Part A – Explanatory notes pursuant to MFRS 134

A1. Basis of preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

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

The explanatory notes attached to these condensed consolidated 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 2011.

In preparing its opening MFRS Statement of Financial Position as at 1 January 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial performance, financial position and cash flows is set out in Note A2 below. These notes include reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has not had a material impact on the statement of comprehensive income and the statement of cash flows.

A2. Summary of significant accounting policies and application of MFRS 1

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below:

(a) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

A2. Summary of significant accounting policies and application of MFRS 1 (contd.)

(a) Business combination (contd.)

<u>Acquisition before date of transition</u>
The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

(i) The classification of former business combinations under FRS is maintained;
(ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Property, plant and equipment

The Group has previously adopted the transitional provisions available on the first application of the MASB Approved Accounting Standard IAS 16 (Revised) Property, Plant and Equipment which was effective for periods ending on or after 1 September 1998. By virtue of this transitional provision, the Group had recorded leasehold land and certain buildings at revalued amounts but had not adopted a policy of revaluation and continued to carry those land and buildings on the basis of their previous revaluations subject to continuity in its depreciation policy and requirement to write down the assets to their recoverable amounts for impairment adjustments.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to regard the revalued amounts of land and buildings during the year 1996 as deemed cost at the date of the revaluation as these amounts were broadly comparable to fair value at that date. The revaluation surplus of RM12,633,001 (30 September 2011: RM12,633,001; 31 December 2011: RM12,633,001) was transferred to retained earnings on date of transition.

(c) Foreign currency translation reserve

Under FRS, the Group recognised translation differences on foreign operations in a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS. Accordingly, at date of transition to MFRS, the cumulative foreign currency translation differences of RM2,262,000 (30 September 2011: RM2,262,000; 31 December 2011: RM2,262,000) were adjusted to retained earnings.

(d) Investment properties

In accordance with FRS 140 Investment Property, the Group's investment properties are initially measured at cost. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Upon transition to MFRS, the Group has elected to apply the optional exemption to use the fair value at the date of transition as the deemed cost for its investment properties using cost model under MFRS 140 Investment Property.

The adjustments to the carrying amount of investment properties increased the depreciation charges for the period ended 30 September 2011 and 31 December 2011 by RM88,000 and RM117,000, respectively.

A2. Summary of significant accounting policies and application of MFRS 1 (contd.)

(e) Effect on the share of an associate's MFRS adjustment

The Group's associate in the investment banking industry had previously under FRS as modified by Bank Negara Malaysia ("BNM") Guidelines, applied the transitional arrangement issued by BNM on Classification and Impairment Provisions for loans, advances and financing, whereby collective impairment allowance is maintained at 1.5% of total outstanding loans, net of individual impairment. This transitional arrangement was removed with effect from 1 January 2012.

Under the MFRS framework, the associate's accounting policy on collective impairment assessment has been changed to comply with MFRS 139 Financial Instruments: Recognition and Measurement. As a result of the change, the cumulative allowance under previous FRS has been adjusted and the Group adjusted for its share of the effect accordingly.

The Group's share of the MFRS adjustments were an increase in investments in associates of RM1,395,000 (30 September 2011: RM1,437,000; 31 December 2011: RM1,395,000) with corresponding adjustments to retained earnings of RM1,328,000 (30 September 2011: RM1,368,000; 31 December 2011: RM1,328,000) and non-controlling interests of RM67,000 (30 September 2011: RM69,000; 31 December 2011: RM67,000).

(f) Investment in associates

Under FRS, the Group's investments in associates are measured at cost plus post acquisition changes net of impairment, in the Group's share of net assets of the associates in accordance with FRS 128 Investments in Associates. At the date of transition to MFRS, a reporting entity may elect to use the fair value at the date of transition as the deemed cost for its investment in an associate. However, as this election is applicable to a reporting entity's separate financial statements, there is consequently no impact to the Group's investment in associates.

