

**GUH HOLDINGS BERHAD** (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE QUARTER ENDED 30 JUNE 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2011 RM '000	CURRENT YEAR TO DATE 30/06/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2011 RM '000
Revenue	77,432	75,604	147,894	154,381
Operating expenses	(62,859)	(69,272)	(126,495)	(138,809)
Other operating income	1,075	1,619	1,888	2,469
Finance costs	-	-	-	(25)
Share of profit of associate	2,220	2,096	4,211	3,858
Profit before tax (Note 16)	17,868	10,047	27,498	21,874
Tax expense	(3,849)	(2,497)	(5,284)	(4,809)
Profit for the period	14,019	7,550	22,214	17,065
Profit attributable to :				
Owners of the parent	14,019	7,550	22,214	17,065
Non-controlling interests	-	-	-	-
	14,019	7,550	22,214	17,065
Earnings per share (sen) :				
(a) Basic	7.59	3.82	11.98	8.61
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

**GUH HOLDINGS BERHAD** (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 JUNE 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2011 RM '000	CURRENT YEAR TO DATE 30/06/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2011 RM '000
Profit for the period	14,019	7,550	22,214	17,065
Other comprehensive income				
(Loss)/Gain on available-for-sale financial assets	(7,140)	(560)	(5,321)	28
Reclassification adjustments on derecognition of available-for-sale financial assets	713	-	713	(579)
Currency translation differences for foreign operations	5,342	2,646	47	555
Other comprehensive income for the period	(1,085)	2,086	(4,561)	4
Total comprehensive income for the period	12,934	9,636	17,653	17,069
Total comprehensive income attributable to :				
Owners of the parent	12,934	9,636	17,653	17,069
Non-controlling interests	-	-	-	-
	12,934	9,636	17,653	17,069

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

# GUH HOLDINGS BERHAD (Company No. 4104-W)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	AS AT 30/06/2012 RM '000	AS AT 31/12/2011 RM '000 (Restated)
<b>Non-Current Assets</b>		
Property, Plant and Equipment	122,803	118,867
Investment Property	5,610	6,560
Investment in Associate	17,107	22,231
Available-for-sale Financial Assets	9,379	30,444
Investments in Club Memberships	142	276
Property Development Costs	47,832	41,679
Deferred Tax Assets	279	279
	<hr/>	<hr/>
	203,152	220,336
<b>Current Assets</b>		
Property Development Costs	20,489	15,278
Accrued Billings	964	4,431
Financial Assets at Fair Value Through Profit or Loss	3	-
Inventories	32,049	36,660
Trade and Other Receivables	56,452	65,029
Prepayments	2,628	2,894
Current Tax Assets	2,161	952
Cash and Cash Equivalents	179,933	142,562
	<hr/>	<hr/>
	294,679	267,806
<b>Current Liabilities</b>		
Trade and Other Payables	60,935	63,583
Current Tax Liabilities	1,780	1,861
	<hr/>	<hr/>
	62,715	65,444
<b>Net Current Assets</b>	231,964	202,362
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	4,568	4,593
	<hr/>	<hr/>
<b>Net Assets</b>	430,548	418,105
<b>Equity</b>		
Share Capital	185,414	203,070
Treasury Shares	(2,920)	(18,968)
Reserves	248,054	234,003
	<hr/>	<hr/>
<b>Total Equity</b>	430,548	418,105
	<hr/>	<hr/>
<b>Net Assets per Share (sen)</b>	235	223

