

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	3 MONTHS PERIOD ENDED		9 MONTHS PERIOD ENDED		
	Note	30 SEPTEMBER 2011	30 SEPTEMBER 2010	30 SEPTEMBER 2011	30 SEPTEMBER 2010
	RM	RM	Unaudited RM	Unaudited RM	
CONTINUING OPERATIONS					
Revenue	10,712,904	2,754,393	30,147,793	6,114,849	
Cost of sales	(1,833,403)	(924,354)	(6,108,718)	(2,136,324)	
Gross Profit	8,879,501	1,830,039	24,039,075	3,978,525	
Other operating income	(5,236)	(3,217)	79,039	4,682	
Administrative expenses	(6,396,309)	(1,713,320)	(18,171,105)	(6,083,763)	
Gain on disposal of assets held for sale	-	-	-	786,425	
Profit/(Loss) from operations	2,477,956	113,502	5,947,009	(1,314,131)	
Finance costs	(157,131)	(52,491)	(494,070)	(140,304)	
Negative goodwill from acquisition of a subsidiary	-	(12,315)	65,183	(12,044)	
Pre-acquisition profit adjustment	-	-	(66,556)	-	
Profit / (Loss) before income tax	2,320,825	48,696	5,451,566	(1,466,479)	
Income tax expenses	(54,380)	(12,829)	(77,459)	(39,029)	
Profit / (Loss) for the period	2,266,445	35,867	5,374,107	(1,505,508)	
DISCONTINUED OPERATIONS					
Profit / (loss) before tax from discontinued operations	-	-	-	-	
Taxation	-	-	-	-	
Profit / (loss) from discontinued operations	-	-	-	-	
Profit / (Loss) for the period	2,266,445	35,867	5,374,107	(1,505,508)	
Profit / (loss) attributable to:					
Equity Holders of the Parent	2,266,604	32,039	5,372,198	(1,505,214)	
Non controlling interest	(159)	3,828	1,909	(294)	
	2,266,445	35,867	5,374,107	(1,505,508)	
Earnings /(loss) per share attributable to					
Equity Holders of the Parent					
- Basic (sen)	B12	1.48	0.02	3.52	(1.04)
- Diluted (sen)	B12	-	-	-	-

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS PERIOD ENDED		9 MONTHS PERIOD ENDED	
	30 SEPTEMBER 2011	30 SEPTEMBER 2010	30 SEPTEMBER 2011	30 SEPTEMBER 2010
Note	RM	RM	RM	RM
Profit / (Loss) for the period	2,266,445	35,867	5,374,107	(1,505,508)
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	14,408	(6,150)	8,641	82,926
Other comprehensive income, net of tax	14,408	(6,150)	8,641	82,926
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	2,280,853	29,717	5,382,748	(1,422,582)
Total comprehensive income/ (loss) attributable to:				
Equity Holders of the Parent	2,281,012	25,889	5,380,839	(1,422,288)
Non controlling interest	(159)	3,828	1,909	(294)
	2,280,853	29,717	5,382,748	(1,422,582)
	-	-	-	-

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i>	<i>Audited</i>
	30 SEPTEMBER 2011	31 DECEMBER 2010
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	10,161,364	5,499,558
Goodwill on consolidation	6,663,251	6,663,251
Intangible assets	45	883
Development costs	14,163,475	16,408,284
	30,988,135	28,571,976
CURRENT ASSETS		
Inventories	80,963	47,196
Trade receivables	9,979,088	6,248,836
Other receivables, prepayments & deposits	1,023,878	755,403
Deposits placed with licensed bank	310,302	667,802
Cash and bank balances	182,997	69,769
	11,577,228	7,789,006
TOTAL ASSETS	42,565,363	36,360,982
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	16,133,266	14,666,666
Share premium	5,545,173	5,061,195
Foreign currency translation reserve	62,011	53,370
Revaluation reserve	1,797,914	1,825,293
Legal Reserve	27,053	27,053
Retained profits	11,115,124	5,683,352
	34,680,541	27,316,929
Non controlling interest	7,891	4,513
TOTAL EQUITY	34,688,432	27,321,442
NON-CURRENT LIABILITIES		
Hire purchase payables	3,628,515	66,569
Finance lease payables	55,737	-
Deferred tax liabilities	134,086	134,086
	3,818,338	200,655
CURRENT LIABILITIES		
Trade payables	180,706	829,858
Other payables and accruals	244,855	3,471,148
Hire purchase payables	1,272,782	74,041
Finance lease payables	180,440	-
Provision for taxation	17,825	244,481
Bank overdrafts - secured	2,161,985	4,219,357
	4,058,593	8,838,885
TOTAL LIABILITIES	7,876,931	9,039,540
TOTAL EQUITY AND LIABILITIES	42,565,363	36,360,982
Number of ordinary shares at RM0.10 sen par each	161,332,666	146,666,666
Net Assets per share attributable to ordinary equity holders of the Company (sen)	21.5	18.6