(g) Estimates

The estimates at 1 January 2011 and at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at 1 January 2011, the date of transition to MFRS and as of 31 December 2011.

A2. Summary of significant accounting policies and application of MFRS 1 (contd.)

The reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:

(i) Reconciliation of equity as at 30 September 2011

	FRS	Note A2(b)	Note A2(c)	Note A2(d)	Note A2(e)	MFRS
	As at 30.09.2011	Property, plant and equipment	Foreign currency translation reserve	Investment properties	Share of associates' effect of transition to MFRS	As at 30.09.2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets						
Non-current assets						
Property, plant and equipment	429,477					429,477
Investment properties	6,095			(88)		6,007
Goodwill and intangible assets	64,276					64,276
Investments in associates	283,060				1,437	284,497
Other non-current assets	97,513					97,513
	880,421					881,770
Total current assets	1,279,297					1,279,297
Total assets	**2,159,718**					**2,161,067**
Equity and liabilities						
Equity						
Share capital	329,481					329,481
Share premium	427,590					427,590
Capital reserve	46,491	(12,633)				33,858
Translation reserve	(1,721)		2,262			541
Other reserves	(13,454)					(13,454)
Retained earnings	602,433	12,633	(2,262)	(88)	1,368	614,084
	1,390,820					1,392,100
Non-controlling interests	180,216				69	180,285
	1,571,036					1,572,385
Total non-current liabilities	176,385					176,385
Total current liabilities	412,297					412,297
Total equity and liabilities	**2,159,718**					**2,161,067**

A2. Summary of significant accounting policies and application of MFRS 1 (contd.)

(ii) Reconciliation of total comprehensive income for the quarter ended 30 September 2011 and for the 9 months ended 30 September 2011

	FRS Quarter ended 30.9.2011	Note A2(d) Investment properties	MFRS Quarter ended 30.9.2011	FRS 9 months ended 30.9.2011	Note A2(d) Investment properties	MFRS 9 months ended 30.9.2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	240,759		240,759	725,089		725,089
Cost of sales	(168,636)	(30)	(168,666)	(545,234)	(88)	(545,322)
Gross profit	72,123		72,093	179,855		179,767
Other income	2,695		2,695	18,817		18,817
Administrative expenses	(11,029)		(11,029)	(38,453)		(38,453)
Selling and Other expenses	(6,680)		(6,680)	(15,508)		(15,508)
Operating profit	57,109		57,079	144,711		144,623
Finance costs	(5,096)		(5,096)	(15,376)		(15,376)
Share of results of associates	727		727	10,850		10,850
Share of results of jointly controlled entities	0		0	0		0
Profit before tax	52,740		52,710	140,185		140,097
Income tax expense	(4,676)		(4,676)	(24,707)		(24,707)
Profit for the period	48,064		48,034	115,478		115,390
Other comprehensive income for the period, net of tax	1,096		1,096	987		987
Total comprehensive income for the period, net of tax	49,160		49,130	116,465		116,377
Profit attributable to:						
Owners of the Company	38,170		38,140	96,596		96,508
Non-controlling interests	9,894		9,894	18,882		18,882
	48,064		**48,034**	**115,478**		**115,390**
Total comprehensive income attributable to:						
Owners of the Company	39,209		39,179	97,513		97,425
Non-controlling interests	9,951		9,951	18,952		18,952
	49,160		**49,130**	**116,465**		**116,377**

A3. Seasonal or cyclical factors

The business operations of the Group are generally non-cyclical or seasonal.

A4. Unusual items due to their nature, size and incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the period ended 30 September 2012.

A5. Changes in estimates

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

A6. Debt and equity securities

During the financial period ended 30 September 2012, the Company issued 1,585,200 ordinary shares of RM1.00 each for cash pursuant to the Company's Employee Share Option Scheme at an exercise price of RM2.20 per ordinary share.

