

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

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2011 RM '000	CURRENT YEAR TO DATE 30/09/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2011 RM '000
Revenue	69,353	83,614	217,247	237,995
Operating expenses	(64,860)	(75,180)	(191,355)	(213,989)
Other operating income	1,450	969	3,338	3,438
Finance costs	-	-	-	(25)
Share of profit of associate	1,706	1,966	5,917	5,824
Profit before tax (Note 16)	7,649	11,369	35,147	33,243
Tax expense	(1,131)	(1,861)	(6,415)	(6,670)
Profit for the period	6,518	9,508	28,732	26,573
Profit attributable to :				
Owners of the parent	6,518	9,508	28,732	26,573
Non-controlling interests	-	-	-	-
	6,518	9,508	28,732	26,573
Earnings per share (sen) :				
(a) Basic	3.61	4.96	15.64	13.56
(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 SEPTEMBER 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2011 RM '000	CURRENT YEAR TO DATE 30/09/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2011 RM '000
Profit for the period	6,518	9,508	28,732	26,573
Other comprehensive income				
Loss on available-for-sale financial assets	(171)	(4,791)	(5,492)	(4,763)
Reclassification adjustments on derecognition of available-for-sale financial assets	(55)	-	658	(579)
Currency translation differences for foreign operations	(4,791)	5,917	(4,744)	6,472
Other comprehensive income for the period	(5,017)	1,126	(9,578)	1,130
Total comprehensive income for the period	1,501	10,634	19,154	27,703
Total comprehensive income attributable to :				
Owners of the parent	1,501	10,634	19,154	27,703
Non-controlling interests	-	-	-	-
	1,501	10,634	19,154	27,703

(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 SEPTEMBER 2012**

	AS AT 30/09/2012 RM '000	AS AT 31/12/2011 RM '000 (Restated)
<b>Non-Current Assets</b>		
Property, Plant and Equipment	123,126	118,867
Investment Property	3,730	6,560
Goodwill on Consolidation	3,348	-
Investment in Associate	18,163	22,231
Available-for-sale Financial Assets	13,525	30,444
Investments in Club Memberships	139	276
Property Development Costs	48,930	41,679
Deferred Tax Assets	279	279
	<u>211,240</u>	<u>220,336</u>
<b>Current Assets</b>		
Property Development Costs	23,055	15,278
Accrued Billings	2,795	4,431
Inventories	28,680	36,660
Trade and Other Receivables	59,039	65,029
Prepayments	2,292	2,894
Current Tax Assets	2,312	952
Cash and Cash Equivalents	154,514	142,562
	<u>272,687</u>	<u>267,806</u>
<b>Current Liabilities</b>		
Trade and Other Payables	58,133	63,583
Amounts Due to Customers	290	-
Loans and Borrowings	60	-
Current Tax Liabilities	1,790	1,861
	<u>60,273</u>	<u>65,444</u>
Net Current Assets	212,414	202,362
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	4,486	4,593
Loans and Borrowings	75	-
	<u>4,561</u>	<u>4,593</u>
Net Assets	<u>419,093</u>	<u>418,105</u>
<b>Equity</b>		
Share Capital	185,414	203,070
Treasury Shares	(10,139)	(18,968)
Reserves	241,407	234,003
Equity Attributable to Owners of the Parent	<u>416,682</u>	<u>418,105</u>
Non-controlling Interests	2,411	-
Total Equity	<u>419,093</u>	<u>418,105</u>
Net Assets per Share Attributable to Owners of the Parent (RM)	<u>2.34</u>	<u>2.23</u>

