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EFFICIENT E-SOLUTIONS BERHAD

(Company No. 632479-H)

(Incorporated in Malaysia under the Companies Act, 1965)

QUARTERLY REPORT ON CONSOLIDATED RESULTS

FOR THE THIRD QUARTER ENDED

30 SEPTEMBER 2012

EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	Individual Quarter		Cumulative Quarter	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM	RM	RM	RM
Revenue	9,975,310	12,697,498	32,232,611	40,357,195
Cost of sales	<u>(7,079,889)</u>	<u>(8,357,471)</u>	<u>(22,239,362)</u>	<u>(25,458,496)</u>
Gross profit	2,895,421	4,340,027	9,993,249	14,898,699
Other income	101,834	(170,803)	1,921,169	1,214,127
Operating expenses	<u>(2,492,306)</u>	<u>(3,421,594)</u>	<u>(7,817,160)</u>	<u>(10,146,678)</u>
Profit from operations	504,948	747,630	4,097,257	5,966,148
Finance costs	(90,547)	(107,780)	(283,123)	(324,542)
Interest income	227,119	208,801	672,532	448,413
Share of result of associates	<u>172,413</u>	<u>260,634</u>	<u>355,403</u>	<u>252,173</u>
Profit before tax	813,934	1,109,285	4,842,070	6,342,192
Income tax expense	<u>(152,495)</u>	<u>(59,091)</u>	<u>(847,420)</u>	<u>(1,013,919)</u>
Profit for the period	661,439	1,050,194	3,994,650	5,328,273
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>661,439</u>	<u>1,050,194</u>	<u>3,994,650</u>	<u>5,328,273</u>
Profit for the period attributable to :				
Equity holders of the parent	661,439	1,050,194	3,994,650	5,328,273
Minority Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>661,439</u>	<u>1,050,194</u>	<u>3,994,650</u>	<u>5,328,273</u>
Total comprehensive income for the period attributable to :				
Equity holders of the parent	661,439	1,050,194	3,994,650	5,328,273
Minority Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>661,439</u>	<u>1,050,194</u>	<u>3,994,650</u>	<u>5,328,273</u>
Earnings per share attributable to equity holders of the parent :				
Basic (sen)	<u>0.09</u>	<u>0.15</u>	<u>0.56</u>	<u>0.79</u>
Diluted (sen)	<u>0.09</u>	<u>0.15</u>	<u>0.56</u>	<u>0.77</u>
(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)				

EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	As at 30.09.2012 RM	As at 31.12.2011 RM
ASSETS		
Non-current assets		
Property, plant and equipment	38,353,166	41,032,808
Investments in associates	3,472,377	3,566,974
Software development expenditure	782,922	510,020
Goodwill arising from consolidation	1,582,719	1,582,719
	<u>44,191,184</u>	<u>46,692,521</u>
Current assets		
Inventories	2,059,772	2,160,491
Trade receivables	24,123,653	26,825,057
Other receivables	4,348,063	2,913,097
Tax recoverable	247,167	201,219
Short term investment	11,216,554	10,875,657
Deposits with licensed banks	33,212,339	30,713,415
Cash and bank balances	8,902,598	6,213,135
	<u>84,110,146</u>	<u>79,902,071</u>
Total assets	<u>128,301,330</u>	<u>126,594,592</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	70,913,010	70,899,010
Share premium	4,633,669	4,625,269
Retained profits	40,683,120	37,752,165
	<u>116,229,799</u>	<u>113,276,444</u>
Minority Interest	-	-
Total equity	<u>116,229,799</u>	<u>113,276,444</u>
Non-current liabilities		
Bank borrowings	4,329,220	5,084,151
Deferred tax liabilities	2,639,766	2,639,766
	<u>6,968,986</u>	<u>7,723,917</u>
Current liabilities		
Trade payables	2,118,618	1,462,079
Other payables	1,863,980	1,984,300
Hire purchase creditors	8,821	88,235
Bank borrowings	1,000,142	950,859
Provision for taxation	110,984	45,273
Dividend Payable	-	1,063,485
	<u>5,102,545</u>	<u>5,594,231</u>
Total liabilities	<u>12,071,531</u>	<u>13,318,148</u>
Total equity and liabilities	<u>128,301,330</u>	<u>126,594,592</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)

EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
 THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	Attributable to equity holders of the parent				Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Retained Profits	Reserves			
	RM	RM	RM	RM	RM	RM	RM
<u>FINANCIAL PERIOD ENDED 31 DECEMBER 2011</u>							
As at 1 January 2011	65,835,010	500	34,034,126	-	99,869,636	-	99,869,636
Profit for the period	-	-	4,781,524	-	4,781,524	-	4,781,524
Other comprehensive income	-	81	-	-	81	-	81
Total comprehensive income for the period	-	81	4,781,524	-	4,781,605	-	4,781,605
Issuance of ordinary shares	5,064,000	4,624,688	-	-	9,688,688	-	9,688,688
Dividend paid for the period			(1,063,485)		(1,063,485)		(1,063,485)
As at 31 December 2011	70,899,010	4,625,269	37,752,165	-	113,276,444	-	113,276,444
<u>FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012</u>							
As at 1 January 2012	70,899,010	4,625,269	37,752,165	-	113,276,444	-	113,276,444
Profit for the period	-	-	3,994,650	-	3,994,650	-	3,994,650
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	3,994,650	-	3,994,650	-	3,994,650
Issuance of ordinary shares	14,000	8,400	-	-	22,400	-	22,400
Dividend declared during the period			(1,063,695)		(1,063,695)		(1,063,695)
As at 30 September 2012	70,913,010	4,633,669	40,683,120	-	116,229,799	-	116,229,799

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	30.09.2012	30.09.2011
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,842,070	5,328,271
Adjustments for:-		
Allowance/ (Reversal) for diminution in value of investment	(100,308)	55,215
Amortisation of prepaid lease payments	799	3,593
Amortisation of software development expenditure	179,182	112,927
Depreciation of property, plant and equipment	3,136,641	3,178,738
Gain / (Loss) on disposal of investment / forex		(929,199)
Gain on disposal of property, plant and equipment	(1,436,055)	-
Esos expenses	-	(81)
Interest income	(672,532)	(448,413)
Interest expenses	285,612	324,542
Investment income	(240,590)	(168,737)
Share of results of associated companies	(355,403)	(252,174)
Operating profit before changes in working capital	5,639,416	7,204,682
Decrease / (Increase) in inventories	100,719	(809,493)
Decrease / (Increase) in trade and other receivables	1,266,438	(2,574,037)
Decrease in trade and other payables	536,219	(828,244)
Cash generated from operations	7,542,792	2,992,908
Tax paid, net of tax refunded	(827,657)	12,904
Dividends paid	(2,127,180)	-
Net cash generated from / (used in) operating activities	<u>4,587,955</u>	<u>3,005,812</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Gain on disposal of short term investment	-	8,524
Proceeds from disposal of associate company	-	1,500,000
Dividend from associate company	450,000	
Interest from deposits with licensed banks	672,532	448,413
Investment income	340,897	168,737
Increase in pledged deposits for financing facilities	(14,350)	-
Increase in investment securities	(340,897)	-
Proceeds from disposal of property, plant and equipment	2,809,300	-
Purchase of property, plant and equipment	(1,831,042)	(717,228)
Purchase of software development expenditure	(452,084)	-
Net cash generated from investing activities	<u>1,634,356</u>	<u>1,408,446</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loans	(705,648)	(665,946)
Repayment of hire purchase payable	(79,414)	(75,176)
Interest expense	(285,612)	(324,542)
Proceeds from issuance of ordinary shares under ESOS	22,400	96,000
Proceeds from issuance of ordinary shares	-	9,586,288
Net cash generated from / (used in) financing activities	<u>(1,048,274)</u>	<u>8,616,624</u>
Net change in cash and cash equivalents	5,174,037	13,030,882
Cash and cash equivalents at beginning of the financial period	36,634,992	34,678,352
Cash and cash equivalents at end of the financial period*	<u>41,809,029</u>	<u>47,709,234</u>
*Cash and cash equivalents at end of the financial period comprise the following:-		
Cash and bank balances	8,902,598	7,093,764
Deposits with licensed banks (Note)	32,906,431	40,615,470
	<u>41,809,029</u>	<u>47,709,234</u>
Note :		
The security deposit of RM305,908 which has been pledged to the bank in respect of the banking facilities granted (The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)		

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 : INTERIM FINANCIAL REPORTING

A1 Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and *MFRS134 : Interim Financial Reporting*.