During the 3 months ended 30 September 2012, the Company repurchased 4,265,900 of its issued ordinary shares from the open market at an average price of RM2.95 per share. The total consideration paid for the repurchase including transaction costs was RM12,567,927 and this was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

A7. Dividends paid

The first and final dividend of 15 sen per share less 25% tax for the financial year ended 31 December 2011 amounting to RM37,080,274 was paid on 27 July 2012.

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A8. Segmental information

	3 months ended		9 months ended	
	30.9.2012	30.9.2011 (Restated)	30.9.2012	30.9.2011 (Restated)
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Manufacturing	137,258	122,261	399,769	336,523
Construction & road maintenance	56,882	46,566	148,951	135,079
Construction materials	71,405	39,852	147,482	137,216
Services #	17,530	7,993	53,459	13,609
Property development	5,699	18,920	41,760	82,429
Others*	26,306	23,522	77,877	74,528
Total revenue including inter-segment sales	315,080	259,114	869,298	779,384
Elimination of inter-segment sales	(26,796)	(18,355)	(58,471)	(54,295)
	288,284	240,759	810,827	725,089
Segment Results				
Operating profit/(loss):				
Manufacturing	13,938	32,473	52,932	74,512
Construction & road maintenance ^	15,540	15,258	45,000	48,958
Construction materials	11,419	1,918	19,858	13,882
Services #	4,907	5,804	20,907	5,755
Property development	13	415	22,104	399
Others *	797	367	9,168	1,894
	46,614	56,235	169,969	145,400
Unallocated corporate expenses	(2,207)	(4,252)	(8,634)	(16,153)
Share of profit of associates	(819)	727	2,263	10,850
Share of profit of jointly controlled entities	935	0	935	0
Profit before tax	44,523	52,710	164,533	140,097
Income tax expenses	(14,976)	(4,676)	(43,323)	(24,707)
Net profit for the period	29,547	48,034	121,210	115,390

Lodging and catering services.
* Trading, financial services, education and others.
^ Included in the 2011 results was a gain on acquisition of RM11.42 million.

With effect from the first quarter, the Services Segment is shown as a reportable segment, separate from the Others Segment while the Trading Segment is included in the Others Segment. The comparatives are restated accordingly.

A9. Changes in the composition of the Group

There have been no changes in the composition of the Group for the quarter ended 30 September 2012 except for the increase in shareholdings in its associate, K&N Kenanga Holdings Berhad from 25.07% to 29.98% in September 2012 for a total purchase consideration of RM24,760,789 (via open market and a direct business transaction).

A10. Fair value hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities,

Level 2 - Inputs that are based on observable market data, either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data (unobservable inputs).

As at the reporting date, the Group held the following financial assets that are measured at fair value:

	Level 1 RM'000	**Level 2** RM'000	**Level 3** RM'000	**Total** RM'000
30 September 2012				
Fair value through profit or loss:				
Fixed income debt securities	-	55,124	-	55,124
Equity instruments	21,431	-	-	21,431
Unit trust funds	28,178	-	-	28,178
	49,609	55,124	-	104,733
31 December 2011				
Fair value through profit or loss:				
Fixed income debt securities	-	52,838	-	52,838
Equity instruments	8,314	-	-	8,314
Unit trust funds	27,557	-	-	27,557
	35,871	52,838	-	88,709

There have been no transfers between any levels during the current interim period and the comparative period. There were also no changes in the purpose of any financial assets that subsequently resulted in a different classification of that asset.

