

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**

(Incorporated in Malaysia)

**SUMMARY OF KEY FINANCIAL INFORMATION****30 JUNE 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period	
	30 Jun 2011 RM'000	30 Jun 2010 RM'000	30 Jun 2011 RM'000	30 Jun 2010 RM'000	
1	Revenue	3,026	2,261	5,412	6,703
2	Profit before tax	1,213	730	2,005	2,791
3	Profit for the period	1,187	719	1,966	2,732
4	Profit attributable to ordinary equity holders of the parent	1,187	719	1,966	2,732
5	Earnings per share (sen) :				
	-Basic	0.65	0.40	1.08	1.51
	-Diluted	0.65	0.40	1.08	1.51
6	Proposed / Declared dividend per share (sen)	1	1	1	1
		<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR END</b>		
		<b>30 Jun 2011</b>	<b>31 Dec 2010</b>		
7	Net assets per share attributable to ordinary equity holders of the parent (RM)	0.27	0.26		

Note: For full text of the above announcement, please access the Bursa Malaysia website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
NOTE	30 Jun 2011 RM'000	30 Jun 2010 RM'000	30 Jun 2011 RM'000	30 Jun 2010 RM'000
Revenue	3,026	2,261	5,412	6,703
Cost of sales	(1,913)	(1,519)	(3,371)	(3,426)
<b>Gross profit</b>	<b>1,113</b>	<b>742</b>	<b>2,041</b>	<b>3,277</b>
Other income	562	308	852	572
Administrative expenses	(576)	(534)	(1,065)	(1,326)
Selling & distribution expenses	-	(1)	(1)	(1)
Share of profit in associate	114	215	178	269
<b>Profit before tax</b>	<b>1,213</b>	<b>730</b>	<b>2,005</b>	<b>2,791</b>
Income tax expense	B5 (26)	(11)	(39)	(59)
<b>Profit for the period</b>	<b>1,187</b>	<b>719</b>	<b>1,966</b>	<b>2,732</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>1,187</b>	<b>719</b>	<b>1,966</b>	<b>2,732</b>

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2011 (CONTINUED)**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
NOTE	30 Jun 2011 RM'000	30 Jun 2010 RM'000	30 Jun 2011 RM'000	30 Jun 2010 RM'000
Profit attributable to :				
Equity holders of the parent	1,187	719	1,966	2,732
Minority interest	-	-	-	-
	<u>1,187</u>	<u>719</u>	<u>1,966</u>	<u>2,732</u>
Total comprehensive income attributable to :				
Equity holders of the parent	1,187	719	1,966	2,732
Minority interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Earnings per share attributable to equity holders of the parent :</b>				
-Basic (sen)	B13 0.65	0.40	1.08	1.51
	<u>0.65</u>	<u>0.40</u>	<u>1.08</u>	<u>1.51</u>
-Diluted (sen)	B13 0.65	0.40	1.08	1.51
	<u>0.65</u>	<u>0.40</u>	<u>1.08</u>	<u>1.51</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	NOTE	(Unaudited) 30 Jun 2011 RM'000	(Audited) 31 Dec 2010 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A9	6,858	6,964
Prepaid lease payments		3,185	3,216
Investment properties		3,435	3,470
Investment in associate		3,603	3,636
		<u>17,081</u>	<u>17,286</u>
<b>Current assets</b>			
Prepaid lease payments		62	62
Inventories		2,135	1,678
Investment securities	B8	21,434	21,848
Trade receivables		4,661	3,467
Other receivables, deposits and prepayments		168	201
Tax recoverable		58	45
Cash and cash equivalents		5,883	4,537
		<u>34,401</u>	<u>31,838</u>
<b>TOTAL ASSETS</b>		<u>51,482</u>	<u>49,124</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		18,113	18,113
Treasury shares		(12)	(10)
Share premium		15,166	15,166
Retained profits		16,127	14,161
<b>Total equity</b>		<u>49,394</u>	<u>47,430</u>
<b>Non-current liability</b>			
Deferred tax liability		73	73
		<u>73</u>	<u>73</u>
<b>Current liabilities</b>			
Trade payables		878	277
Other payables and accruals		1,137	1,344
		<u>2,015</u>	<u>1,621</u>
<b>Total liabilities</b>		<u>2,088</u>	<u>1,694</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>51,482</u>	<u>49,124</u>
Net assets per share (RM)		<u>0.27</u>	<u>0.26</u>

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011  
(CONTINUED)**

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Note:-**

Net assets per share is calculated by dividing net assets of RM49,394,000 over the number of ordinary shares of 181,132,000 at RM0.10 each.