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

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

	Share capital RM '000	Treasury shares RM '000	Non-Distributable			Distributable *		Non-controlling interests RM '000	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	-	-	-	-	(5,492)	-	-	-	(5,492)
Reclassification adjustments on derecognition of available-for-sale financial assets	-	-	-	-	658	-	-	-	658
Currency translation differences for foreign operations	-	-	-	-	-	(4,744)	-	-	(4,744)
Other comprehensive income for the period	-	-	-	-	(4,834)	(4,744)	-	-	(9,578)
Profit for the period	-	-	-	-	-	-	28,732	-	28,732
Total comprehensive income for the period	-	-	-	-	(4,834)	(4,744)	28,732	-	19,154
Purchase of own shares	-	(12,429)	-	-	-	-	-	-	(12,429)
Dividends	-	-	-	-	-	-	(8,148)	-	(8,148)
Total transactions with owners	-	(12,429)	-	-	-	-	(8,148)	-	(20,577)
Cancellation of treasury shares	(17,656)	21,258	17,656	-	-	-	(21,258)	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	2,411	2,411
At 30/09/2012	185,414	(10,139)	65,288	12,152	1,025	(888)	163,830	2,411	419,093
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
Loss on available-for-sale financial assets	-	-	-	-	(4,763)	-	-	-	(4,763)
Reclassification adjustments on derecognition of available-for-sale financial assets	-	-	-	-	(579)	-	-	-	(579)
Currency translation differences for foreign operations	-	-	-	-	-	6,472	-	-	6,472
Other comprehensive income for the period	-	-	-	-	(5,342)	6,472	-	-	1,130
Profit for the period	-	-	-	-	-	-	26,573	-	26,573
Total comprehensive income for the period	-	-	-	-	(5,342)	6,472	26,573	-	27,703
Purchase of own shares	-	(10,087)	-	-	-	-	-	-	(10,087)
Dividends	-	-	-	-	-	-	(8,585)	-	(8,585)
Total transactions with owners	-	(10,087)	-	-	-	-	(8,585)	-	(18,672)
At 30/09/2011	203,070	(15,747)	47,632	12,727	(4,063)	964	154,484	-	399,067

\* Retained profits as at 30 September 2012 amounting to RM10,139,000 (30 September 2011: RM15,747,000), being the total cost of the treasury shares purchased, were considered as non-distributable.

(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 SEPTEMBER 2012**

	CURRENT YEAR TO DATE 30/09/2012 RM '000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2011 RM '000
Cash flows from operating activities		
Profit before tax	35,147	33,243
Adjustments for :		
Allowance for slow moving inventories	95	251
Depreciation	9,131	9,309
Dividend income	(10,328)	(257)
Loss/(gain) on derecognition of available-for-sale financial assets	549	(579)
Loss/(gain) on disposal of property, plant and equipment	120	(119)
Gain on disposal of investment property	(379)	-
Gain on disposal of assets held for sale	-	(542)
Interest expense	-	25
Interest income	(3,745)	(1,675)
Impairment loss on property, plant and equipment	-	140
Property, plant and equipment written off	662	12
Reversal of allowance for slowing moving inventories	(76)	(1,448)
Reversal of impairment loss on loans and receivables	-	(1)
Share of profit of associate	(5,917)	(5,824)
Unrealised gain on financial instruments at fair value through profit or loss	-	5
Unrealised loss on foreign exchange	102	134
	<hr/>	<hr/>
Operating profit before working capital changes	25,361	32,674
Changes in :		
Property development costs	(15,028)	2,039
Accrued billings	1,636	8,159
Inventories	7,961	510
Receivables and prepayments	9,358	(4,620)
Payables	(7,280)	7,080
Financial instruments at fair value through profit or loss	-	(30)
Cash generated from operations	<hr/> 22,008	<hr/> 45,812
Interest paid	-	(25)
Tax paid	(5,502)	(3,514)
Tax refunded	56	1
	<hr/> (5,446)	<hr/> (3,538)
Net cash from operating activities	16,562	42,274
Cash flows from investing activities		
Dividends received	16,923	9,200
Interest received	3,325	1,675
Proceeds from disposal of available-for-sale financial assets	17,814	12,818
Proceeds from disposal of property, plant and equipment	205	121
Proceeds from disposal of assets held for sale	-	5,724
Proceeds from disposal of investment property	3,209	-
Proceeds from disposal of investments in club memberships	131	-
Purchase of available-for-sale financial assets	(6,277)	(13,028)
Purchase of property, plant and equipment	(15,907)	(7,524)
Net cash outflow on acquisition of subsidiary	(978)	-
Net cash from investing activities	18,445	8,986
Cash flows from financing activities		
Dividend paid	(8,148)	(8,585)
Proceeds from loans and borrowings	-	6,912
Purchase of own shares	(12,429)	(10,087)
Repayment of loans and borrowings	-	(6,294)
Net cash used in financing activities	(20,577)	(18,054)
Currency translation differences	(2,478)	3,451
Net increase in cash and cash equivalents	11,952	36,657
Cash and cash equivalents at beginning of the period	142,562	84,849
Cash and cash equivalents at end of the period	<hr/> 154,514	<hr/> 121,506

**(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 SEPTEMBER 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 September 2012.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 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 September 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 5,436,300 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 7.2 million at an average cost of RM 1.33 per share. During the current year to date, a total of 9,475,800 ordinary shares were purchased from the open market for a total consideration of RM 12.4 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**

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 was 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.