The Group does not hold credit enhancements or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

A11. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 30 September 2012 was as follows:

	RM'000
Capital expenditure for property, plant and equipment:	
- Approved and contracted for	33,553
- Approved but not contracted for	77,877
Other capital commitments:	
- Approved and contracted for	26,551
- Approved and not contracted for	6,667
	144,648

A12. Related party transactions

The following table provides information on the transactions which have been entered into with related parties during the nine-month period ended 30 September 2012 and 30 September 2011 as well as the balances with the related parties as at 30 September 2012 and 31 December 2011:

		Interest/ fee income from/sales to related parties RM '000	Purchases from/payment for services to related parties RM '000	Amounts owed by related parties RM '000	Amounts owed to related parties RM '000
Associates:					
- Kenanga Investment Bank Bhd	2012	486	-	-	-
	2011	853	-	-	-
- COPE-KPF Opportunities 1 Sdn Bhd	2012	2,055	-	-	-
	2011	1,276	-	-	-
- KKB Engineering Bhd	2012	6	81	-	-
	2011	-	1,582	-	741
- Harum Bidang Sdn Bhd	2012	-	4,034	-	-
	2011	-	-	-	5,734
- Kenanga Investors Bhd	2012	-	36	-	-
	2011	-	27	-	-
Jointly controlled entity:					
- PPES Works Wibawa JV	2012	27	-	13	-
	2011	-	-	-	-
Key management personnel of the Group:					
- Directors' interest	2012	-	1,445	-	35
	2011	-	1,429	-	72

All outstanding balances with these related parties are unsecured and are to be settled in cash within the financial year.

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A13. Changes in contingent liabilities and contingent assets

There were no changes in the contingent liabilities or contingent assets since the last annual reporting date except for the following:-

For the quarter under review, the Company has extended an unsecured corporate guarantee of RM31,000,000 to RHB Bank Berhad for banking facilities granted to OM Materials (Sarawak) Sdn. Bhd. ("OM"), an associate of a wholly-owned subsidiary, Samalaju Industries Sdn. Bhd.

The Company has on the basis of its twenty per cent (20%) ownership interest in OM, extended unsecured corporate guarantee to Syarikat Sesco Berhad ("SSB") to guarantee the performance by OM of its obligations under the Power Purchase Agreement entered into between OM and SSB on 2 February 2012.

A14. Subsequent events

There were no material events subsequent to the statement of financial position date that have not been reflected in the financial statements.

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Part B – Explanatory notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of performance

<u>Quarter 3, 2012 vs. Quarter 3, 2011</u>

The Group's 3rd quarter 2012 revenue of RM288.28 was 20% higher than the 3rd quarter 2011 revenue of RM240.76 million. However, the Group's profit before tax ("PBT") was 16% lower due mainly to reduced profitability suffered by the Manufacturing Division but was partially mitigated by the outstanding performance of Construction Materials Division in 2012's 3rd quarter.

Despite high sales volume, the Manufacturing Division's 3rd quarter 2012 PBT was lower than previous corresponding quarter due to the shutdown of its clinker plant, higher clinker cost and market demand being supported by imported cement.

The Construction Materials Division's 3rd quarter 2012 PBT was higher than previous corresponding quarter as the division benefited from the State Government special funding to JKR for maintenance of State road and "jalan kampong", the economic activities in Samalaju Industrial Park and Federal road maintenance programme. Previous corresponding quarter's PBT was adversely affected by a full impairment in receivables of RM3.03 million and delay in projects.

<u>Year-to-date, 2012 vs. Year-to-date, 2011</u>

The Group's revenue of RM810.83 million for the 9-month period ended 30 September 2012 ("PE2012") was 12% higher compared to the 9-month period ended 30 September 2011 ("PE2011") of RM725.09 million.

The increase in revenue mainly came from:
i) Manufacturing Division – cement price increase, higher cement & ready-mix concrete volume;
ii) Construction & Road Maintenance Division – contract rate increase for routine road maintenance;
iii) Construction Materials Division – premix price increase and increase in JKR sales through State Government special funding; and
iv) Services – more blocks of lodges.

However, the increase was partially offset by the Property Development Division's lower revenue as a development project was practically completed in January 2012.

In tandem with the increased revenue, the Group's PBT of RM164.53 million was 17% higher than RM140.10 million for PE2011. In addition to the above, the higher PBT was also attributable to:
i) Property Development Division - land sale; and
ii) Others Division - settlement sum received by an IT subsidiary following the favourable outcome from arbitration.