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

**GUH HOLDINGS BERHAD** (Company No. 4104-W)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2012**

	Share capital RM '000	Treasury shares RM '000	Non-Distributable			Distributable		Total RM '000
			Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000	
At 01/01/2012								
- As previously reported	203,070	(18,968)	47,632	12,152	5,859	3,856	164,353	417,954
- Effects of adopting amendments to FRS 112	-	-	-	-	-	-	151	151
- As restated	203,070	(18,968)	47,632	12,152	5,859	3,856	164,504	418,105
Loss on available-for-sale financial assets	-	-	-	-	(5,321)	-	-	(5,321)
Reclassification adjustments on derecognition of available-for-sale financial assets	-	-	-	-	713	-	-	713
Currency translation differences for foreign operations	-	-	-	-	-	47	-	47
Other comprehensive income for the period	-	-	-	-	(4,608)	47	-	(4,561)
Profit for the period	-	-	-	-	-	-	22,214	22,214
Total comprehensive income for the period	-	-	-	-	(4,608)	47	22,214	17,653
Purchase of own shares	-	(5,210)	-	-	-	-	-	(5,210)
Cancellation of treasury shares	(17,656)	21,258	17,656	-	-	-	(21,258)	-
At 30/06/2012	185,414	(2,920)	65,288	12,152	1,251	3,903	165,460	430,548
At 01/01/2011								
- As previously reported	203,070	(5,660)	47,632	12,727	1,279	(5,508)	136,352	389,892
- Effects of adopting amendments to FRS 112	-	-	-	-	-	-	144	144
- As restated	203,070	(5,660)	47,632	12,727	1,279	(5,508)	136,496	390,036
Gain on available-for-sale financial assets	-	-	-	-	28	-	-	28
Reclassification adjustments on derecognition of available-for-sale financial assets	-	-	-	-	(579)	-	-	(579)
Currency translation differences for foreign operations	-	-	-	-	-	555	-	555
Other comprehensive income for the period	-	-	-	-	(551)	555	-	4
Profit for the period	-	-	-	-	-	-	17,065	17,065
Total comprehensive income for the period	-	-	-	-	(551)	555	17,065	17,069
Purchase of own shares	-	(1,606)	-	-	-	-	-	(1,606)
At 30/06/2011	203,070	(7,266)	47,632	12,727	728	(4,953)	153,561	405,499

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 JUNE 2012**

	CURRENT YEAR TO DATE 30/06/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2011 RM '000
Cash flows from operating activities		
Profit before tax	27,498	21,874
Adjustments for :		
Allowance for slow moving inventories	61	74
Depreciation	5,951	6,211
Dividend income	(10,284)	-
Loss/(gain) on derecognition of available-for-sale financial assets	604	(579)
Gain on disposal of property, plant and equipment	(37)	(25)
Gain on disposal of investment property	(138)	-
Gain on disposal of assets held for sale	-	(178)
Interest expense	-	25
Interest income	(2,103)	(1,016)
Property, plant and equipment written off	2	7
Reversal of allowance for slowing moving inventories	(50)	(1,406)
Reversal of impairment loss on loans and receivables	-	(1)
Share of profit of associate	(4,211)	(3,858)
Unrealised gain on financial instruments at fair value through profit or loss	(3)	(82)
Unrealised loss on foreign exchange	25	95
	<hr/>	<hr/>
Operating profit before working capital changes	17,315	21,141
Changes in :		
Property development costs	(11,364)	4,645
Accrued billings	3,467	6,574
Inventories	4,600	2,429
Receivables and prepayments	9,007	3,035
Payables	(2,864)	(4,697)
Financial instruments at fair value through profit or loss	-	(30)
Cash generated from operations	<hr/> 20,161	<hr/> 33,097
Interest paid	-	(25)
Tax paid	(4,088)	(2,230)
Tax refunded	38	1
	<hr/> (4,050)	<hr/> (2,254)
Net cash from operating activities	16,111	30,843
Cash flows from investing activities		
Dividends received	16,890	8,943
Interest received	2,103	1,016
Proceeds from disposal of available-for-sale financial assets	17,187	12,818
Proceeds from disposal of property, plant and equipment	182	30
Proceeds from disposal of assets held for sale	-	2,600
Proceeds from disposal of investment property	1,088	-
Proceeds from disposal of investments in club memberships	130	-
Purchase of available-for-sale financial assets	(1,334)	(13,028)
Purchase of property, plant and equipment	(10,040)	(5,676)
Net cash from investing activities	26,206	6,703
Cash flows from financing activities		
Proceeds from loans and borrowings	-	5,055
Purchase of own shares	(5,210)	(1,606)
Repayment of loans and borrowings	-	(1,232)
Net cash (used in)/from financing activities	(5,210)	2,217
Currency translation differences	264	432
Net increase in cash and cash equivalents	<hr/> 37,371	<hr/> 40,195
Cash and cash equivalents at beginning of the period	142,562	84,849
Cash and cash equivalents at end of the period	<hr/> 179,933	<hr/> 125,044

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011)**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012**

1. **Basis of Preparation**

The interim financial report has been prepared in accordance with requirements of FRS 134 : "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2011.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2011 except for the adoption of the following Financial Reporting Standards ("FRS"), amendments to FRSs and IC Interpretations:

<u>FRS/IC Interpretations</u>	<u>Effective for financial periods beginning on or after</u>
Amendments to FRS 1 <i>Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>	1 January 2012
Amendments to FRS 7 <i>Disclosures - Transfers of Financial Assets</i>	1 January 2012
Amendments to FRS 112 <i>Deferred Tax: Recovery of Underlying Assets</i>	1 January 2012
Amendments to IC Interpretation 14 <i>Prepayments of a Minimum Funding Requirement</i>	1 July 2011
FRS 124 <i>Related Party Disclosures</i> (revised in 2010)	1 January 2012
IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 July 2011