The condensed consolidated interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2011 which were prepared in accordance with Financial Reporting Standards ("FRS").

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS") has been applied.

The significant accounting policies and methods of computation adopted in these condensed consolidated interim financial statements are consistent with those adopted in the latest Group's audited financial statements, except for the convergence of the existing FRS framework with the IFRS-compliant framework, Malaysian Financial Reporting Standards (MFRSs) issued by the Malaysian Accounting Standards Board (MASB) with effect from 1 January 2012.

The Group has also adopted all the new and revised MFRSs that are relevant and effective for accounting periods on or after 1 January 2012. The application of the MFRSs and amendments to MFRSs did not result in any significant changes in the accounting policies and presentation of the financial statements of the Group.

A2 Auditors' Report on preceding annual financial statements

The auditors' report on the financial statements for year ended 31 December 2011 was not subject to any qualification.

A3 Seasonality or cyclicity of interim operations

The Group's operations are not materially affected by seasonal or cyclical factors during the quarter and financial period under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and financial period under review.

A5 Material changes in estimates

There were no changes in estimates that have had a material effect in the current financial period's results.

A6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter and financial period under review.

A7 Dividend paid

The amount of dividend paid during the financial period ended 30 September 2012 were as follow:

Dividend amounting to RM1,063,485.16 being first interim tax exempt dividend of 1.5% per ordinary share of RM0.10 each for the financial year ended 31 December 2011 was paid on 5 January 2012.

Dividend amounting to RM1,063,695.16 being first interim tax exempt dividend of 1.5% per ordinary share of RM0.10 each for the financial year ended 31 December 2012 was paid on 10 July 2012.

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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 : INTERIM FINANCIAL REPORTING

A8 Operating Segments

Operating segments' results for the financial period ended 30 September 2012 are as follows:

Operating Segment	Data and Document Processing	Software Development	Forms Printing	Others	Elimination	Total
	RM	RM	RM	RM	RM	RM
External sales	31,637,988	17,624	502,840	74,159	-	32,232,611
Inter segment sales	-	1,575,306	2,146,227	-	(3,721,533)	-
Total operating revenue	31,637,988	1,592,930	2,649,067	74,159	(3,721,533)	32,232,611
Profit/(Loss) from operations	4,697,442	(298,476)	427,554	(729,263)	-	4,097,257
Finance costs	(253,034)	(30,089)	-	-	-	(283,123)
Interest income	123,324	46,179	7,057	495,972	-	672,532
Share of result of associates						4,486,667
Profit before taxation						355,403
Income tax expense						4,842,070
Profit for the period						(847,420)
Other comprehensive income						3,994,650
Total comprehensive income for the period						-
						3,994,650

A9 Valuations of property, plant & equipment

The Group did not carry out any valuation on its property, plant and equipment during the quarter and financial period under review.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current quarter and financial period under review.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter and financial period under review.

A12 Changes in contingent liabilities and contingent assets

There were no changes in the contingent liabilities and contingent assets of the Group since the last annual balance sheet date as at 31 December 2011.

A13 Capital commitments

There were no capital commitments for the purchase of property, plant and equipment not provided for in the financial statements as at 30 September 2012.

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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 : INTERIM FINANCIAL REPORTING

A14 Significant related party transactions

Related Transacting Parties	Related Parties and Relationship
One BPO Sdn Bhd and its subsidiaries ("One BPO Group")	One BPO Group was deemed related to the Group by virtue of Dato' Shaik Aqmal bin Shaik Allaudin who was a director and a major shareholder of One BPO Sdn Bhd. Dato' Shaik resigned as a director of Efficient E-Solutions Berhad ("ESOL") on 30 November 2010 and he ceased as a major shareholder in ESOL on 21 June 2011. Pursuant to LR 10.02(c) and 10.02(f), Dato' Shaik was a related party by virtue of being a director and major shareholder of ESOL within the preceding 6 months. Dato' Shaik ceased as a director under LR 10.02(c) on 30 May 2011 and ceased as a major shareholder of Company under LR 10.02(f) on 20 December 2011.
Regalia Records Management Sdn Bhd ("RRM")	An associated company

The related party transactions of the Group for the quarter and financial period ended 30 September 2012 are as follows:

	Individual Quarter		Cumulative Quarter	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM	RM	RM	RM
Provision of DDP and EBP services to One BPO Group	-	39,171	-	692,062
Management fee for the provision of project management/ administration of DDP and EBP services to One BPO Group	-	-	-	72,000
Licence fee for the usage of e-TALK and e-DOC software applications and provision of software application development for DDP and EBP services to One BPO Group	-	1,200,000	-	1,850,000
Provision of document archiving and related services by RRM	10,594	1,281	15,066	3,876
Renting of vault room for security file storage and related services to RRM	102,000	102,000	306,000	306,000
Selling of printed forms to One BPO Group	-	140,797	-	370,045
Total	112,594	1,483,249	321,066	3,293,983

The Directors of the Company are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

EFFICIENT E-SOLUTIONS BERHAD (Company No. 632479-H)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
THE FIGURES HAVE NOT BEEN AUDITED

PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Performance Analysis

Group revenue for the financial period ended 30 September 2012 decreased by 20% to RM32.2 million from previous year corresponding period RM40.4 million. Reduction in services rendered for both software application development and data and document processing contributed to the reduction in Group revenue. Group profit after tax for the financial half year ended 30 September 2012 decreased by 25% to RM4.0 million from preceding year corresponding period's RM5.3 million. The decrease in Group profit was due to lower revenue and profit margin in services rendered for software application development and data and document processing.

Group revenue for the quarter ended 30 September 2012 decreased by 21% to RM10.0 million from RM12.7 million of preceding year corresponding quarter. Group profit for the quarter ended 30 September 2012 decreased by 37% to RM0.7 million to RM1.1 million of preceding year corresponding quarter. Reduction in services rendered for data and document processing contributed to the reduction in group revenue. The decrease in group profit for the quarter was due mainly to the reduction in services for software application development.

	Cummulative Quarter		Variance	
	30.09.2012	30.09.2011	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	32,233	40,357	(8,125)	-20.1%
Profit after tax for the financial period	3,995	5,328	(1,334)	-25.0%

	Individual Quarter		Variance	
	30.09.2012	30.09.2011	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	9,975	12,697	(2,722)	-21.4%
Profit after tax for the quarter	661	1,050	(389)	-37.0%

B2 Material changes in the profit before taxation for the current quarter as compared with the preceding quarter

The Group recorded RM0.8 million profit before tax for the quarter, a decrease of 68% as compared to the preceding quarter of RM2.5 million. In the preceding quarter, there was a gain on disposal of leasehold land and buildings.

	Current Quarter	Immediate Preceding Quarter	Variance	
	30.09.2012	30.06.2012	RM'000	%
	RM'000	RM'000	RM'000	%
Profit before taxation	814	2,529	(1,715)	-67.8%

B3 Prospects

Despite postage rate hike that caused the reduction of revenue from services rendered to existing customers, revenue from new customers are expected to start contributing in the last quarter of 2012.

The group is expected to maintain the financial results of year 2012 as compared to previous financial year and to acheive a better results in the subsequent years.

B4 Profit forecast or profit guarantee

This note is not applicable.

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THE FIGURES HAVE NOT BEEN AUDITED

PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B5 Taxation

	Individual Quarter		Cumulative Quarter	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM	RM	RM	RM
Current tax	152,495	59,091	847,420	1,013,919
Deferred tax	-	-	-	-
	152,495	59,091	847,420	1,013,919

The effective tax rate for previous year corresponding quarter ended 30 September 2012 was lower than the statutory tax rate due principally to exempt income granted to a subsidiary company, Efficient Softech Sdn Bhd, a Multimedia Super Corridor status company and the capital gain arising from the disposal of leasehold land and buildings.

B6 Corporate proposals

(a) Status of Memorandum of Understanding

On 13 June 2011, the Company has entered into a non-binding Memorandum of Understanding with Singapore Post Limited ("SingPost") concerning the proposed business collaboration and co-operation between the two (2) parties in data and document management services ("**Proposed Collaboration**") in Indonesia and such other countries as may be mutually agreed in writing between the parties.

Pursuant to the MOU, it is contemplated that Efficient and SingPost (i) will jointly invest in setting up of data and document management business operations in Indonesia; (ii) will jointly identify business opportunities relating to data and document management in such countries as may be mutually agreed in writing between parties; and (iii) may mutually agree to engage in discussions and negotiations with other potential investors and/ or business partners in relation to the Proposed Collaboration.