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

(The figures have not been audited)

	◀ Non-distributable ▶			Treasury shares RM'000	Distributable	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Other reserve RM'000		Retained profits RM'000	
At 1 January 2011	18,113	15,166	-	(10)	14,161	47,430
<b>Transaction with owners:</b>						
Purchase of own shares	-	-	-	(2)	-	(2)
Profit for the period	-	-	-	-	1,966	1,966
	-	-	-	(2)	1,966	1,964
At 30 June 2011	18,113	15,166	-	(12)	16,127	49,394
At 1 January 2010	18,113	15,166	272	(5)	11,634	45,180
Effect of adopting FRS 139	-	-	-	-	132	132
At 1 January 2010 as restated	18,113	15,166	272	(5)	11,766	45,312
<b>Transaction with owners:</b>						
Purchase of own shares	-	-	-	(5)	-	(5)
Employees' share options scheme						
-options granted	-	-	7	-	-	7
Expiry of employee's share options	-	-	(279)	-	279	-
Interim tax-exempt dividend	-	-	-	-	(1,811)	(1,811)
Profit for the year	-	-	-	-	3,927	3,927
	-	-	(272)	(5)	2,395	2,118
At 31 December 2010	18,113	15,166	-	(10)	14,161	47,430

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

(The figures have not been audited)

	<b>6 months ended</b>	
	<b>30 Jun 2011</b>	<b>30 Jun 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,005	2,791
Adjustment for:		
Gain on fair value adjustment	(467)	(138)
Gain on disposal of investment securities	(65)	-
Share-based compensation	-	7
Dividend income	(3)	(131)
Interest income	(90)	(5)
Share of profit in associate	(178)	(269)
Operating lease expense on leased land	31	31
Depreciation	208	191
Operating profit before working capital changes	<u>1,441</u>	<u>2,477</u>
Inventories	(457)	239
Receivables	(1,161)	(2,200)
Payables	394	266
	<u>217</u>	<u>782</u>
Taxation	(51)	(43)
Net cash flow from operating activities	<u>166</u>	<u>739</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(129)	(126)
Purchase of investment securities	(10,831)	(1,556)
Proceeds from disposal of investment securities	11,839	-
Dividend received	213	239
Interest received	90	5
Net cash flow from investing activities	<u>1,182</u>	<u>(1,438)</u>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Purchase of treasury shares	(2)	(5)
Net cash flow from financing activity	<u>(2)</u>	<u>(5)</u>

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2011 (CONTINUED)**  
(The figures have not been audited)

	<b>6 months ended</b>	
	<b>30 Jun 2011</b>	<b>30 Jun 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,346	(704)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	4,537	11,497
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	5,883	10,793

Represented by :

Short term deposits with a licensed bank	-	2,977
Short term funds	2,476	4,257
Cash and bank balances	3,407	3,559
	5,883	10,793

Short term funds represents highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**  
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**A EXPLANATORY NOTES PURSUANT TO FRS 134 - INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in compliance with FRS 134 - Interim Financial Reporting, and Chapter 9, Part K, 9.22 and Appendix 9B of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of the 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 2010.

The significant accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2010 except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretation by the Group with effect from 1 January 2011.

**FRSs, Amendments to FRSs and Interpretations**

FRS 1 (Revised)	First-time Adoption of Financial Reporting Standards
FRS 3 (Revised)	Business Combinations
FRS 127 (Revised)	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2 (Revised)	Share Based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5 (Revised)	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**A1 Basis of preparation (continued)**

**FRSs, Amendments to FRSs and Interpretations**

Amendments to FRS 138 (Revised)	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Annual Improvements to FRSs (2010)	

Adoption of the above FRSs, Amendments to FRSs and Interpretations did not have any effect on the financial performance or position of the Group.

