PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2011

The figures are audited

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR YEAR ENDED 31 DECEMBER 2011

	3 Months Ended 31 December			**12 Months Ended 31 December**		
	2011	2010		**2011**	2010	
	RM'000	RM'000		**RM'000**	RM'000	
Revenue	**139,068**	102,907		**473,844**	432,251	
Operating profit	**28,228**	84,081		**109,410**	165,574	
Interest expense	**(739)**	(548)		**(3,121)**	(3,123)	
Interest income	**1,431**	1,166		**3,839**	3,462	
Share of profit of associated companies	**222**	2,357		**222**	11,203	
Profit before tax	**29,142**	87,056		**110,350**	177,116	
Taxation	**(12,931)**	(1,863)		**(38,593)**	(28,916)	
Profit for the period	**16,211**	85,193		**71,757**	148,200	
Total profit attributable to:						
Owners of the Parent	**16,211**	85,193		**71,757**	148,200	
Earnings per share ("EPS") attributable to Owners of the Parent (sen):						
Basic EPS	**4.80**	26.12	*	**21.24**	45.30	*
Diluted EPS	**N/A**	N/A		**N/A**	N/A	

* In accordance with FRS 133 Earnings Per Share, the comparatives have been restated to account for the effects of the bonus issue and share split.

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2010.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2011

The figures are audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED 31 DECEMBER 2011

	3 Months Ended 31 December		12 Months Ended 31 December	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Profit for the period	**16,211**	85,193	**71,757**	148,200
Other comprehensive income	**79**	(278)	**79**	(278)
Total comprehensive income for the period	**16,290**	84,915	**71,836**	147,922
Total comprehensive income attributable to:				
Owners of the Parent	**16,290**	84,915	**71,836**	147,922

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2010.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2011

The figures are audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	As at 31/12/2011	As at 31/12/2010
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	**274,246**	213,411
Land held for property development	**232,964**	157,904
Investment properties	**13,753**	31,953
Intangible asset	**15,674**	15,674
Investment in associates	**10,111**	221
Other investments	**342**	485
Deferred tax assets	**10,872**	10,889
	557,962	430,537
Current assets		
Property development costs	**24,510**	37,735
Trade receivables	**76,666**	68,744
Other receivables	**131,780**	79,750
Other current assets	**11,589**	7,142
Tax recoverable	**3,906**	7,163
Cash and bank balances	**206,198**	332,637
	454,649	533,171
Assets held for sale	**17,800**	0
	472,449	533,171
Total assets	**1,030,411**	963,708
Current liabilities		
Borrowings	**14,700**	7,921
Trade payables	**70,853**	79,520
Other payables	**63,892**	94,888
Tax payable	**7,134**	698
Other current liabilities	**62,051**	82,453
	218,630	265,480
Net current assets	**236,019**	267,691
Non-current liabilities		
Borrowings	**121,298**	47,758
Deferred tax liabilities	**18,495**	15,330
	139,793	63,088
Total liabilities	**358,423**	328,568
Equity attributable to equity holders of the Company		
Share capital	**168,906**	120,647
Reserves	**503,082**	514,493
Total equity	**671,988**	635,140
Total equity and liabilities	**1,030,411**	963,708
Net assets (NA) per share (RM)	**1.99** *	5.26 **

* Based on the enlarged shares in issue of 337,811,456 after the bonus issue and share split.

** Based on shares in issue of 120,646,949 before the bonus issue and share split.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2010.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2011

The figures are audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2011

	< ----------- Non Distributable	--------------	--------------	-------------->			
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Fair Value Adjustment Reserve RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
As at 1 January 2010	110,339	72,387	1,679	2,288	304	340,999	527,996
Total comprehensive income	-	-	(278)	-	-	148,200	147,922
Transactions with owners							
Dividends	-	-	-	-	-	(66,301)	(66,301)
Issue of ordinary shares pursuant to ESOS	10,308	17,503	-	(2,288)	-	-	25,523
Total transactions with owners	10,308	17,503	-	(2,288)	-	(66,301)	(40,778)
Realisation of fair value adjustment reserve on disposal of an associate	-	-	-	-	(304)	304	-
As at 31 December 2010	**120,647**	**89,890**	**1,401**	**-**	**-**	**423,202**	**635,140**
As at 1 January 2011	120,647	89,890	1,401	-	-	423,202	635,140
Total comprehensive income	-	-	79	-	-	71,757	71,836
Transactions with owners							
Dividends	-	-	-	-	-	(34,988)	(34,988)
Issue of ordinary shares pursuant to Bonus Issue	48,259	(48,259)	-	-	-	-	-
Total transactions with owners	48,259	(48,259)	-	-	-	(34,988)	(34,988)
As at 31 December 2011	**168,906**	**41,631**	**1,480**	**-**	**-**	**459,971**	**671,988**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2010.

