



FRASER & NEAVE HOLDINGS BHD.
(Company No: 004205-V, Incorporated in Malaysia)

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For immediate release

QUARTERLY FINANCIAL REPORT

Quarter 2 and half year results : Financial Year Ending 30 September 2011

The Directors are pleased to release the quarterly financial report for the quarter and six months ended 31st March 2011.

The contents of the financial report comprise the following attached condensed financial statements, explanatory notes and additional disclosures and these must be read in conjunction with the Group's financial statements for the year ended 30 September 2010:

- Schedule A : Condensed Consolidated Income Statement
- Schedule B : Condensed Consolidated Statement of Comprehensive Income
- Schedule C : Condensed Consolidated Statement of Financial Position
- Schedule D : Condensed Consolidated Statement of Cash Flow
- Schedule E : Condensed Consolidated Statement of Changes in Equity
- Schedule F : Selected Explanatory Notes
- Schedule G : Additional Disclosures

This quarterly financial report has been prepared in accordance with the accounting standards on interim financial reporting issued by the Malaysian Accounting Standards Board and contained additional disclosures prescribed by the Main Market Listing Requirements. Unless specified otherwise, the same accounting policies and methods of computation applied to the Group's financial statements for the previous year had been followed throughout this quarterly financial report.

By Order of the Board

Joseph Tan Eng Guan
Company Secretary

Kuala Lumpur
5 May 2011

Schedule A : Condensed Consolidated Income Statement

For the quarter and six months ended 31 March 2011

RM'000	Individual 2 nd Quarter			Cumulative 2 nd Quarter		
	31/3/2011	31/3/2010	% chg	31/3/2011	31/3/2010	% chg
Continuing Operations						
Revenue	1,009,468	872,095	15.8%	2,037,494	1,754,703	16.1%
Operating profit	160,267	101,164	58.4%	292,356	199,139	46.8%
Interest expense	(3,050)	(1,596)		(5,104)	(3,296)	
Interest income	3,404	435		9,413	808	
Share of results of an associated company [^]	959	-		959	-	
Profit before taxation (PBT)	161,580	100,003	61.6%	297,624	196,651	51.3%
Taxation	(29,592)	(19,188)		(58,552)	(42,233)	
Profit after taxation (PAT) from continuing operations	131,988	80,815	63.3%	239,072	154,418	54.8%
Discontinued operations						
Profit after taxation from discontinued operations	-	4,713	<i>nm</i>	-	9,783	<i>nm</i>
Group profit after tax	131,988	85,528	54.3%	239,072	164,201	45.6%
Attributable to :						
Equity holders of the Company	131,988	85,232	54.9%	239,072	162,969	46.7%
- Continuing operations	131,988	80,815	63.3%	239,072	154,418	54.8%
- Discontinued operations	-	4,417	<i>nm</i>	-	8,551	<i>nm</i>
Minority interest	-	296	<i>nm</i>	-	1,232	<i>nm</i>
- Continuing operations	-	-		-	-	
- Discontinued operations	-	296	<i>nm</i>	-	1,232	<i>nm</i>
	131,988	85,528		239,072	164,201	
Basic earnings per share (sen) attributable to equity holders of the Company						
	36.8	23.9	54.0%	66.8	45.7	46.2%
- Continuing operations	36.8	22.7		66.8	43.3	
- Discontinued operations	-	1.2		-	2.4	
Diluted earnings per share (sen) attributable to equity holders of the Company						
	36.6	23.8	53.8%	66.3	45.6	45.4%
- Continuing operations	36.6	22.6		66.3	43.2	
- Discontinued operations	-	1.2		-	2.4	

nm – not meaningful

[^] The results of the associated company are accounted for quarterly in arrears after it has been released to the public.

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2010.

Schedule B : Condensed Consolidated Statement of Comprehensive Income

For the quarter and six months ended 31 March 2011

RM'000	Individual 2 nd Quarter			Cumulative 2 nd Quarter		
	31/3/2011	31/3/2010	% chg	31/3/2011	31/3/2010	% chg
Group profit after tax	131,988	85,528	54.3%	239,072	164,201	45.6%
Other comprehensive income, (net of tax)						
Foreign currency translation	(10,333)	(11,961)	-13.6%	(3,948)	(24,849)	-84.1%
Total comprehensive income for the quarter	121,655	73,567	65.4%	235,124	139,352	68.7%
Total comprehensive income attributable to:						
Equity holders of the Company	121,655	76,620	58.8%	235,124	144,175	63.1%
Minority interest	-	(3,053)	<i>nm</i>	-	(4,823)	<i>nm</i>
	121,655	73,567	65.4%	235,124	139,352	68.7%

nm – not meaningful

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2010.