**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	Water and Waste Water Treatment RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
<b>Revenue</b>							
Total revenue	176,818	21,543	5,625	1,831	-	15,230	221,047
Intersegment revenue	-	-	(9)	-	-	(3,791)	(3,800)
External revenue	176,818	21,543	5,616	1,831	-	11,439	217,247
<b>Results</b>							
Segment results	9,372	6,803	252	1,115	(153)	8,096	25,485
Interest income	2,300	416	42	-	-	987	3,745
Share of profit of associate	-	-	-	-	-	5,917	5,917
Profit before tax	11,672	7,219	294	1,115	(153)	15,000	35,147
Tax expense	(1,518)	(2,027)	(67)	(219)	-	(2,584)	(6,415)
Profit for the period	10,154	5,192	227	896	(153)	12,416	28,732
<b>Assets</b>							
Segment assets	264,550	107,976	4,963	1,061	12,230	72,393	463,173
Associate	-	-	-	-	-	18,163	18,163
Income tax assets	867	1,256	23	-	-	445	2,591
Total assets	265,417	109,232	4,986	1,061	12,230	91,001	483,927

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 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 September 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.

On 14 September 2012, the Company announced that its wholly-owned subsidiary, namely GUH Water Holdings Sdn. Bhd. has completed the acquisition of 700,000 ordinary shares of RM1.00 each, representing 70% of the issued and fully paid-up share capital of Teknoserv Engineering Sdn. Bhd. ("Teknoserv") for a total purchase consideration of RM8,972,473. Teknoserv is principally engaged in the business of project management and contractors for installation of water and waste water treatment plant.

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 SEPTEMBER 2012

12. Review of the Performance

Operating Segment	Current Year Quarter 30/09/2012	Preceding Year Corresponding Quarter 30/09/2011	Current Year To Date 30/09/2012	Preceding Year Corresponding Period 30/09/2011
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>				
Manufacture of printed circuit boards	58,712	74,407	176,818	202,398
Property development	7,325	6,046	21,543	27,102
Sales of electrical appliances	1,962	1,983	5,616	5,686
Cultivation of oil palm	852	707	1,831	1,852
Unallocated non-operating segments	502	471	11,439	957
<b>Total</b>	<b>69,353</b>	<b>83,614</b>	<b>217,247</b>	<b>237,995</b>
<b>Profit before tax</b>				
Manufacture of printed circuit boards	2,429	7,064	11,672	17,975
Property development	2,464	1,701	7,219	9,566
Sales of electrical appliances	(34)	(109)	294	(178)
Cultivation of oil palm	595	494	1,115	1,132
Water and waste water treatment	(96)	(395)	(153)	(399)
Unallocated non-operating segments	2,291	2,614	15,000	5,147
<b>Total</b>	<b>7,649</b>	<b>11,369</b>	<b>35,147</b>	<b>33,243</b>

a) Current Year Quarter vs Previous Year Corresponding Quarter

The Group's profit before tax of RM 7.6 million for the current year quarter ended 30 September 2012 was RM 3.8 million lower than the profit before tax of RM 11.4 million for the previous year corresponding quarter mainly due to lower contribution from Electronic Division.

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

i) Manufacture of printed circuit boards

Profit before tax decreased to RM 2.4 million from RM 7.1 million in line with lower revenue due to weak demand for electronic products globally.

ii) Property development

Profit before tax increased to RM 2.5 million from RM 1.7 million as a result of the sales of shop offices with higher profit margin.

iii) Sales of electrical appliances

Loss before tax dropped to RM 0.03 million from RM 0.1 million mainly due to lower operating expenses following the disposal of factory building in the last quarter of 2011.

iv) Cultivation of oil palm

Profit before tax increased to RM 0.6 million from RM 0.5 million in line with increase in revenue stemming from higher FFB production due to favourable weather conditions.

v) Water and waste water treatment

Loss before tax reduced to RM 0.1 million from RM 0.4 million mainly due to lower professional and legal fees incurred for water projects.