However, the increase was partially offset by the reduced profitability suffered by the Manufacturing Division due to the prolonged shutdown of its clinker plant.

B1. Review of performance (contd.)

Year-to-date, 2012 vs. Year-to-date, 2011 (contd.)

The Manufacturing Division, being the key driver and largest contributor to the Group's profitability, recorded significantly lower PBT in PE2012. Its performance was impacted by the prolonged shutdown of its clinker plant for upgrading which had resulted in a decline in PBT by 29% to RM52.93 million in PE2012 from RM74.51 million in PE2011, despite higher sales volumes and revenues.

The Construction & Road Maintenance Division registered a 22% jump in PBT to RM45.94 million (including the share of profit in jointly controlled entity) in PE2012 from RM37.53 million in PE2011 (excluding the gain on acquisition of CMS Roads and CMS Pavement Tech of RM11.42 million) mainly due to the increase in contract rate for state road routine maintenance.

The Construction Materials Division's PBT increased by 43% to RM19.86 million in PE2012 from RM13.88 million in PE2011 benefiting from JKR sales through the State Government special funding.

The Services Division which commenced operations in 2nd quarter of 2011 and is involved in lodging and catering services, reported a commendable PBT in 2012 with more blocks of lodges earning revenue.

The Property Development Division recorded a PBT of RM22.10 million in PE2012, compared to a marginal profit in PE2011 due largely to the recognition of profits for the sale of land in PE2012.

Profit in the Others Division was higher in PE2012 than PE2011 due to the receipt of RM8.5 million settlement sum from Jerneh by the IT company following the favourable outcome of arbitration and higher PBT achieved by the trading company from higher sales of high profit margin water related products. However, the education subsidiary under the Others Division reported higher losses in PE2012.

The Group reported lower shares of profit from its associates in PE2012 compared to PE2011 due to lower profit reported by KKB Engineering Berhad and a loss recorded by K&N Kenanga Berhad. The Group's new associate namely OM Materials (Sarawak) Sdn Bhd recorded a marginal loss in PE2012.

B2. Material variations of results for the quarter (Quarter 3, 2012 vs Quarter 2, 2012)

The Group's PBT of RM44.52 million in the third quarter ended 30 September 2012 was 36% lower than the PBT of RM70.11 million reported in the preceding quarter ended 30 June 2012. The 3rdquarter's PBT was lower as the preceding quarter's PBT included profit on sale of land reported by the Property Development Division and the settlement sum received by an IT subsidiary. The Services Division's PBT for the third quarter shrunk as depreciation charges for certain lodges were accelerated.

B2. Material variations of results for the quarter (Quarter 3, 2012 vs Quarter 2, 2012) (contd.)

The above decrease was partially eased by:

i) a lower loss reported by CMS Clinker in the current quarter due to production of some clinker; and

ii) a higher PBT registered by Construction Materials Division as a result of sales to JKR being in full swing upon finalizing the scope of works and site visits during the 2nd quarter and secured private sales only started premix orders in 3rd quarter.

The two listed associates' performances also weakened in the current quarter compared to the preceding quarter.

B3. Prospects for the year ending 31 December 2012

Whilst the operating environment faced by the Group will remain challenging, the Board expects that the Group's financial performance will continue to remain favourable and prospects for year ending 31 December 2012 to be good. The Group's strong financial position will enable the Group to invest in new business opportunities especially in the Samalaju Industrial Park, Bintulu, Sarawak.

B4. Profit forecast or profit guarantee

Not applicable as there was no profit forecast nor profit guarantee issued.

B5. Income tax expense

	3 months ended		9 months ended	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Malaysian income tax	14,833	15,943	43,106	35,963
- Over/(under) provision in respect of previous years	143	(11,267)	217	(11,256)
Deferred tax	0	0	0	0
Total income tax expense	14,976	4,676	43,323	24,707

The effective tax rate for the quarter and financial period ended 30 September 2011 was lower than the statutory tax rate principally due to the non-taxable capital gain on acquisition of subsidiaries but partially reduced by the losses of certain subsidiaries which could not be set off against taxable profit.

