



**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	3 MONTHS PERIOD ENDED		12 MONTHS PERIOD ENDED		
	Note	31 DECEMBER 2012	31 DECEMBER 2011	31 DECEMBER 2012	31 DECEMBER 2011
			Unaudited	Audited	
	RM	RM	RM	RM	
Revenue	12,141,528	14,294,757	61,445,081	44,442,550	
Cost of sales	(9,779,642)	(8,744,455)	(42,093,552)	(27,329,612)	
Gross Profit	2,361,886	5,550,302	19,351,529	17,112,938	
Other operating income	55,582	10,720	76,057	89,759	
Administrative expenses	(1,136,872)	(2,171,799)	(8,864,512)	(7,866,465)	
Bargain purchase arising from acquisition of a subsidiary	77,904	(1,964)	77,904	63,219	
Gain on disposal of subsidiary	-	6,820	-	6,820	
Profit from operations	1,358,500	3,394,079	10,640,978	9,406,271	
Finance costs	(63,101)	(81,395)	(366,122)	(575,465)	
Profit before income tax	1,295,399	3,312,684	10,274,856	8,830,806	
Income tax expenses	(1,166,933)	(420,762)	(1,482,548)	(498,221)	
Profit for the period	128,466	2,891,922	8,792,308	8,332,585	
Profit attributable to:					
Equity Holders of the Parent	62,100	2,948,161	8,731,488	8,320,359	
Non controlling interest	66,366	10,317	60,820	12,226	
	128,466	2,891,922	8,792,308	8,332,585	
Earnings per share attributable to Equity Holders of the Parent					
- Basic (sen)	B10	0.04	1.83	5.31	5.45
- Diluted (sen)	B10	0.04	1.81	5.25	5.39

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 2011.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS PERIOD ENDED		12 MONTHS PERIOD ENDED	
	Note	<u>31 DECEMBER 2012</u>	<u>31 DECEMBER 2011</u>	<u>31 DECEMBER 2012</u>
	RM	RM	RM	RM
Profit for the period	128,466	2,891,922	8,792,308	8,332,585
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	10,393	63,047	(111,684)	71,688
Amortisation of revaluation reserve	(8,945)	(9,127)	(35,776)	(36,506)
Other comprehensive income, net of tax	1,448	53,920	(147,460)	35,182
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>129,914</u>	<u>2,945,842</u>	<u>8,644,848</u>	<u>8,367,767</u>
Total comprehensive income attributable to:				
Equity Holders of the Parent	63,548	3,002,081	8,584,028	8,355,541
Non controlling interest	66,366	10,317	60,820	12,226
	<u>129,914</u>	<u>2,945,842</u>	<u>8,644,848</u>	<u>8,367,767</u>
	-	-	-	-

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i>	<i>Audited</i>
	31 DECEMBER 2012	31 DECEMBER 2011
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	8,665,084	9,694,266
Goodwill on consolidation	6,663,251	6,663,251
Intangible assets	-	-
Development costs	5,873,267	13,354,710
	<u>21,201,602</u>	<u>29,712,227</u>
CURRENT ASSETS		
Inventories	40,953	46,889
Trade receivables	16,597,247	11,661,100
Other receivables, prepayments & deposits	8,796,590	576,163
Tax recoverable	-	891
Deposits placed with licensed bank	5,113,892	338,191
Cash and bank balances	1,989,309	3,116,748
	<u>32,537,991</u>	<u>15,739,982</u>
TOTAL ASSETS	<u>53,739,593</u>	<u>45,452,209</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	17,536,411	16,143,266
Share premium	6,757,395	5,552,373
Treasury Shares	(814,556)	-
Foreign currency translation reserve	13,374	125,058
Revaluation reserve	1,753,011	1,788,787
Legal Reserve	203,809	131,380
Share-based payment reserved in relating to ESOS	162,737	489,066
Retained profits	21,895,070	13,968,085
	<u>47,507,251</u>	<u>38,198,015</u>
Non controlling interest	78,988	18,168
TOTAL EQUITY	<u>47,586,239</u>	<u>38,216,183</u>
NON-CURRENT LIABILITIES		
Hire purchase payables	1,894,835	3,300,320
Finance lease payables	-	67,537
Deferred tax liabilities	12,802	19,293
	<u>1,907,637</u>	<u>3,387,150</u>
CURRENT LIABILITIES		
Trade payables	69,584	279,779
Other payables and accruals	2,109,391	1,952,087
Hire purchase payables	1,402,114	1,295,278
Finance lease payables	67,524	132,003
Taxation payables	597,104	189,729
Bank overdrafts - secured	-	-
	<u>4,245,717</u>	<u>3,848,876</u>
TOTAL LIABILITIES	<u>6,153,354</u>	<u>7,236,026</u>
TOTAL EQUITY AND LIABILITIES	<u>53,739,593</u>	<u>45,452,209</u>
Number of ordinary shares at RM0.10 sen par each	175,364,112	161,432,666
Net Assets per share attributable to ordinary equity holders of the Company (sen)	<u>27.1</u>	<u>23.7</u>