The above FRSs, amendments to FRSs and IC Interpretations did not have any significant impacts on the financial statements of the Group except as follows:

**Amendments to FRS 112 *Deferred Tax: Recovery of Underlying Assets***

The amendments to FRS 112 provide a practical approach for measuring deferred tax by introducing a rebuttable presumption that the carrying amount of investment property stated at fair value will be recovered entirely through sale. Accordingly, the measurement of deferred tax shall reflect the tax consequences of recovering the carrying amount of the investment property entirely through sale. The adoption of these amendments has the following financial impacts:

	Group	
	Increase/ (Decrease) in Balance at 01/01/2011 RM'000	Increase/ (Decrease) in Balance at 31/12/2011 RM'000
Deferred tax liabilities	(144)	(151)
Retained profits	144	151

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* and/or IC Interpretation 15 *Agreements for Construction of Real Estate*, including their parents, significant investors and ventures ("Transitioning Entities"). Further to MASB announcement on 30 June 2012, Transitioning Entities will be allowed to defer the adoption of the new MFRS framework to annual periods beginning on or after 1 January 2014.

Being a Transitioning Entity as defined above, the Group has elected to continue preparing its financial statements in accordance with the existing FRS framework for the financial years ending 31 December 2012 and 2013 and will first adopt the MFRS framework for the financial year ending 31 December 2014.

2. **Audit Report**

The preceding annual financial statements of the Group were reported on without any qualification.

3. **Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

4. **Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and period ended 30 June 2012.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012

5. Changes in Estimates

There were no changes in the estimates that have a material effect in the current year quarter and period ended 30 June 2012.

6. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following :

During the current year quarter, the Company purchased 2,619,600 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 3.4 million at an average cost of RM 1.30 per share. During the current year to date, a total of 4,039,500 ordinary shares were purchased from the open market for a total consideration of RM 5.2 million. The shares purchased were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

On 13 April 2012, 17,655,900 treasury shares were cancelled and an amount equivalent to their nominal value was transferred to the capital redemption reserve in accordance with the requirements of Section 67A of the Companies Act, 1965. The total cost of the treasury shares cancelled amounting to RM 21.3 million was debited against the retained profits.

7. Dividend Paid

No dividend was paid during the current year quarter and period ended 30 June 2012.

8. Segmental Reporting

Analysis by activity	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sales of Electrical Appliances RM '000	Cultivation of Oil Palm RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
<b>Revenue</b>						
Total revenue	118,106	14,218	3,662	979	13,171	150,136
Intersegment revenue	-	-	(8)	-	(2,234)	(2,242)
External revenue	118,106	14,218	3,654	979	10,937	147,894
<b>Results</b>						
Segment results	8,026	4,461	293	520	7,884	21,184
Interest income	1,217	294	35	-	557	2,103
Share of profit of associate	-	-	-	-	4,211	4,211
Profit before tax	9,243	4,755	328	520	12,652	27,498
Tax expense	(1,232)	(1,382)	(49)	(52)	(2,569)	(5,284)
Profit for the period	8,011	3,373	279	468	10,083	22,214
<b>Assets</b>						
Segment assets	271,934	104,392	6,777	1,035	94,146	478,284
Associate	-	-	-	-	17,107	17,107
Income tax assets	894	1,093	12	-	441	2,440
Total assets	272,828	105,485	6,789	1,035	111,694	497,831

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012**

9. **Subsequent Material Events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements.

10. **Changes in the Composition of the Group**

There were no changes in the composition of the Group during the period ended 30 June 2012 other than:

On 16 January 2012, the Company announced the incorporation of a wholly-owned sub-subsidiary known as GUH Water (Gaochun) Company Limited ("GUH Gaochun") in the People's Republic of China on 13 January 2012 to facilitate the direct negotiation of a build-operate-transfer agreement between GUH Water (Jiangsu) Private Limited ("GUH JS") and the Development General Company of Jiangsu Gaochun Economic Development Zone. GUH Gaochun will be principally involved in the water operations and treatment.

As at the date of incorporation, there is no paid-up capital. Upon GUH Gaochun signing the Proposed Water Treatment Project contract with the Development General Company of Jiangsu Gaochun Economic Development Zone, GUH JS will then proceed to subscribe up to USD20.0 million in GUH Gaochun (being the new issued and paid-up capital of GUH Gaochun). However, GUH JS may subscribe less than USD20.0 million in the issued and paid-up capital of GUH Gaochun in the event that; (i) the actual project cost is less than the projected cost; and/or (ii) GUH Gaochun is able to secure bank borrowings to partly finance the construction of the water treatment plant under the Proposed Water Treatment Project. GUH JS is a wholly-owned subsidiary of GUH Water Holdings Sdn. Bhd., which in turn is, a wholly-owned subsidiary of GUH. The incorporation of GUH Gaochun did not have a material effect on the earnings or net assets of the Group for the financial year ending 31 December 2012.