PARAMOUNT CORPORATION BERHAD
Interim Financial Report for the quarter ended 31 December 2011

The figures are audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 DECEMBER 2011

	12 Months Ended	
	31/12/2011	31/12/2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**110,350**	177,116
Adjustment for:		
Non-cash items	**13,626**	11,569
Non-operating items	**(3,502)**	(75,488)
Operating profit before working capital changes	**120,474**	113,197
Increase in receivables	**(64,835)**	(47,468)
Decrease in development properties	**13,225**	18,552
(Decrease)/increase in payables	**(23,871)**	7,364
Cash generated from operations	**44,993**	91,645
Taxes paid	**(25,718)**	(39,502)
Interest paid	**(3,121)**	(3,123)
Net cash generated from operating activities	**16,154**	49,020
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase)/decrease in land held for development	**(81,227)**	13,072
Dividends received from associated companies	**-**	2,097
Purchase of property, plant and equipment	**(70,939)**	(22,399)
Purchase of investment properties	**(12,907)**	(20,407)
Acquisition of associates	**(9,668)**	-
Proceeds from disposal of investment in associate	**-**	130,800
Proceeds from disposal of property, plant and equipment	**3,079**	863
Proceeds from disposal of investment properties	**13,093**	4,795
Proceeds from disposal of land held for development	**3,000**	-
Proceeds from disposal of other investments	**-**	68
Interest received	**3,839**	3,462
Net cash (used in)/generated from investing activities	**(151,730)**	112,351
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	**-**	25,523
Dividends paid	**(71,182)**	(30,107)
Drawdown of term loan	**88,000**	-
Repayment of borrowings	**(7,681)**	(31,685)
Net cash generated from/(used in) financing activities	**9,137**	(36,269)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(126,439)**	125,102
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**332,637**	207,535
CASH AND CASH EQUIVALENTS AT END OF YEAR	**206,198**	332,637

	31/12/2011	31/12/2010
	RM'000	RM'000
Cash and cash equivalents comprise:		
Cash and bank balances	**67,459**	68,507
Fixed deposits	**138,739**	264,130
	206,198	332,637
Cash and bank balances held in HDA accounts	**57,244**	62,382

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2010.

The figures are audited

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

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

A2. Changes in accounting policies

The new and revised FRSs, Amendments to FRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2011 did not give rise to any significant effects on the financial statements of the Group.

Standards issued but not yet effective

The directors expect that the adoption of the new FRSs, Amendments to FRSs and Interpretations which are issued but not yet effective for the financial year ended 31 December 2011 will not have any material impact on the financial statements of the Group in the period of initial application.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has commenced transitioning its accounting policies and financial reporting from the current Financial Reporting Standards to the MFRS Framework by establishing a project team to plan and manage the adoption of the MFRS Framework.

A2. Changes in accounting policies (cont'd.)

The Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group will achieve its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

A3. Audit report qualification

The audit report for the financial year ended 31 December 2010 was not subject to any qualification.

A4. Seasonal or cyclical factors

The operations of the Group were not materially affected by any factor of a seasonal or cyclical nature.

A5. Exceptional or unusual items

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year to date.

A6. Changes in estimates of amounts reported previously

There were no significant changes in estimates in prior periods that have materially affected the current quarter and financial year to date results.

A7. Debt and equity securities

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year to date except for the following:

(i) Issuance of 48,258,779 new ordinary shares of RM1 each pursuant to the Bonus Issue; and

(ii) Subdivision of the Company's existing 168,905,728 ordinary shares of RM1 each into 337,811,456 ordinary shares of RM0.50 each.

