores opened in FY2012, and (iii) the inclusion of IPO expense of S\$2.1 million and related corporate expenses arising from the listing of the Company on the SGX in November 2011.

As a percentage of revenue, the other expenses ratios declined by 50 bps YoY to 18.8% for Q4 FY2012 but increased by 100 bps YoY to 15.9% for YTD 12 months FY2012. The higher ratio for the YTD 12 months FY2012 was primarily due to increase in other expenses attributed to the opening of new stores in FY2012 (e.g. packing and labeling costs) where sales are lower at the initial stage, and corporate expenses incurred since the listing of the Company in November 2011.

Profit Before Tax

Profit Before Tax ("PBT") improved strongly by 37.0% to S\$10.5 million for Q4 FY2012. As a percentage of revenue, PBT ratio increased by 140 bps YoY to 9.7% for Q4 FY2012. The improvement in PBT ratio for the quarter is partly attributable to the encouraging SSS growth for Malaysia and Indonesia.

For the YTD 12 months FY2012, PBT increased by 21.3% to S\$62.6 million which is in line with the trend of revenue increase. As a percentage of revenue, PBT ratio for YTD 12 months FY2012 increased by 20 bps YoY to 14.2%. Excluding the IPO expense charged to the income statement of S\$2.1 million, Group PBT would have increased by 25.3% to S\$64.7 million and as a percentage of revenue, the PBT ratio would have increased by 60 bps YoY to 14.6%.

Taxation

The effective tax rates for Q4 FY2012 and YTD 12 months FY2012 were lower YoY at 20.4% and 28.4% respectively. The lower effective tax rates were partly due to the under provision of deferred tax benefit in respect of prior years on the difference in recognition criteria for tax and accounting purposes relating to recognition of rental expenses on the straight line method.

Net profit for the period

Net profit for Q4 FY2012 and YTD 12 months FY2012 were higher YoY at S\$8.4 million and S\$44.8 million respectively. As a percentage of revenue, the net profit ratio for the YTD 12 months FY2012 increased by 40 bps YoY to 10.1%.

Review of Financial Resources

The Group's financial position remained healthy, with a working capital of S\$115.7 million as at 30 June 2012. In line with the revenue increase, the current trade and other payables increased from S\$124.8 million as at 30 June 2011 to S\$143.7 million as at 30 June 2012. Similarly, the current trade and other receivables increased from S\$23.8 million to S\$29.1 million as at 30 June 2012.

The Group generated strong net cash from operations for the YTD 12 months FY2012 of S\$53.7 million despite being faced with a challenging environment. Net cash generated from financing activities for the YTD 12 months FY2012 was S\$72.4 million due mainly to receipt of the net IPO proceeds from the listing of the Company on the SGX in November 2011. The Group cash balance as at 30 June 2012 remains strong at S\$190.3 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Seasonal Factors

The Group's performance is positively affected by the increase in consumers' spending leading to the major festivities of the countries in which the Group operates (such as Hari Raya in Indonesia and Malaysia, Chinese New Year and Christmas in Malaysia and the Tet festival in Vietnam). The Group's performance for the next reporting period Q1 FY2013 will benefit from the increased Hari Raya spending in Malaysia and Indonesia.

Store Openings

The Group opened 5 new stores during the 12 months FY2012 with total gross floor area of approximately 71,705 square meters. The stores opened were in the cities of Surabaya and Tangerang in Indonesia in the months of August and October 2011 respectively, in Kuala Lumpur and Shah Alam in Malaysia in October 2011 and May 2012 respectively, and the fifth store in Hanoi, Vietnam in December 2011.

The Group's strategy has been to expand its store network across countries where there is continued expansion or potential for expansion of the middle class income segment of the population. The Group targets to open a further 6 new stores in FY2013 across the countries of Malaysia, Vietnam, Indonesia and Cambodia with total gross floor area of approximately 88,780 square meters. This includes the Group's first store in Cambodia located in Phnom Penh City with gross floor area of approximately 30,000 square meters.

The Group expects to benefit from the contribution to revenue of the new stores.

Corporate Development

The Group had on 31 July 2012 completed the acquisition of a 42.19% stake in Odel PLC, a retailer listed on the Colombo Stock Exchange in Sri Lanka. The Company is required under the Sri Lankan Company Take-Overs and Mergers Code 1995 (As amended in 2003) to make a mandatory offer for all the remaining shares in Odel PLC at LKR 23.50 per share, being the highest price at which the Company has acquired the shares of Odel PLC within the twelve-month period prior to the date of the abovementioned acquisition. The exercise for the mandatory offer is expected to be completed by November 2012. Odel PLC has also made known its intention to undertake a rights issue of one ordinary share for every one ordinary share held at a price of LKR 20.00 per share upon the completion of the mandatory offer by the Company. This rights issue will provide the funds for Odel PLC to further expand its operations in Sri Lanka.