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 2011.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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

	Attributable to Equity Holders of the Company										
	Non-Distributable					Distributable					
	Share Capital	Share Premium	Share Based Payment Reserved	Treasury Shares	Foreign Currency Translation Reserve	Revaluation Reserve	Legal Reserve	Retained Profits	Sub-total	Non Controlling Interest	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Current period-to-date ended											
31 DECEMBER 2012											
As at 1 January 2012	16,143,266	5,552,373	489,066	-	125,058	1,788,787	131,380	13,968,085	38,198,015	18,168	38,216,183
Issuance of shares pursuant to :-											
- Private Placement	-	-	-	-	-	-	-	-	-	-	-
- ESOS	1,392,945	535,703	-	-	-	-	-	-	1,928,648	-	1,928,648
- Warrants Converted	200	160	-	-	-	-	-	360	360	-	360
Profit for the period	-	-	-	-	(111,684)	(35,776)	-	8,731,488	8,731,488	60,820	8,792,308
Other Comprehensive Income for the period	-	-	-	-	(111,684)	(35,776)	-	(147,460)	(147,460)	-	(147,460)
Total comprehensive income for the period	-	-	-	-	(111,684)	(35,776)	-	8,731,488	8,584,028	60,820	8,644,848
Amortisation of revaluation reserve	-	-	-	-	-	-	-	35,776	35,776	-	35,776
Transfer to legal reserve	-	-	-	-	-	-	72,429	(72,429)	-	-	-
Share-based payments in relation to ESOS	-	-	415,265	-	-	-	-	-	415,265	-	415,265
Exercised of ESOS	-	669,159	(669,159)	-	-	-	-	-	-	-	-
Lapsed ESOS	-	-	(72,435)	-	-	-	-	72,435	-	-	-
Shares-Buy back	-	-	-	(814,556)	-	-	-	(814,556)	(814,556)	-	(814,556)
Interim Dividend paid	-	-	-	-	-	-	-	(840,285)	(840,285)	-	(840,285)
Balance at the end of period	17,536,411	6,757,395	162,737	(814,556)	13,374	1,753,011	203,809	21,895,070	47,507,251	78,988	47,586,239
Corresponding period-to-date ended											
31 DECEMBER 2011											
As at 1 January 2011	14,666,666	5,061,195	-	-	53,370	1,825,293	27,053	5,683,352	27,316,929	4,513	27,321,442
Issuance of shares pursuant to Private Placement	1,476,600	487,478	-	-	-	-	-	-	1,964,078	-	1,964,078
Gain for the period	-	-	-	-	71,688	(36,506)	-	8,320,359	8,320,359	12,226	8,332,585
Other Comprehensive Income for the period	-	-	-	-	71,688	(36,506)	-	-	35,182	-	35,182
Total comprehensive income for the period	-	-	-	-	71,688	(36,506)	-	8,320,359	8,355,541	12,226	8,367,767
Amortisation of revaluation reserve	-	-	-	-	-	-	-	36,506	36,506	-	36,506
Transfer to legal reserve	-	-	-	-	-	-	104,327	(104,327)	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	1,429	1,429
Disposal of subsidiary	-	-	-	-	-	-	-	32,195	32,195	-	32,195
Share-based payments in relation to ESOS	-	3,700	492,766	-	-	-	-	32,195	492,766	-	492,766
Exercised of ESOS	-	-	(3,700)	-	-	-	-	-	-	-	-
Balance at the end of period	16,143,266	5,552,373	489,066	-	125,058	1,788,787	131,380	13,968,085	38,198,015	18,168	38,216,183

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 2011.

QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT PERIOD ENDED 31 DECEMBER 2012	CORRESPONDING PERIOD ENDED 31 DECEMBER 2011
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,274,856	8,830,806
Adjustments for:		
Depreciation	1,818,460	1,803,005
Amortisation	2,736,258	3,091,769
Interest Income	(36,411)	(21,142)
Interest expenses	366,122	575,465
Loss / (gain) on Disposal PPE	-	(72,795)
PPE written off	1,687	1,094
(Gain) / Loss on disposal of subsidiary	-	(6,820)
Share-based payments reserved in relating to ESOS	415,208	492,766
Unrealised Foreign exchange loss	(48,450)	71,136
Bargain purchase arising from acquisition of Subsidiary	(77,904)	(63,219)
Operating profit before working capital changes	15,449,826	14,702,065
Changes in working capital		
Receivables	(7,097,090)	(5,197,438)
Payables	(242,716)	(2,057,303)
Inventories	5,936	307
Cash (used in) / generated from operations	8,115,956	7,447,631
Tax paid	(950,802)	(668,748)
Interest expenses	(71,974)	(238,717)
Interest Received	36,411	21,142
Net cash generated from / (used in) operating activities	7,129,591	6,561,308
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(818,908)	(149,107)
Proceeds from disposal of shares	-	-
Deposit held as security	(360,000)	329,611
Net Cash inflow on investment in subsidiary	(729,998)	56,026
Net cash outflow on disposal of subsidiary	-	(898)
Proceeds from disposal of property, plant & equipment	3,300	78,795
Intellectual rights / Intangible Asset	-	-
Development Cost	(551,895)	-
Net cash generated from / (used in) investing activities	(2,457,501)	314,427
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on issuance of shares capital	1,979,005	1,476,600
Premium on issuance of shares Capital	-	487,478
Share Buy Back	(814,556)	-
Investment in subsidiary	-	-
Repayment of hire purchase payables	(1,298,648)	(1,082,269)
Repayment of finance lease payables	(116,284)	(154,460)
Interim Dividend Paid	(840,287)	-
Interest paid	(294,148)	(336,748)
Net cash generated from / (used in) financing activities	(1,384,918)	390,601
Net decrease in cash and cash equivalents	3,287,172	7,266,336
Opening balance of cash and cash equivalents	3,117,837	(4,149,588)
Closing balance of cash and cash equivalents	6,405,009	3,116,748
Cash and cash equivalents		
Fixed deposits with licensed bank	5,113,891	338,191
Cash and bank balances	1,989,309	3,116,748
Overdraft	-	-
	7,103,200	3,454,939
Less: Deposits held as security	(698,191)	(338,191)
Closing balance of cash and cash equivalents	6,405,009	3,116,748

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 2011.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2012**

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 2011. 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 2011.

b) Significant Accounting Policies

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 2011 except for the Group has adopted the Malaysian Financial Reporting Standards (MFRS) framework issued by Malaysian Accounting Standards Boards (MASB) with effect from 1 January 2012. This framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards (FRS) framework with the International Accounting Standards Boards. Whilst all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs framework except for the differences in relation to the transitional provisions as well as differences in effective dates contained in certain of the existing FRSs.

The Group had also adopted all the new and revised FRSs, amendments / improvements to FRSs and IC Int and amendments to IC Int , which are effective for annual periods beginning on or after 1 January 2012, other than disclosed as follows:-

		Effective for financial periods beginning on or after
<u>New FRSs</u>		
FRS 9	Financial Instruments	01-Jan-15
FRS 10	Consolidated Financial Statements	01-Jan-13
FRS 11	Joint Arrangements	01-Jan-13
FRS 12	Disclosures of Interests in Other Entities	01-Jan-13
FRS 13	Fair Value Measurement	01-Jan-13
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	01-Jan-13
FRS 124	Related Party Disclosures	01-Jan-12
FRS 127	Separate Financial Statements	01-Jan-13
FRS 128	Investments in Associates and Joint Ventures	01-Jan-13
<u>Amendments / Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	01-Jan-12
FRS 7	Financial Instruments: Disclosures	01-Jan-12 and 01-Jan-2013
FRS 9	Financial Instruments	01-Mar-12
FRS 101	Presentation of Financial Statements	01-Jul-12
FRS 112	Income Taxes	01-Jan-12
FRS 132	Financial Instruments: Presentation	01-Jan-14

IC Int

IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	01-Jul-11
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	01-Jan-13

Amendments to IC Int

IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	01-Jul-11
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Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group.