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

For the period ended 30 September 2012, the Group recorded a higher profit before tax of RM 35.1 million compared to RM 33.2 million for the previous year corresponding period mainly attributable to dividend income from available-for-sale financial assets of RM 10.3 million which was partially offset by the decline in performance from Electronic and Property Divisions.

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

i) Manufacture of printed circuit boards

Profit before tax decreased to RM 11.7 million from RM 18.0 million on the dip in revenue amid intensified market competition and weak demand.

ii) Property development

Profit before tax fell to RM 7.2 million from RM 9.6 million as a consequence of lower number of 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 1.5% to RM 1.1 million in line with decrease in revenue on lower FFB prices.

v) Water and waste water treatment

Loss before tax declined to RM 0.2 million from RM 0.4 million as a result of lower professional and legal fees incurred for water projects.

vi) Unallocated non-operating segments

Profit before tax increased to RM 15.0 million from RM 5.1 million mainly due to dividend income from available-for-sale financial assets.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 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 57.5% plunge in profit before tax to RM 7.6 million (Q2'12: RM 17.9 million) mainly due to lower dividend income from available-for-sale financial assets.

**14. Prospects for 2012**

Electronic Division envisages gloomy market conditions for electronic products following the China-Japan dispute over Diaoyu/Senkaku islands coupled with the weak demand globally.

Property Division foresees an impact of the recent increase in real property gains tax and the tightening of loan financing on its performance in the following months.

Electrical Division anticipates a sluggish demand for electrical items amid economic uncertainties.

Plantation Division predicts a higher palm oil inventories due to higher export tax compared to the neighbouring country.

Moving forward, the Group will continue to focus on improvement in operational efficiency, widen its customer base of the existing businesses and diversify into new business such as water to mitigate the adverse impact of the challenging business environment.

**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 30/09/2012 RM'000	Current Year To Date 30/09/2012 RM'000
Profit before tax is arrived at after charging :		
- Interest expense	-	-
- Depreciation	3,180	9,131
- Impairment loss on loans and receivables	-	-
- Allowance for slow moving inventories	34	95
- Inventories written off	-	-
- Loss on disposal of property, plant and equipment	157	120
- Loss on foreign exchange - realised	51	176
- Loss on foreign exchange - unrealised	77	102
- Loss on derecognition of available-for-sale financial assets	-	549
- Loss on financial instruments at fair value through profit or loss	11	7
- Impairment loss on available-for-sale financial assets	-	-
- Property, plant and equipment written off	660	662
- Exceptional items	-	-
and crediting :		
- Interest income	1,642	3,745
- Dividend income	44	10,328
- Gain on disposal of property, plant and equipment	-	-
- Gain on disposal of investment property	241	379
- Gain on derecognition of available-for-sale financial assets	55	-

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

17. **Taxation**

Taxation comprises :

	Current Year Quarter 30/09/2012 RM '000	Current Year To Date 30/09/2012 RM '000
Income tax	(1,222)	(6,526)
Deferred tax	91	116
Real property gains tax	-	(5)
	<u>(1,131)</u>	<u>(6,415)</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**

Group borrowings and debt securities as at 30 September 2012

	RM '000
Secured	135
Unsecured	-
(a) Total	135
Short term	60
Long term	75
(b) Total	135
Ringgit Malaysia	135
Foreign currency	-
(c) Total	135

20. **Financial Instruments**

a) Derivatives

There were no outstanding derivatives as at 30 September 2012.

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 September 2012.

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 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 September 2012, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows :

	As at 30/09/2012 RM'000	As at 31/12/2011 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries :		
- Realised	224,746	213,992
- Unrealised	(557)	(39)
	224,189	213,953
Total share of retained profits of associate :		
- Realised	14,241	17,474
- Unrealised	-	-
	238,430	231,427
Consolidation adjustments and eliminations	(74,600)	(66,923)
Total retained profits as per statement of financial position	163,830	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 September 2012.

**23. Earnings Per Share**

	Current Year Quarter 30/09/2012	Current Year To Date 30/09/2012
Profit attributable to owners of the parent (RM '000)	6,518	28,732
Number of ordinary shares in issue at the beginning of the period ('000)	183,166	187,206
Effect of shares purchased ('000)	(2,703)	(3,439)
Weighted average number of ordinary shares in issue ('000)	180,463	183,767
Basic earnings per share (sen)	3.61	15.64

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

**24. Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 28 November 2012.