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2011**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(THE FIGURES HAVE NOT BEEN AUDITED)**

	Atributable to Equity Holders of the Company					Distributable		Total Equity RM	
	Non-Distributable			Relating to Assets Held for Sale		Retained Profits	Sub-total		Non Controlling Interest
	Share Capital RM	Share Premium RM	Foreign Currency Translation Reserve RM	Revaluation Reserve RM	Legal Reserve RM			RM	
Current period-to-date ended 30 SEPTEMBER 2011									
As at 1 January 2011	14,666,666	5,061,195	53,370	1,825,293	27,053	-	27,316,929	4,513	27,321,442
Issuance of shares pursuant to Private Placement	1,466,800	483,978	-	-	-	-	1,950,578	-	1,950,578
Profit for the period	-	-	-	-	-	5,372,198	5,372,198	3,378	5,375,576
Other Comprehensive Income for the period	-	-	8,641	-	-	-	8,641	-	8,641
Total comprehensive income for the period	-	-	8,641	-	-	5,372,198	5,380,839	3,378	5,384,217
Amortisation of revaluation reserve	-	-	-	(27,379)	-	-	-	-	-
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	-	27,379	-	-	-
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-
Disposal of investment in SMR HR Singapore	-	-	-	-	-	32,195	32,195	-	32,195
Balance at the end of period	16,133,266	5,545,173	62,011	1,797,914	27,053	11,115,124	34,680,541	7,891	34,688,432
Corresponding period-to-date ended 30 SEPTEMBER 2010									
As at 1 January 2010	13,333,333	5,061,195	(24,747)	1,862,544	-	3,460	25,630,712	29,758	25,660,470
Issuance of shares pursuant to Private Placement	1,333,333	-	-	-	-	-	1,333,333	-	1,333,333
Loss for the period	-	-	-	-	-	(1,505,214)	(1,505,214)	(294)	(1,505,508)
Other Comprehensive Income for the period	-	-	82,926	-	-	-	82,926	-	82,926
Total comprehensive income for the period	-	-	82,926	-	-	(1,505,214)	(1,422,288)	(294)	(1,422,582)
Amortisation of revaluation reserve	-	-	-	(24,834)	-	-	-	-	-
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	-	(3,460)	(3,460)	-	(3,460)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Disposal of investment in SMR USA	-	-	-	-	-	(4,101)	(4,101)	116,492	116,492
Balance at the end of period	14,666,666	5,061,195	58,179	1,837,710	-	3,910,446	25,534,196	145,956	25,680,152

Note:

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.

QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT PERIOD ENDED 30 SEPTEMBER 2011	CORRESPONDING PERIOD ENDED 30 SEPTEMBER 2010
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax		
- Continuing operations	5,451,566	(1,466,479)
- discontinued operations	-	-
Adjustments for:		
Depreciation		
- continuing operations	1,322,856	718,120
- discontinued operations	-	-
Amortisation	2,276,176	595,100
Interest Income	(13,252)	(4,682)
Interest expenses	445,468	140,304
Loss / (gain) on Disposal PPE	(69,999)	-
Bad debts written off	-	873,084
Gain on disposal of assets held for sale	-	(786,425)
Gain on disposal of subsidiary	(6,820)	-
Unrealised Foreign exchange loss	(128,423)	-
Pre-acquisition loss	66,556	-
Negative goodwill from acquisition of Subsidiary	(65,183)	12,044
Operating (loss) / profit before working capital changes	9,278,945	81,066
Changes in working capital		
Receivables	(3,461,086)	(2,174,516)
Payables	(4,233,113)	(226,036)
Inventories	(33,768)	1,557
Cash used in from operations	1,550,978	(2,317,929)
Tax paid	(292,325)	(35,546)
Interest expenses	(201,610)	-
Net cash used in operating activities	1,057,043	(2,353,475)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(156,804)	(152,013)
Deposit held as security	357,500	148,369
Proceeds from disposal of property, plant & equipment	76,000	92,433
Development Cost	-	(500)
Interest Income	13,252	4,682
Net cash generated from / (used in) investing activities	289,948	92,971
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placement of share	-	1,462,781
Proceeds from disposal of assets held for sale	-	3
Proceeds from issuance of shares	1,957,496	-
Proceeds from disposal of investment in Subsidiary	221,871	-
Investment in subsidiary	(228,688)	(25,000)
Repayment of hire purchase payables	(776,504)	(51,342)
Repayment of finance lease payables	(102,090)	-
Interest paid	(243,858)	(140,304)
Net cash generated from / (used in) financing activities	828,227	1,246,138
Net decrease in cash and cash equivalents	2,175,218	(1,014,366)
Foreign exchange translation differences	1,045	(2,212)
Opening balance of cash and cash equivalents	(4,155,251)	(1,657,881)
Closing balance of cash and cash equivalents	(1,978,988)	(2,674,459)
Cash and cash equivalents		
Fixed deposits with licensed bank	310,302	211,699
Cash and bank balances	182,997	155,827
Overdraft	(2,161,985)	(2,830,286)
	(1,668,686)	(2,462,760)
Less: Deposits held as security	(310,302)	(211,699)
Closing balance of cash and cash equivalents	(1,978,988)	(2,674,459)