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 2011 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:-

- a) During the current financial quarter under review, the company issued additional 3,204,446 new ordinary shares of RM0.10 each at an exercise price RM0.135 and RM0.158 respectively pursuant to the Employee Shares Option Scheme ("ESOS").

The details movement of the issued and paid up capital and share premium reserved for the Company are as follows:-

	No. of shares Issued and fully paid up ordinary shares of RM0.10 each	Share Capital	Share Premium	Total
	'000	RM '000	RM '000	RM '000
As at January 2012	161,433	16,143	5,552	21,695
Issuance of shares via ESOS	13,929	1,393	536	1,929
Transfer of ESOS reserved upon exercised of ESOS	-	-	669	669
Conversion of Warrants to Ordinary Shares	2	0.20	0.16	0.36
As at 31 December 2012	175,364	17,536	6,757	24,293

- b) During the current quarter under review, the Company has repurchased 2,321,000 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM0.2722 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965.

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		12 months ended	
	31.12.12	31.12.11	31.12.12	31.12.11
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
- software & implementation services	6,470	5,753	12,814	13,451
- outsourcing, consulting, executive search services, learning & development	19,111	12,157	65,688	38,886
- investment holding & management services	-	-	-	-
Elimination of inter-segment sales	(13,440)	(3,616)	(17,057)	(7,895)
Total operations	12,141	14,294	61,445	44,442
Segment Results				
- software & implementation services	4,205	3,504	1,468	7,540
- outsourcing, consulting, executive search services, learning & development	(4,294)	(175)	8,324	1,876
- investment holding & management services	126	(329)	420	(1,014)
Consolidation adjustments	91	(42)	(1,420)	(70)
Profit after tax for total operations	128	2,958	8,792	8,332

(b) Analysis by geographical areas

Revenue	3 months ended 31 December 2012			
	Malaysia	Overseas	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
External sales	11,490	651	-	12,141
Inter-segment	12,090	1,350	(13,440)	-
Total	23,580	2,001	(13,440)	12,141

Revenue	12 months ended 31 December 2012			
	Malaysia	Overseas	Eliminations	Total Operations
	RM'000	RM'000	RM'000	RM'000
External sales	57,121	4,324	-	61,445
Inter-segment	14,957	2,100	(17,057)	-
Total	72,078	6,424	(17,057)	61,445

Segment assets	72,723	7,522	(26,505)	53,740
Segment liabilities	23,414	134	(17,395)	6,153
Depreciation & amortisation	4,531	24	-	4,555

A10 Material Events Subsequent to the end of the current quarter

- a) Further to announcements dated 20 December 2012, 24 December 2012 and 31 December 2012 in relation to the Proposed Private Placement, TA Securities Holdings Berhad ("TA Securities") had announced that the Company on 9 January 2013 fixed the issue price for 17,252,000 Placement Shares, representing not more than ten percent (10%) of the issued and paid-up share capital of SMRT as at 8 January 2013, at RM0.235 each. This issue price represents a discount of approximately 10% to the five (5)-day volume weighted average market price up to and including 8 January 2013 of RM0.2611.
- b) On 18 January 2013, TA Securities had announced that the Company has been completed with the listing of 17,252,000 placement shares.

A11 Changes in the Composition of the Group

On 29 November 2012, the Company had announced the completion of acquisition of 100% equity interest in Management Made Easy Sdn Bhd comprising 750,000 ordinary shares of RM1.00 each for total consideration of RM680,000.00 in accordance with the Sale and Purchase Agreement.