A8. Dividends paid

	12 months ended	
	31/12/2011	**31/12/2010**
	RM'000	**RM'000**
Special interim dividend 2010 - 40.00 sen less 25% income tax	36,194	0
Final dividends 2010 - 20.00 sen less 25% income tax (2009 - 9.00 sen less 25% income tax)	18,097	7,930
Special dividend (2009 - 6.00 sen less 25% income tax)	0	5,287
Interim dividends 2011 - 5.00 sen single tier (2010 - 11.00 sen tax exempt and 4.00 sen less 25% income tax)	16,891	16,890
	71,182	30,107

A9. Profit before tax

The following items have been included in arriving at profit before tax:

	3 months ended 31 December		12 months ended 31 December	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Depreciation of:				
- Property, plant and equipment	3,722	2,840	12,795	11,202
- Investment properties	71	91	365	369
(Gain)/loss on disposal of:				
- Property, plant and equipment	(302)	(514)	(1,934)	(838)
- Investment properties	(117)	26	(227)	(1,704)
- Investment in associate	0	(60,839)	0	(60,839)
- Other investments	0	(68)	0	(68)
Impairment of:				
- Investment properties	76	0	76	0
- Other investments	143	0	143	0
Additions of allowance for impairment of trade and other receivables	314	89	391	117
Bad debts (recovered)/written off	(48)	(105)	191	61
Net foreign exchange gain	(402)	(460)	(540)	(1,364)

Save for the items disclosed in the Income Statement and the note above, other items pursuant to Appendix 9B Note16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

A10. Segment reporting for the current financial year to date

<u>Analysis by Business Segment</u>	Revenue		Profit before tax	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Property development	247,141	268,076	83,144	76,175
Construction	230,242	184,618	4,668	9,089
Education	99,766	97,642	24,144	23,216
Investment & others	35,092	99,868	5,661	142,462
	612,241	650,204	117,617	250,942
Inter-segment elimination	(138,397)	(217,953)	(7,267)	(73,826)
	473,844	432,251	110,350	177,116

A11. Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendments from the financial statements for the financial year ended 31 December 2010.

A12. Subsequent events

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial report.

A13. Changes in composition of the Group

(i) On 10 June 2011, a new subsidiary company, Paramount Global Investments Pty Ltd (PGI), was incorporated in the Commonwealth of Australia with an issued and paid-up ordinary share capital of AUD2 comprising two ordinary shares;

(ii) On 10 June 2011, PGI acquired a shelf company, Paramount Investments & Properties Pty Ltd (PIP), a company incorporated in the Commonwealth of Australia with an issued and paid-up ordinary share capital of AUD2 comprising two ordinary shares; and

(iii) On 10 June 2011, PIP acquired one ordinary share representing 50% of the issued and paid-up ordinary share capital of VIP Paramount Pty Ltd, a company incorporated in the Commonwealth of Australia with an issued and paid-up ordinary share capital of AUD2/- comprising two ordinary shares, for a cash consideration of AUD1 only.

(iv) On 1 August 2011, PIP subscribed to 3,000,000 units representing 50% interest in VIP Paramount Unit Trust, an unit trust established in the Commonwealth of Australia with 6,000,000 units granted initially at AUD1 per unit, for a total cash consideration of AUD3,000,000 only.

A14. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities of the Group since the last annual reporting date.

A15. Capital commitment

The amount of commitments not provided for in the interim financial statements as at 31 December 2011 is as follows:

	RM'000
Approved and contracted for:-	
Property, plant & equipment	1,443
Land held for property development	31,370
	32,813

A16. Capital expenditure

The major additions and disposals to the property, plant and equipment during the current quarter and financial year to date were as follows:

	Current Quarter RM'000	**Financial Year-to-date RM'000**
Property, plant and equipment		
Additions	42,294	70,939

A17. Related party transactions

	Financial Year-to-date RM'000
Purchase of computers and peripherals from ECS ICT Bhd and its subsidiaries, a group of companies in which Dato' Teo Chiang Quan, a director of the Company, has substantial interests	426
Rental charges paid to Damansara Uptown One Sdn Bhd, a company in which a brother of Dato' Teo Chiang Quan has substantial interest	579
Sale of properties to Melor Melati Sdn Bhd, a company in which Mr.Ong Keng Siew, a director of the Company, has substantial interest	213
Sale of properties to Datin Teh Geok Lian, Ms Tay Lee Kong and Ms Chua Put Mui, directors of subsidiaries	314
	1,532

The directors are of the opinion that all the above transactions 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.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

Q4 FY11 vs Q4 FY10

The Group's revenue for Q4 FY11 increased by 35% to RM139.1 million from RM102.9 million recorded in Q4 FY10. Profit before tax (PBT) for Q4 FY11 decreased by 67% to RM29.1 million from RM87.1 million recorded in Q4 FY10. The PBT for Q4 FY10 was higher due to the inclusion of a RM60.8 million gains recorded following the disposal of the Group's 20% equity in Jerneh Insurance Berhad (JIB). Barring this one-off gain, PBT for that quarter would have been RM26.3 million. Hence, all things being equal, the PBT for Q4 FY11 would have reflected an 11% increase in actual comparison.