After various discussions, we have yet to able to identify suitable local partner.

(b) Status of Utilisation of Proceeds

The proceeds from the issuance of Private Placement on 14 June 2011, of 50,000,000 new ordinary shares at RM0.195 per ordinary share have been applied as below:

Purpose	Proposed utilisation RM '000	Actual utilisation RM '000	Intended timeframe for utilisation	Deviation RM '000	Explanations
(i) Working capital	9,586	4,539	On-going	5,047	
(ii) Expenses in relation to the Private Placement	164	164	Within 12 months	-	
	9,750	4,703			

B7 Borrowings and debt securities

The Group's total borrowings, all of which were secured and were denominated in Ringgit Malaysia as at 30 September 2012, are as follows:

	Short term RM	Long term RM	Total RM
Hire purchase creditors	8,821	-	8,821
Secured bank borrowings	1,000,142	4,329,220	5,329,362
Total	1,008,963	4,329,220	5,338,183

B8 Changes in material litigation

There was no pending material litigation as at the latest applicable date from the date of issuance of this report.

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THE FIGURES HAVE NOT BEEN AUDITED

PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B9 Dividend

During the financial period under review, the Board of Directors had declared a first interim tax exempt dividend of 1.5% (30 June 2011: Nil) per ordinary share in respect of the financial year ending 31 December 2012.

The entitlement to the interim dividend was determined based on the shareholders registered in the record of depositors as at 18 June 2012 and payment was made on 10 July 2012.

B10 Earnings per share

	Individual Quarter		Cumulative Quarter	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM	RM	RM	RM
Basic Earnings Per Share				
Profit attributable to ordinary equity holders of the parent	661,439	1,050,194	3,994,650	5,328,273
Weighted average number of ordinary shares in issue	708,890,100	708,491,404	708,870,100	678,361,089
Basic EPS (sen)	0.09	0.15	0.56	0.79
Diluted Earnings Per Share				
Profit attributable to ordinary equity holders of the parent	661,439	1,050,194	3,994,650	5,328,273
Weighted average number of ordinary shares in issue	708,890,100	708,491,404	708,870,100	678,361,089
Effect of dilution of share options	-	12,607,387	-	9,236,181
Adjusted weighted average number of ordinary shares in issue and issuable	708,890,100	721,098,791	708,870,100	687,597,270
Diluted EPS (sen)	0.09	0.15	0.56	0.77

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. ESOS.

The Company's ESOS may have potential dilutive effects on the earnings per share. However, as the exercise price of the ESOS is higher than the current market price of the ordinary shares, there will be no impact of dilution on the earnings per share.

B11 Profit for the period

	Individual Quarter		Cumulative Quarter	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM	RM	RM	RM
This is stated after crediting/ (charging):				
Interest income	227,119	208,801	672,532	448,413
Other income/ (loss) including investment income	117,573	58,455	473,214	131,265
Gain on disposal of PPE	4,866	-	-	-
Gain on disposal of leasehold land and buildings	-	-	1,356,685	-
Gain on disposal of quoted and unquoted investments	-	-	-	1,311,737
Unrealised Loss on Forex	(4,936)	-	(10,443)	-
Interest expense	(90,547)	(107,780)	(283,123)	(324,542)
Depreciation of property, plant and equipment	(908,407)	(1,076,081)	(3,009,711)	(3,178,738)
Amortisation of software development expenditure	(69,444)	(36,452)	(179,181)	(112,927)
Amortisation of lease rental	-	(1,198)	(799)	(3,593)
Allowance/ (Reversal) for diminution in value of investment	(15,669)	(229,258)	101,615	(228,875)

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THE FIGURES HAVE NOT BEEN AUDITED

PART B - EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B12 Realised and unrealised profit/ losses

Total retained profits of the Group comprised the following:-

	30.09.2012	31.12.2011
	RM	RM
Realised	40,354,745	37,430,198
Unrealised profit/ (loss)	(346,721)	(447,726)
	<u>40,008,024</u>	<u>36,982,472</u>
Add consolidation adjustments	675,096	769,693
Total Group retained profits as per consolidated accounts	<u><u>40,683,120</u></u>	<u><u>37,752,165</u></u>

B13 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 November 2012.