The Group has not early adopted the following new and revised FRSs, Amendments to FRSs, IC Interpretations which have been issued by the Malaysian Accounting Standard Board ("MASB") but are not yet effective for the current financial period:

**FRSs, Amendments to FRSs and Interpretations**

FRS 124	Related Party Disclosures
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

The Group expect that the adoption of the above FRSs, Amendments to FRSs and Interpretations will have no material impact on the financial statements in the period of initial application.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

- A2 Audit report of preceding annual financial statements**  
The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.
- A3 Seasonal or cyclical factors**  
The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.
- A4 Unusual items affecting assets, liabilities, equity, net income or cash flow**  
During the current quarter under review, there were no items affecting assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence.
- A5 Material changes in estimates**  
There were no changes in estimates of amounts reported in prior financial year, which have a material effect in the current quarter under review.
- A6 Changes in debt and equity securities**  
There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter-to-date under review, except for the following:

**Treasury shares**

The number of treasury shares held as at 30 June 2011 were as follows:

	<b>RM'000</b>
Balance as at 1 January 2011	10
Add: Purchase of treasury shares	<u>2</u>
Balance as at 30 June 2011	<u><u>12</u></u>

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**A7 Dividends paid**

No dividends were paid during the quarter under review.

**A8 Segmental information**

The segment information is presented on the basis of the Group's primary business segments. This segment reporting format is also the basis for the Group's management and internal reporting structure to the chief operating decision maker. There are 2 segments namely the Test, Burn in and Embedded Peripherals Operations and Automation Equipment/Systems Operations.

	<b>Individual</b>		<b>Cumulative</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2011</b>	<b>30.06.2010</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>
<b>Segment Revenue</b>				
(1) Test, Burn-in and Embedded Peripherals	3,038	2,042	4,913	6,641
(2) Automation Equipment/Systems	537	398	1,370	524
	<u>3,575</u>	<u>2,440</u>	<u>6,283</u>	<u>7,165</u>
Less : Intercompany transactions	(549)	(179)	(871)	(462)
Total	<u>3,026</u>	<u>2,261</u>	<u>5,412</u>	<u>6,703</u>
<b>Segment Result</b>				
(1) Test, Burn-in and Embedded Peripherals	934	368	1,429	2,420
(2) Automation Equipment/Systems	165	147	398	102
	<u>1,099</u>	<u>515</u>	<u>1,827</u>	<u>2,522</u>
Share of profit in associate	114	215	178	269
Total	<u>1,213</u>	<u>730</u>	<u>2,005</u>	<u>2,791</u>

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**A9 Property, plant and equipment**

The valuation of the property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2010.

Property, plant and equipment costing RM129,000 were acquired during the period ended 30 June 2011.

**A10 Material events subsequent to the end of the quarter**

There were no material events between the end of the reporting quarter and the date of this announcement.

**A11 Changes in the composition of the Group**

There were no material changes in the composition of the Group for the current quarter under review.

**A12 Contingent liabilities**

During the current quarter, the directors are of the opinion that the Group has no contingent liabilities which, upon materialisation would have a material impact on the financial position and business of the Group.

**A13 Related party transactions**

During the current quarter under review, the directors are of the opinion that the Group has no related party transactions which would have a material impact on the financial position and business of the Group.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR ACE MARKET**

**B1 Review of performance**

For the current quarter, the Group registered revenue and profit before tax ("PBT") of approximately RM 3.03 million and RM 1.21 million respectively. Compared to the preceding year corresponding quarter revenue and PBT of approximately RM 2.26 million and RM 0.73 million respectively, revenue and PBT have increased by approximately 34.07% and 65.75% respectively for the current quarter. The higher revenue recorded was mainly due to slight improvement on the demand of our LED Testers. The increase in PBT was mainly due to the higher revenue as well as the gain arising from fair value adjustment.

The Group recorded revenue and PBT of approximately RM5.41 million and RM2.01 million respectively for the current year-to-date. Compared to the preceding year corresponding year-to-date revenue and PBT of RM6.70 million and RM2.79 million respectively, revenue and PBT have decreased by approximately 19.25% and 27.96% respectively for the current year-to-date. The lower revenue and PBT recorded was mainly due to lower demand in the 1st quarter of the year.