Revenue for the property development division increased by 5% to RM65.2 million in Q4 FY11 from RM62.2 million recorded in Q4 FY10. The higher revenue derived from more work done in the Bandar Laguna Merbok and Kemuning Utama developments was mitigated by lower progressive billings from the Surian Industrial Park development, as it was completed in June, 2011. PBT for property development increased by 17% to RM21.2 million from RM18.2 million recorded in Q4 FY10 due to project cost savings on the Bandar Laguna Merbok development that resulted in higher profit margins.

Revenue for the construction division increased by 47% to RM69.0 million in Q4 FY11 from RM47.0 million recorded in Q4 FY10 as a result of new contracts secured during the quarter under review. PBT for the division increased by 36% to RM1.9 million from RM1.4 million recorded in Q4 FY10.

Revenue for educational services division increased by 11% to RM27.6 million from RM24.8 million recorded in Q4 FY10, boosted by a new income stream - a new international school. This resulted in a 79% increase in PBT to RM8.4 million from RM4.7 million recorded in Q4 FY10.

FY11 vs FY10

The Group's revenue for FY11 increased by 10% to RM473.8 million from RM432.2 million recorded in FY10. However, profit before tax (PBT) for FY11 decreased by 38% to RM110.4 million from RM177.1 million recorded in FY10. The higher PBT for FY10 was due to the inclusion of a RM60.8 million gains recorded following the disposal of the Group's 20% equity in JIB and share of profits in JIB of RM9.7 million recognized up to the date of completion of the sale. It must be noted that barring this one-off gain, PBT for FY10 would have been only RM116.3 million and hence, in comparison, there would have been a 5% marginal decrease in PBT for FY11.

The revenue for the property development division decreased by 8% to RM247.1 million in FY11 from RM268.1 million recorded in FY10 primarily due to lower progressive billings from the Surian Industrial Park project, as it was completed in June, FY11. The lower progressive billings from Surian Industrial Park were, however, mitigated by higher percentage of work done on the Bandar Laguna Merbok and Kemuning Utama developments. PBT for property development increased by 9% to RM83.1 million from RM76.2 million recorded in FY10 driven by higher profit margins achieved on the Bandar Laguna Merbok and Kemuning Utama development on the back of an increase in selling price, sale of higher value products, a non-recurring gain of RM1.3 million from the sale of a vacant land for the development of a private hospital in Bandar Laguna Merbok and project cost savings.

Revenue for construction increased by 25% to RM230.2 million in FY11 from RM184.6 million recorded in FY10 as a result of new external contracts secured during the year under review. PBT for the division decreased by 48% to RM4.7 million from RM9.1 million recorded in FY10. The higher PBT in FY10 was primarily due to a share of profits of RM1.5 million from an associated company and a RM2.5 million compensation for raw material price escalation from an external developer.

Revenue for educational services division increased marginally by 2% to RM99.8 million from RM97.6 million recorded in FY10, boosted by a new income stream - a new international school. PBT increased by 4% to RM24.1 million from RM23.2 million recorded in FY10.

B2. Material changes in Profit Before Tax for the quarter reported on as compared with the immediate preceding quarter

Q4's PBT rose by 27% as compared with RM23.0 million recorded in Q3 due to the generation of a new stream of revenue following the establishment of an international school in Q4, and savings in operating overheads.

B3. Prospects

The Group's lock-in sales brought forward, new launches from existing development projects and commencement of three new development projects will help underpin the Group's property development sales for 2012. Bukit Banyan in the Northern Region was opened for registration in January, 2012 and it generated a lot of positive feedback while the Sejati Residences in Cyberjaya and Glenmarie in Shah Alam are scheduled to be launched in the second half of 2012.

These projects were scheduled to be launched in 2011 but due to delays in approvals, they were deferred to 2012. Although these deferments will inevitably have a negative impact on the performance of the property development sector in 2012, the Group, going forward, is confident that these projects will drive sales and be strong profit generators.

The Group remains optimistic with regard to its new development schemes despite head winds precipitated by the continued global economic uncertainty. In this respect, the property development division will seek to continuously add value to its products in ensuring total customer satisfaction.

As in the past, the construction sector continues to operate in an intensely competitive environment. Given the challenges of rising construction costs - escalating raw material prices and shortage of skilled labour – the sector is faced with the difficult task of maintaining good profit margins. Notwithstanding, we still remain highly selective on tendering for external projects and will actively pursue fee based construction projects. With our strong financial standing, competency and reputation in the construction industry as well as our ability to deliver quality products on time, we will actively pursue joint venture development activities with landowners.