11. **Contingent Liabilities or Contingent Assets**

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.



NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012

12. Review of the Performance

Operating Segment	Current Year Quarter 30/06/2012	Preceding Year Corresponding Quarter 30/06/2011	Current Year To Date 30/06/2012	Preceding Year Corresponding Period 30/06/2011
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>				
Manufacture of printed circuit boards	58,334	64,549	118,106	127,991
Property development	5,803	8,232	14,218	21,056
Sales of electrical appliances	1,912	1,830	3,654	3,703
Cultivation of oil palm	721	722	979	1,145
Unallocated non-operating segments	10,662	271	10,937	486
<b>Total</b>	<b>77,432</b>	<b>75,604</b>	<b>147,894</b>	<b>154,381</b>
<b>Profit before tax</b>				
Manufacture of printed circuit boards	4,106	6,443	9,243	10,911
Property development	1,725	2,158	4,755	7,865
Sales of electrical appliances	346	42	328	(69)
Cultivation of oil palm	454	431	520	638
Unallocated non-operating segments	11,237	973	12,652	2,529
<b>Total</b>	<b>17,868</b>	<b>10,047</b>	<b>27,498</b>	<b>21,874</b>

a) Current Year Quarter vs Previous Year Corresponding Quarter

The Group's profit before tax of RM 17.9 million for the current year quarter ended 30 June 2012 was RM 7.9 million higher than the profit before tax of RM 10.0 million for the previous year corresponding quarter mainly due to dividend income from available-for-sale financial assets of RM 10.3 million.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 30 June 2012 compared to the previous year corresponding quarter is as follows:

i) Manufacture of printed circuit boards

Profit before tax decreased by RM 2.3 million to RM 4.1 million in line with lower revenue on deteriorating global demand for electronic products.

ii) Property development

Profit before tax dropped from RM 2.2 million to RM 1.7 million as a consequence of lesser property units sold.

iii) Sales of electrical appliances

Profit before tax increased to RM 0.3 million from RM 0.04 million on gain on disposal of investment property and lower operating expenses following the disposal of factory building in the last quarter of 2011.

iv) Cultivation of oil palm

Profit before tax increased by RM 0.02 million to RM 0.4 million mainly due to lower plantation operating expenditure.

v) Unallocated non-operating segments

Profit before tax improved by RM 10.3 million to RM 11.2 million mainly due to the substantial hike in revenue stemming from dividend income from available-for-sale financial assets.

b) Current Year-to-date vs Previous Year-to-date

For the period ended 30 June 2012, the Group recorded a higher profit before tax of RM 27.5 million compared to RM 21.9 million for the previous year corresponding period mainly driven by dividend income from available-for-sale financial assets of RM 10.3 million which was partially offset by lower contribution from Property and Electronic Divisions.

Detailed analysis of the performance of the Group's operating segments for the period ended 30 June 2012 compared to the previous year corresponding period is as follows:

i) Manufacture of printed circuit boards

Profit before tax decreased by RM 1.7 million to RM 9.2 million on the drop in revenue amid intense industry competition. The Electronic Division also suffered higher operating costs due to lack of economies of scale.

ii) Property development

Profit before tax fell by RM 3.1 million to RM 4.8 million in line with lower property units sold.

iii) Sales of electrical appliances

Profit before tax of RM 0.3 million was mainly due to gain on disposal of investment property and lower operating expenses resulting from the disposal of factory building in the last quarter of 2011.

iv) Cultivation oil palm

Profit before tax dropped by RM 0.1 million to RM 0.5 million in tandem with lower fresh fruit bunch production and average selling prices.

v) Unallocated non-operating segments

Profit before tax rose RM 10.1 million to RM 12.6 million in line with the tremendous improvement in revenue arising from dividend income from available-for-sale financial assets.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012**

**13. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

As compared to the preceding quarter, the Group recorded a 86.5% surge in profit before tax to RM 17.9 million (Q1'12: RM 9.6 million) in line with the rise in revenue to RM 77.4 million (Q1'12: RM 70.5 million) mainly on dividend income from available-for-sale financial assets.

**14. Prospects for 2012**

Electronic Division predicts the order for electronic products to pick up in the coming months towards the festive season but margin will be dampened on intensified market competition and pricing pressure from customers.