**B2 Variation of results against preceding quarter**

For the current quarter, the Group recorded higher revenue and PBT of RM 3.03 million and RM 1.21 million respectively as compared to revenue and PBT of RM 2.39 million and RM 0.61 million respectively in the preceding quarter. The increase in revenue and PBT was mainly due to increase in demand of our LED Testers.

**B3 Prospects**

Barring any unforeseen circumstances, the Board is cautiously optimistic of the Group's prospects for the financial year ending 31 December 2011.

**B4 Profit estimate, forecast, projection or internal targets and profit guarantee**

The Group did not announce or provide any profit estimate, forecast, projection, internal targets or profit guarantee in any public documents.

**B5 Income tax expense**

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	RM '000	RM '000	RM '000	RM '000
Current tax	(26)	(11)	(39)	(59)

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**B5 Income tax expense (continued)**

For the current quarter ended 30 June 2011, the effective tax rate for the Group is lower than the statutory tax rate due to 100% tax exemption from Pioneer Status granted under MSC Status for Elsoft Research Berhad and Pioneer Status of Section 7 Promotion of Investment Act, 1986 for AGS Automation (Malaysia) Sdn. Bhd.

**B6 Unquoted investments and properties**

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

**B7 Corporate proposals**

There are no corporate proposals announced but not completed as at 8 August 2011 (being the latest practicable date which is not earlier than 7 days from the date of this announcement).

**B8 Investment securities**

A summary of the movement of investment securities during the period ended 30 June 2011 is as follow:

	<b>RM'000</b>
Balance at 1 January 2011	21,848
Acquisition during the period	10,831
	<hr/> 32,679
Disposal during the period	(11,713)
	<hr/> 20,966
Add : Gain on fair value adjustment	467
Balance at 30 June 2011	<hr/> <hr/> 21,433

**B9 Group's borrowings and debt securities**

There were no borrowings and debt securities outstanding/issued during the current quarter under review.

**B10 Off balance sheet financial instruments**

There were no off-balance sheet financial instruments as at 8 August 2011 (being the latest practicable date which is not earlier than 7 days from the date of this announcement).

**B11 Material litigation**

There were no material litigations pending since the end of the previous financial year ended 31 December 2010 to 8 August 2011 (being the date not earlier than 7 days from the date of this announcement).

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**B12 Dividends**

Details of the interim dividend approved and declared by the Board of Directors are as follows:-

	<b>30.06.2011</b>	<b>30.06.2010</b>
Interim dividend for the financial year	2011	2010
Approved and declared on	15 August 2011	23 August 2010
Amount per share	10% tax exempt	10% tax exempt
Date payable	28 September 2011	22 September 2010
Entitlement to dividend based on Record of Depositors as at	9 September 2011	8 September 2010

**B13 Earnings per share**

a. Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by weighted average number of ordinary shares in issue during the period.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2011</b>	<b>30.06.2010</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Profit attributable to ordinary equity holders of the parent	1,187	719	1,966	2,732
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2011</b>	<b>30.06.2010</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**B13 Earnings per share (continued)**

	3 months ended		6 months ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	Sen	Sen	Sen	Sen
Basic earnings per share for:				
Profit for the period	0.65	0.40	1.08	1.51

b. Diluted

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent 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. share option granted to employees.

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	RM '000	RM '000	RM '000	RM '000
Profit attributable to ordinary equity holders of the parent	1,187	719	1,966	2,732

	3 months ended		6 months ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132
Effects of dilution :				
Share option	-	-	-	-
	181,132	181,132	181,132	181,132

	3 months ended		6 months ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	Sen	Sen	Sen	Sen
Diluted earnings per share for:				
Profit for the period	0.65	0.40	1.08	1.51

**ELSOFT RESEARCH BERHAD (Company No. 617504-K)**  
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

**B14 Realised and unrealised profits disclosure**

The retained profits may be analysed as follows:

	<b>As at end of current quarter 30.06.2011</b>	<b>As at end of preceding quarter 31.03.2011</b>
- Realised	15,060	14,340
- Unrealised	1,067	600
	<u>16,127</u>	<u>14,940</u>

**B15 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 15 August 2011.

By Order of the Board

***Tan Cheik Eaik***  
Director