A12 Contingent Liabilities or Contingent Assets

As at 31.12.2012
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	1,745
	<u>11,945</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 of RM12.14 million with a profit before tax ("PBT") of RM1.30 million compared with a turnover of RM14.29 million and PBT of RM3.31 million in the same quarter of 2011 (Q4, 2011). PBT of the reporting quarter decrease to RM1.30 million due to the additional expenses incurred for due diligence in the acquisition of Management Made Easy Sdn. Bhd., ESOS share based payment for existing and new tranches, increased in staff training expenses, proposed private placement expenses and other consultancy expenses i.e Corporate Governance and Investor Relations.

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

The Group's revenue increased by 38% to RM61.45 million for the cumulative Q4, 2012 compared to the previous year's corresponding quarter. The increase was due to higher revenue generated from various special projects. PBT for the cumulative quarter of RM10.27 million compared with the PBT for the previous year's corresponding cumulative quarter of RM8.83 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 for the current quarter of RM1.30 million against RM3.17 million in the immediate preceding quarter (Q3, 2012). This was mainly due to decrease in revenue this quarter attributed to the challenging economic situation in our markets and also due to the increase in expenses as stated at Note B1.

B3 Prospects for the current financial year

The Group maintains a positive outlook on its performance for year 2013. The projects in Malaysia and projects in Saudi Arabia and Bahrain have contributed positively to maintain the Group profitable position. With positive demand in Gulf Co-operation Countries (GCC) and Malaysia, the Group is confident that it can sustain its profitability and continual growth in the year 2013.

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 31.12.2012 RM'000	Cumulative Quarter 31.12.2012 RM'000
Income tax		
Current tax	1,158	1,444
(Over) / under provision of tax in prior year	15	44
Deferred tax liabilities	(6)	(5)
	1,167	1,483

B6 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, other than disclosed as follows:-

On 20 December 2012, 24 December 2012, 31 December 2012 and 9 January 2013, TA Securities had announced that the company proposes to undertake the Proposed Private Placement of new ordinary shares of RM0.10 each representing 17,252,000 placement shares, not more than ten percent (10%) of the issued and paid up capital pursuant to Section 132D of the Companies Act 1965.

On 18 January 2013, TA Securities had announced that the Company has been completed with the listing of 17,252,000 placement shares.

B7 Group Borrowings and Debt Securities

	31.12.2012 RM'000
Secured short -term	
Overdraft	-
Hire purchase payables	1,402
Lease assets payables	68
Secured long -term	
Hire purchase payables	1,895
Lease assets payables	-
Total borrowings	3,365

All borrowings are denominated in Ringgit Malaysia.

B8 Off Balance Sheet Financial Instruments

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

B9 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.

B10 Earning Per Share ("EPS")

The basic EPS is calculated based on the Group's profit 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

	3 months ended		Year-to-date	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Profit attributable to ordinary equity holders of the parent (RM'000)	62	2,948	8,731	8,320
Weighted average no. of ordinary shares of RM 0.10 each ('000)	172,802	161,345	164,291	152,666
Basic profit per ordinary shares (sen)	0.036	1.827	5.315	5.450

(b) Fully diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the Group's profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	3 months ended		Year-to-date	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Profit attributable to ordinary equity holders of the parent (RM'000)	62	2,948	8,731	8,320
Weighted average no. of ordinary shares of RM 0.10 each ('000)	172,802	161,345	164,291	152,666
Effect of dilution for ESOS ('000)	1,943	1,790	1,943	1,790
Adjusted weighted average number of ordinary shares in issue and issuable	174,745	163,135	166,234	154,456
Diluted earnings per shares (sen)	0.036	1.807	5.253	5.387

B11 Proposed Dividend

The is no proposed dividend has been declared for the financial quarter under review.

B12 Disclosure of Realised and Unrealised Profits/(Losses)

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits and losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

Pursuant to the directive, the amounts of realised and unrealised profits or losses included in the retained profits of the Group and the Company as at 31 December 2012 are as follows:-

	As at 31.12.12 RM'000	As at 31.12.11 RM'000
Total retained profits of the Company and its subsidiaries:		Audited
- Realised	22,348	14,377
- Unrealised	(453)	(409)
Total group retained profits as per consolidated accounts	<u>21,895</u>	<u>13,968</u>

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

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