Note:

The unaudited condensed consolidated Statement of Cash Flow should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2010.



**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2011**

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of Preparation

- a) These interim financial statements of SMR Technologies Berhad ("SMRT" or the "Company") and its subsidiaries (the "Group") are unaudited and have been prepared in accordance with FRS 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Appendix 9B of the Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("AMLR").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2010. These explanatory notes attached to the interim financial statement 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 FYE 31 December 2010.

b) Adoption of New and Revised FRS, Amendments/Improvements to FRS and IC Interpretations ("IC Int")

The significant accounting policies and presentations adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the FYE 31 December 2010 except for the adoption of the following FRSs, amendments to FRSs and IC Int, which are effective for annual periods beginning on and after:

Revised FRSs, Amendments / Improvements to FRSs and IC Int Effective for financial periods beginning on or after 1 July 2010

Revised FRS

FRS 1	First-time Adoption of Financial Reporting Standards	01-Jul-10
FRS 3	Business Combinations	01-Jul-10
FRS 127	Consolidated and Separate Financial Statements	01-Jul-10

Amendments/Improvements to FRS

FRS 5	Non-current Assets Held for Sale and Discontinued Operations	01-Jul-10
FRS 138	Intangible Assets	01-Jul-10

IC Int

IC Int 12	Service Concession Arrangements	01-Jul-10
IC Int 16	Hedges of a Net Investment in a Foreign Operation	01-Jul-10
IC Int 17	Distributions of Non-cash Assets to Owners	01-Jul-10

Revised FRSs, Amendments / Improvements to FRSs and IC Int Effective for financial periods beginning on or after 1 Jan 2011

Revised FRS

FRS 124	Related Party Disclosures	01-Jan-12
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Amendments/Improvements to FRS

FRS 1	First-time Adoption of Financial Reporting Standards	01-Jan-11
FRS 2	Share-based Payment	01-Jan-11
FRS 3	Business Combinations	01-Jan-11
FRS 7	Financial Instruments: Disclosure	01-Jan-11
FRS 101	Presentation of Financial Statements	01-Jan-11
FRS 121	The Effects of Changes in Foreign Exchange Rates	01-Jan-11
FRS 128	Related Party Disclosures	01-Jan-11
FRS 131	Interests in Joint Ventures	01-Jan-11
FRS 132	Financial Instruments: Presentation	01-Jan-11
FRS 134	Interim Financial Reporting	01-Jan-11
FRS 139	Financial Instruments: Recognition and Measurement	01-Jan-11

IC Int

IC Int 4	Determining Whether an Arrangement contains a Lease	01-Jan-11
IC Int 15	Agreements for the Construction of Real Estate	01-Jan-12
IC Int 18	Transfers of Assets from Customers	01-Jan-11
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	01-Jul-11

The Group has yet to adopt the following FRSs, Amendments to FRSs and IC Interpretations which are effective for annual periods beginning on and after:

Amendments to IC Int

IC Int 9	Reassessment of Embedded Derivatives	01-Jul-10
IC Int 13	Customer Royalty Programmes	01-Jan-11
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	01-Jul-11
IC Int 15	Agreements for the Construction of Real Estate	30-Aug-10

A2 Audit Report of the preceding Annual Financial Statements

The audit report for the annual financial statements of the Group for the FYE 31 December 2010 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's operations were not materially affected by seasonal or cyclical changes.

A4 Changes in estimates

There were no estimates report provided for the last financial quarter under review.

A5 Debt and equity securities

There were no issuance, cancellation or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review, other than disclosed as follows:-

On 5 August 2011, the Company had completed the Private Placement for 14,666,000 new ordinary shares of RM0.10 each in SMRT, representing 10% of the issued and paid up share capital of the Company to Detik Perkasa Sdn. Bhd. at an issue price of RM0.133 each ("Private Placement").