The effective tax rate for the quarter ended 30 September 2012 was higher than the statutory tax rate primarily due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other certain subsidiaries and certain expenses which are not deductible for tax purposes.

B6. Corporate proposals

There were no other corporate proposals that have been announced but not completed as at the date of this announcement.

B7. Borrowings

	As at 30.9.2012 RM'000	As at 31.12.2011 RM'000
Secured		
Revolving credits	15,000	15,000
Hire purchase and finance lease liabilities	62	170
Unsecured		
Bankers' acceptances	3,157	25,808
Term loans	64,240	85,680
CMS Income Securities	85,260	85,507
Loan from corporate shareholder	3,308	3,582
Total	171,027	215,747
Maturity		
Repayable within one year	125,450	148,444
One year to five years	45,577	66,476
Over five years	0	827
	171,027	215,747

All borrowings were denominated in Ringgit Malaysia.

B8. Off balance sheet financial instruments

As at the date of this report, there are no financial instruments with off balance sheet risks entered into by the Group.

B9. Derivatives

There were no derivatives entered into by the Group as at the end of the quarter under review.

B10. Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities.

B11. Changes in material litigation

There were no changes in material litigation since the last annual statement of financial position date of 31 December 2011.

B12. Dividend payable

The first interim dividend of 5 sen per share less 25% tax for the financial year ending 31 December 2012 amounting to RM12,250,948 was paid on 19 October 2012.

B13. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the period 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.

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

	3 months ended		9 months ended	
	30.9.2012	30.9.2011 (Restated)	30.9.2012	30.9.2011 (Restated)
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	22,142	38,140	100,583	96,508
Weighted average number of ordinary shares in issue ('000)	320,448	329,481	324,496	329,469
Basic earnings per share (sen)	6.91	11.58	31.00	29.29
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	322,648	329,732	326,258	329,598
Diluted earnings per share (sen)	6.86	11.57	30.83	29.28

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the period.

B14. Auditor's report on preceding annual financial statements

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

B15. Additional disclosure on profit for the period

	Quarter ended 30.9.2012 RM'000	Financial period ended 30.9.2012 RM'000
Profit for the period is arrived at after charging/(crediting):		
Amortisation of intangible assets	278	835
Amortisation of prepaid land lease payments	181	544
Bad debt written off	-	-
Property, plant and equipment written off	-	3
Depreciation of property, plant and equipment	14,224	35,226
Depreciation of investment properties	30	88
(Gain)/loss on foreign exchange	(375)	(808)
(Gain)/loss on disposal of property, plant and equipment	(167)	(396)
(Gain)/loss on disposal of investments	(312)	(572)
(Gain)/loss on fair value changes of derivatives	-	-
Impairment loss on trade receivables	30	117
Interest expense	2,770	8,585
Interest income	(3,222)	(7,753)
Inventory written off	14	231
Net fair value changes in investment securities	(492)	(861)
Reversal of allowance for impairment loss on trade receivables	-	(187)
Reversal of allowance for obsolete inventory	-	(217)
Write down of inventory	42	65

B16. Realised and unrealised profits/losses

	As at 30 September 2012 RM'000	As at 31 December 2011 (Restated) RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	621,899	560,778
- Unrealised	(20,358)	(21,079)
	601,541	539,699
Total retained earnings from associates:		
- Realised	12,501	12,990
- Unrealised	4,531	5,924
	17,032	18,914
Total retained earnings from jointly controlled entities:		
- Realised	1,427	1,427
	620,000	560,040
Add: consolidation adjustments	63,923	72,631
Total Group retained earnings as per consolidated accounts	683,923	632,671

B17. Authorisation for issue

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

BY ORDER OF THE BOARD

Koo Swee Pheng
Secretary
Date: 29 November 2012