With this acquisition, the Group has established a footprint in Sri Lanka and provides a base to expand over time into the other countries within the Indian subcontinent.

The Group's share of results in Odel PLC for FY2013 will not be material to the Group.

Prospect

The Malaysian and Indonesian operations are expected to register continued growth for the new financial year FY2013, largely due to positive contributions from stores expansion and resilient consumer sentiment in these countries. The Group will face tough trading conditions in Vietnam due to weak consumer spending. The Group will opportunistically, in view of such weakness, undertake renovations and/or space adjustments to some of the Vietnam stores during the 1st half of FY2013. Such refurbishments will allow for improved retail experience and position the Vietnam operation to deliver the results when the retail environment recovers there.

Barring any unforeseen circumstances, the Group is optimistic that its performance for the financial year ending 30 June 2013 will be strong.

11. Dividend

(a) Current Financial Period Reported On

Name of Dividend	First and Final
Dividend Type	Cash
Dividend per Ordinary Share	3 cents, (one-tier) tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

The Group undertook a restructuring exercise prior to the listing of the Company on the Singapore Exchange Securities Trading Limited. Details of the restructuring exercise are disclosed in the Company's prospectus dated 27 October 2011. Prior to the completion of the restructuring exercise, dividends were paid by a subsidiary company to the then existing shareholder at S\$1.13 per share totaling S\$56.323 million.

(c) Date payable

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(d) Books closure date

Notice will be given at a later date on the closure of the Transfer Books and register of Members of the Company to determine members' entitlement to the dividend.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. Segmental revenue and results for geographical segments.

Group	Malaysia	Vietnam	Indonesia	Cambodia	Adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 30.06.2012						
Gross Sales Proceeds	773,951	156,759	133,003	-	-	1,063,713
Revenue	343,004	45,040	54,232	-	-	442,276
Segment Results:						
Depreciation and amortisation	(12,095)	(3,335)	(3,307)	-	-	(18,737)
Rental expenses	(60,781)	(16,762)	(7,077)	-	-	(84,620)
Finance income	3,555	1,651	156	-	-	5,362
Finance costs	(96)	(372)	-	-	-	(468)
Taxation	(15,424)	(2,112)	(258)	-	-	(17,794)
Segment profit	37,777	3,862	3,436	291	(561) *	44,805
Year ended 30.06.2011						
Gross Sales Proceeds	713,527	145,531	9,852	-	-	868,910
Revenue	320,912	42,376	4,026	-	-	367,314
Segment Results:						
Depreciation and amortisation	(12,535)	(2,472)	(179)	-	-	(15,186)
Rental expenses	(58,141)	(10,784)	(714)	-	-	(69,639)
Finance income	2,928	1,928	7	-	-	4,863
Finance costs	(65)	(444)	(17)	-	-	(526)
Taxation	(13,563)	(2,073)	(150)	-	-	(15,786)
Segment profit	27,175	7,305	476	(72)	937	35,821

*Adjustments figure includes head office corporate expenses.

14. Factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to note 8 of this announcement.

15. Breakdown of sales.

	Year ended		+ / (-)
	30.06.2012	30.06.2011	
Group	S\$'000	S\$'000	%
(a) Revenue reported for 1st half year	227,019	185,397	22.5
(b) Operating profit after tax before deducting minority interests reported for 1st half year	27,033	20,960	29.0
(c) Revenue reported for 2nd half year	215,257	181,917	18.3
(d) Operating profit after tax before deducting minority interests reported for 2nd half year	17,772	14,861	19.6

16. Breakdown of total annual dividend.

	Year ended	
	30.06.2012	30.06.2011
Group	S\$'000	S\$'000
Ordinary	-	56,323
Preference	-	-
Total	-	56,323

17. If the Group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.

The Group did not obtain any general mandate from shareholders for interested person transactions.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Datuk Cheng Yoong Choong	48	- Nephew of Tan Sri Cheng Heng Jem (Non-Executive Chairman and Substantial Shareholder)	Group Managing Director and Executive Director (since March 2011)	No change
Ms. Cheng Hui Yen, Natalie	28	- Daughter of Tan Sri Cheng Heng Jem (Non-Executive Chairman and Substantial Shareholder) - Cousin of Datuk Cheng Yoong Choong (Group Managing Director and Executive Director)	General Manager, Merchandising (since January 2010)	No change

19. Disclosure on the use of IPO proceeds

As at 30 June 2012, the Company has utilised S\$5.0 million from the IPO proceeds for purpose of store openings in Indonesia.

**BY ORDER OF THE BOARD
PARKSON RETAIL ASIA LIMITED**

Datuk Cheng Yoong Choong
Group Managing Director

Singapore, 8 August 2012