A6 Valuation of Property, Plant and Equipment

The value of office suite has been brought forward, without amendments from the last year's annual audited financial statements.

A7 Dividend Paid

No dividend was paid during the financial quarter under review.

A8 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items or events, which affected the assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

A9 Segmental Information

(a) Analysis of segmental revenue and results

	Current Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Continuing Operations				
- software & implementation services	5,235	712	7,698	1,490
- outsourcing, consulting, executive search services, learning & development	8,650	2,043	26,729	4,697
- investment holding & management services	-	-	-	-
Elimination of inter-segment sales	(3,172)	-	(4,279)	(72)
Total revenue from Continuing Operations	10,713	2,755	30,148	6,115
Discontinued Operations	-	-	-	-
Total operations	10,713	2,755	30,148	6,115
Segment Results				
Continuing Operations				
- software & implementation services	4,074	(78)	4,036	(1,022)
- outsourcing, consulting, executive search services, learning & development	(1,511)	320	2,051	336
- investment holding & management services	(269)	(194)	(685)	(731)
Consolidation adjustments	(28)	(13)	(28)	(89)
	2,266	35	5,374	(1,506)
Discontinued Operations	-	-	-	-
Profit / (loss) after tax for total operations	2,266	35	5,374	(1,506)

(b) Analysis by geographical areas

	3 months ended 30 September 2011					
	Continuing Operations			Discontinued Operations		Total Operations
	Malaysia RM'000	Overseas RM'000	Elimi- nations RM'000	Conso- lidated RM'000	Overseas RM'000	
Revenue						
External sales	8,673	2,040	-	10,713	-	10,713
Inter-segment	3,172	-	(3,172)	-	-	-
Total	11,845	2,040	(3,172)	10,713	-	10,713

	9 months ended 30 September 2011					
	Continuing Operations			Discontinued Operations		Total Operations
	Malaysia RM'000	Overseas RM'000	Elimi- nations RM'000	Conso- lidated RM'000	Overseas RM'000	
Revenue						
External sales	25,935	4,213	-	30,148	-	30,148
Inter-segment	4,278	1	(4,279)	-	-	-
Total	30,213	4,214	(4,279)	30,148	-	30,148

Segment assets	65,696	622	(23,753)	42,565	-	42,565
Segment liabilities	23,727	161	(16,011)	7,877	-	7,877
Depreciation & amortisation	3,593	6	-	3,599	-	3,599

A10 Material Events Subsequent to the end of the current quarter

- a) On 27 October 2011, the Company had announced that SMR HR Services Sdn Bhd, a wholly-owned subsidiary has on 25 October 2011 changed its name to SMR Events Sdn Bhd.

A11 Changes in the Composition of the Group

On 26 August 2011, the company had announced the completion of the disposal of 100% of the equity interest in SMR HR Singapore Pte Ltd ("SMR HR Singapore"), comprising of 2 ordinary shares of S\$1.00 each to Ong Tong It Anthony ("Purchaser") for a total cash consideration of S\$2.00, equivalent to approximately RM5.00 based on the exchange rate of S\$1.00 to RM2.50 as at 25 August 2011. The disposal will result in SMR HR Singapore ceasing to be wholly-owned subsidiary of the Company.

A12 Contingent Liabilities or Contingent Assets

As at 30.09.2011
RM'000

Corporate Guarantees issued to financial institutions in respect of banking facilities granted to subsidiary companies	10,200
Bank Guarantee issued by a subsidiary company in favour of third parties	<u>10</u>
	<u>10,210</u>

A13 Capital Commitments

There were no capital commitments during the current quarter under review.

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B1 Review of Performance**Current quarter compared to preceding year's corresponding quarter**

For the current quarter under review, the group had achieved a revenue from its continuing operations of RM10.71 million with a profit before tax ("PBT") of RM2.32 million compared with a turnover of RM2.75 million and PBT of RM0.05 million in the same quarter of 2010 (Q3, 2010). The increase in revenue and PBT was mainly due to the special projects with MOE in Malaysia, MOW in Bahrain, Petro Rabigh in Saudi and Borouge in Abu Dhabi in this quarter.

Current financial year-to-date results compared to preceding year's corresponding financial year-to-date results

The Group's revenue increased by 393% to RM30.15 million for the cumulative Q3, 2011 compared to the previous year's corresponding quarter. The increase was due to higher revenue generated from various projects. PBT for the cumulative quarter of RM5.45 million compared with the loss before tax for the previous year's corresponding cumulative quarter of RM1.47 million.