Property Division expects the property market in Seremban to be stagnant on global economic uncertainties even though the implementation of projects under the Economic Transformation Programme augurs well for the construction and property industries in Malaysia.

Electrical Division envisages sales in the following months to be slow as the market did not indicate significant recovery signs.

Plantation Division also anticipates a hike in demand for palm oil in the coming months due to festive season.

Going forward, the Group expects a marginal improvement in performance for the remainder of 2012 on better sales mix and prudent costs management.

**15. Variance from Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

**16. Profit Before Tax**

	Current Year Quarter 30/06/2012 RM'000	Current Year To Date 30/06/2012 RM'000
Profit before tax is arrived at after charging :		
- Interest expense	-	-
- Depreciation	3,038	5,951
- Impairment loss on loans and receivables	-	-
- Allowance for slow moving inventories	24	61
- Inventories written off	-	-
- Loss on foreign exchange - realised	46	125
- Loss on foreign exchange - unrealised	-	25
- Loss on derecognition of available-for-sale financial assets	604	604
- Impairment loss on available-for-sale financial assets	-	-
- Property, plant and equipment written off	2	2
- Exceptional items	-	-
and crediting :		
- Interest income	1,093	2,103
- Dividend income	10,284	10,284
- Gain on disposal of property, plant and equipment	36	37
- Gain on disposal of investment property	138	138
- Gain on derecognition of available-for-sale financial assets	-	-
- Gain on financial instruments at fair value through profit or loss	4	4
- Gain on foreign exchange - unrealised	157	-

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012**

17. **Taxation**

Taxation comprises :

	Current Year Quarter 30/06/2012 RM '000	Current Year To Date 30/06/2012 RM '000
Income tax	(3,650)	(5,304)
Deferred tax	(194)	25
Real property gains tax	(5)	(5)
	<u>(3,849)</u>	<u>(5,284)</u>

The Group's effective tax rates differ from the statutory tax rate mainly because :

- (i) certain income and expenses which are not taxable and allowable;
- (ii) the utilisation of reinvestment allowances, unabsorbed tax losses and unabsorbed capital allowances by certain subsidiaries; and
- (iii) different tax rates in other countries.

18. **Status of Corporate Proposals**

There were no corporate proposals as at the date of this announcement.

19. **Group Borrowings and Debt Securities**

There were no borrowings and debt securities as at 30 June 2012.

20. **Financial Instruments**

**a) Derivatives**

The Group has entered into forward exchange contracts to hedge its foreign currency payables from exposure to the fluctuations in foreign exchange rates.

The details of forward exchange contracts as at 30 June 2012 are as follows:

Forward Exchange Contract	Contract Value (RM'000)	Fair Value (RM'000)
US Dollar - Less than 1 year	484	3

**Credit, Market and Liquidity Risks**

The Group is not exposed to any significant credit, market and liquidity risks in respect of the above forward exchange contracts.

**Related Accounting Policy**

Upon the adoption of FRS139, forward exchange contracts are recognised at fair value and the changes in fair value are recognised in income statement.

**b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities**

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and period ended 30 June 2012.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 JUNE 2012**

**21. Breakdown of Realised and Unrealised Profits or Losses of the Group**

The breakdown of the retained profits of the Group as at 30 June 2012, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows :

	As at 30/06/2012 RM'000	As at 31/12/2011 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries :		
- Realised	220,383	213,992
- Unrealised	(412)	(39)
	219,971	213,953
Total share of retained profits of associate :		
- Realised	12,535	17,474
- Unrealised	-	-
	232,506	231,427
Consolidation adjustments and eliminations	(67,046)	(66,923)
Total retained profits as per statement of financial position	165,460	164,504

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

**22. Material Litigation**

There was no material litigation against the Group as at 30 June 2012.

**23. Proposed Dividend**

On 13 August 2012, the Board of Directors proposed for an interim dividend of 6.0 sen per share (less tax at 25%) for the financial year ending 31 December 2012. The dividend will be paid on 18 September 2012 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 5 September 2012.

**24. Earnings Per Share**

	Current Year Quarter 30/06/2012	Current Year To Date 30/06/2012
Profit attributable to owners of the parent (RM '000)	14,019	22,214
Number of ordinary shares in issue at the beginning of the period ('000)	185,786	187,206
Effect of shares purchased ('000)	(1,188)	(1,787)
Weighted average number of ordinary shares in issue ('000)	184,598	185,419
Basic earnings per share (sen)	7.59	11.98

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and period ended 30 June 2012.

**25. Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 13 August 2012.