Despite the fact that the education industry is extremely competitive, which was further compounded by an increase in capacity and price-cutting that has resulted in lower margins, the performance of the educational services division is expected to remain stable. The upgrading of the Damansara Jaya campus to university college status and the development of proprietary programmes together with the significant investments in upgrading both the tertiary campus facilities as well as human and technological resources will enable us to remain competitive and grow. The primary and secondary school education has expanded to include an international school, and this has helped position us well to tap new opportunities in response to an increasing shift in customers' preferences.

In summary, the Group's results for 2012 are expected to be lower than those of 2011. The Group is, however, confident of leveraging on its strong fundamentals – strong management, proven experience and expertise, quality products, strong brand presence and healthy cash flow and strong balance sheet – in overcoming challenges and turning them into opportunities, going forward.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee for the current quarter and financial year to date.

B5. Taxation

The taxation charge included the following:

	Current Quarter RM'000	Financial Year-to-date RM'000
Current year provision	8,879	32,428
Under provided in prior year	1,501	2,983
Deferred tax	2,551	3,182
	12,931	38,593

The effective tax rate for the financial year was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

B6. Corporate proposal

(i) On 1 June 2010, Paramount Property (Cjaya) Sdn Bhd (formerly known as Omni Assets Sdn Bhd), a wholly-owned subsidiary of the Company, entered into a conditional Sale and Purchase Agreement (SPA) with Cyberview Sdn Bhd as a proprietor and Setia Haruman Sdn Bhd as a vendor, for the proposed acquisition of a piece of freehold residential land measuring in area approximately 50.01 acres identified as Block 17 within the Cyberjaya Flagship Zone, Mukim Dengkil, Daerah Sepang, Negeri Selangor Darul Ehsan for a total cash consideration of RM78,423,681.60 on the terms and conditions as contained in the SPA. The Foreign Investment Committee has approved the sale. The disposal is pending the issuance of a separate title from the Land Office.

(ii) The status of utilisation of proceeds arising from the disposal of Jerneh Insurance Berhad as at 22 February 2012 is as follow:

	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Intended Timeframe for Utilisation
(i)	Future expansion plans and general working capital requirements	90,306	69,175	21,131	By November 2012
(ii)	Special dividend	36,194	36,194	0	5 January 2011
(iii)	Expenses related to the disposal	4,300	4,300	0	By February 2011
	Total	130,800	109,669	21,131	

B7. Borrowings and debts securities

The Group's borrowings and debts securities as at 31 December 2011 were as follows:

	RM'000
<u>Short-term borrowings (Secured)</u>	
Current portion of long term loans	14,700
<u>Long-term borrowings (Secured)</u>	
Term loans	121,298

B8. Realised and unrealised profits

The breakdown of retained profits as at 31 December 2011 on a group basis, into realised and unrealised profits, is as follows:

	31/12/2011 RM'000	31/12/2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	602,788	572,250
- Unrealised	(7,360)	(3,342)
	595,428	568,908
Total share of retained profits from associate		
- Realised	431	209
Less: Consolidation adjustments	(135,888)	(145,915)
Total Group retained profits	459,971	423,202

B9. Changes in material litigation

As at 22 February 2012, there were no changes in material litigation, including the status of pending litigation since the last annual reporting date of 31 December 2010.

B10. Dividends payable

(i) A proposed single tier final dividend of 5.00 sen, for the financial year ended 31 December 2011 has been recommended by the directors;

(ii) Amount per share - single tier 5.00 sen;

(iii) Previous corresponding period - a final dividend of 20.00 sen less 25% tax;

(iv) Date payable - 28 June 2012; and

(v) Date for entitlement to dividend:-

(a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 13 June 2012 in respect of ordinary transfers.

(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad.

The total dividends for the current financial year: single tier 10.00 sen per share. (2010: 24.00 sen per share less tax at 25%, 11.00 sen, tax exempt and a special dividend of 40.00 sen per share, less tax at 25%)

The dividend per share for the current period was based on the enlarged shares in issue of 337,811,456 after the bonus issue and share split, while the dividend per share for the same period last year was based on shares in issue then of 120,646,949.

B11. Earnings per share

(a) Basic EPS

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter	Financial Year-to-date
Profit for the period (RM'000)	16,211	71,757
Weighted average number of ordinary shares ('000)	337,812	337,812
Basic EPS (sen)	4.80	21.24

(b) Diluted EPS

Not applicable to the Group.