B2 Material change in the profit before tax for the current quarter as compared with the immediate preceding quarter

The Group's profit before tax from continuing operations of RM2.32 million against RM2.08 million in the immediate preceding quarter (Q2, 2011). This was mainly due to an increase in revenue by RM0.32 million (3%) in the current quarter compared to the previous quarter.

B3 Prospects for the current financial year

The Group maintains a positive outlook on its performance for year 2011. The projects in Malaysia and projects in Saudi Arabia and Bahrain have contributed positively to maintain the Group profitable position. With positive demand in Saudi Arabia, U.A.E, Bahrain and Malaysia, the Group is confident that it can sustain its profitability and continual growth in the year 2011.

The Group is continuing to build on its core strength and focus on increasing operational efficiency by improving its processes, branding and its technology based HR solutions. Barring any unforeseen circumstances, the Directors are of the opinion that the Group's results for the current year will remain favourable.

B4 Variance of actual profit from Profit forecast and Profit Guarantee

The Group neither announced nor provided any profit forecast or profit guarantee for the current quarter.

B5 Income Tax Expenses

	Current Quarter 30.09.2011 RM'000	Cumulative Quarter 30.09.2011 RM'000
Income tax		
Current tax	16	39
(Over) / under provision of tax in prior year	38	38
Deferred tax liabilities	-	134
	54	211

The effective tax rate for the current financial quarter is higher than the statutory tax rate of 25% due to the non-deductibility of certain expenses for tax in some subsidiary companies. SMR HR Technologies Sdn Bhd, a wholly-owned subsidiary of the Company is accorded tax exemption for 10 years up to 30 December 2011 due to its Multimedia Super Corridor (MSC) status .

B6 Profit on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments or properties during the quarter under review.

B7 Purchase and Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date.

B8 Status of corporate proposals announced but not yet completed

There was no other corporate proposals announced but not yet completed as at the date of this quarterly report.

B9 Group Borrowings and Debt Securities

	30.09.2011 RM'000
Secured short -term	
Overdraft	2,162
Hire purchase payables	1,273
Lease assets payables	180
Secured long -term	
Hire purchase payables	3,628
Lease assets payables	56
Total borrowings	<u>7,299</u>

All borrowings are denominated in Ringgit Malaysia.

B10 Off Balance Sheet Financial Instruments

There is no off balance sheet financial instruments as at the date of this quarterly report.

B11 Material Litigations

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this quarterly report.

B12 Earning Per Share ("EPS") / Loss Per Share ("LPS")

The basic EPS or LPS is calculated based on the Group's profit or loss attributable to ordinary equity holders of the parent for the current quarter and cumulative year to date, and divided by the weighted average number of shares of RM0.10 each in issue for the current quarter and cumulative year to date as follows :-

(a) Basic EPS / (LPS)

	3 months ended		Year-to-date	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
Profit / (loss) from continuing operations attributable to ordinary equity holders of the Company (RM'000)	2,267	32	5,372	(1,505)
Profit / (loss) from discontinued operation attributable to ordinary equity holders of the Company (RM'000)	-	-	-	-
Profit / (loss) attributable to ordinary equity holders of the parent (RM'000)	<u>2,267</u>	<u>32</u>	<u>5,372</u>	<u>(1,505)</u>
Weighted average no. of ordinary shares of RM 0.10 each ('000)	152,654	144,731	152,654	144,731
Basic profit / loss per ordinary shares (sen) for:				
Profit / loss) from continuing operations	1.485	0.022	3.519	(1.040)
Profit from discontinued operation	-	-	-	-
Profit / (loss) for the period	<u>1.485</u>	<u>0.022</u>	<u>3.519</u>	<u>(1.040)</u>

(b) Fully diluted earnings per share

The Group has no potential dilutive securities. As such, no dilutive effect on the earnings per share of the Group.

B13 Dividend

There is no dividend declared for the current financial quarter.

B14 Disclosure of Realised and Unrealised Profits/(Losses)

	As at 30.09.2011 RM'000	As at 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	12,081	6,777
- Unrealised	(966)	(1,094)
Total group retained profits as per consolidated accounts	11,115	5,683

B15 Status of Utilisation of Proceeds from Private Placement

Details of Utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Amount unutilised RM'000
Working capital			
- Payment of employees' salaries	943	175	768
- Payment to creditors	788	326	462
- Expenses for advertising and promotional activities	150	3	147
Estimated expenses for the Proposed Private Placement	70	64	6
Total	1,951	568	1,383

The amount is expected to be utilised within 12 months from the date of the completion of the Private Placement, being 5 August 2011.