Schedule C : Condensed Consolidated Statement of Financial Position

As at 31 March 2011

RM'000	31/3/2011	Audited 30/9/2010 (restated)
Property, plant & equipment	877,508	816,154
Properties held for development	5,470	5,470
Associated company	55,607	-
Intangible assets	124,985	125,176
Deferred tax assets	2,718	4,264
Current assets		
Property development cost	46,145	196,586
Inventories	339,574	343,717
Receivables	553,986	528,035
Cash and cash equivalents	512,370	939,335
	1,452,075	2,007,673
Assets held for sale	55,897	10,183
	1,507,972	2,017,856
Less : Current liabilities		
Payables	638,023	755,730
Provisions	42,767	42,767
Borrowings	150,000	150,000
Provision for taxation	24,584	16,518
	855,374	965,015
Net current assets	652,598	1,052,841
	1,718,886	2,003,905
Financed by:		
Share capital & Reserves	1,514,275	1,796,516
Minority interest	294	294
Total Equity	1,514,569	1,796,810
Non current liabilities		
Borrowings	150,000	150,000
Other liabilities	54,317	57,095
	204,317	207,095
Total Equity & non current liabilities	1,718,886	2,003,905
Net assets per share (RM) attributable to equity holders of the Company	4.22	5.03

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2010.

Schedule D : Condensed Consolidated Statement of Cash Flow

For the six months ended 31 March 2011

RM'000	Cumulative 2 nd quarter	
	31/3/2011	31/3/2010
Operating activities		
Operating profit		
- Continuing	292,356	199,139
- Discontinued (<i>Schedule F, note 2</i>)	-	17,064
	292,356	216,203
Add non-cash : Depreciation & others	38,950	69,548
Gain on :		
- disposal of a subsidiary (<i>Schedule F, note 12</i>)	(35,824)	-
- disposal of land (<i>Schedule G, note 5</i>)	(9,817)	-
Changes in working capital	(52,234)	7,498
Tax paid	(45,496)	(45,088)
	187,935	248,161
Investing activities		
Interest income	9,413	1,057
Capital expenditure	(100,952)	(78,632)
Purchase of intangibles	(555)	(152)
Investment in an associated company	(54,648)	-
Proceeds from disposal of a subsidiary company	36,290	-
Proceeds from disposal of land	20,000	-
	(90,452)	(77,727)
Financing activities		
Interest expenses	(5,104)	(8,052)
Repayment of borrowings	-	(2,405)
Dividend paid	(530,502)	(103,314)
Purchase of treasury shares	-	(1)
Proceeds from issuance of shares iro ESOS	11,158	-
	(524,448)	(113,772)
Net change in cash & cash equivalents	(426,965)	56,662
Cash & cash equivalents at beginning of year	939,335	187,853
	512,370	244,515

Note :

() denotes cash outflow

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2010.

Schedule E : Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 March 2011

RM'000	<-----Attributable to equity holders of the Company----->						Minority Interest	Total Equity
	Share Capital	Share premium & Other reserves	Treasury shares	Revenue Reserve	Total			
At 1 October 2010	357,286	364,113	(1,716)	1,076,833	1,796,516	294	1,796,810	
Total comprehensive income	-	(3,948)	-	239,072	235,124	-	235,124	
Transactions with owners:								
Issues of shares upon exercise of ESOS	1,440	9,718	-	-	11,158	-	11,158	
Employee share-based expense	-	1,979	-	-	1,979	-	1,979	
Dividend paid	-	-	-	(530,502)	(530,502)	-	(530,502)	
Total transactions with owners	1,440	11,697	-	(530,502)	(517,365)	-	(517,365)	
At 31 March 2011	358,726	371,862	(1,716)	785,403	1,514,275	294	1,514,569	
At 1 October 2009	356,493	396,734	(1,715)	541,632	1,293,144	116,259	1,409,403	
Total comprehensive income	-	(18,794)	-	162,969	144,175	(4,823)	139,352	
Transactions with owners:								
Employee share-based expense	-	1,447	-	-	1,447	-	1,447	
Dividend	-	-	-	(103,314)	(103,314)	-	(103,314)	
Treasury share purchased	-	-	(1)	-	(1)	-	(1)	
Total transactions with owners	-	1,447	(1)	(103,314)	(101,868)	-	(101,868)	
At 31 March 2010	356,493	379,387	(1,716)	601,287	1,335,451	111,436	1,446,887	

This Statement should be read in conjunction with the selected explanatory notes on Schedule F & G of this Report and the Group's audited financial statements for the year ended 30 September 2010.

Schedule F : Selected Explanatory Notes Pursuant to FRS 134

1. Accounting Policies and method of computation

The quarterly financial statements has been prepared in accordance with the Financial Reporting Standard (FRS) 134 : Interim Financial Reporting and paragraph 9.22 of Listing Requirements of the Bursa Malaysia.

The accounting policies and methods of computation adopted by the Group for the interim financial report are consistent with those adopted in the financial statements for the year ended 30 September 2010 except for the adoption of the following new/revised FRSs and Amendments to FRSs which took effect on the Group on 1 October 2010, the commencement of the new financial year. The adoption of these standards, amendments and interpretations has no material impact to these interim financial statements except for the adoption of the following standards as described below:

a) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group has adopted the two linked statement format. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard.

b) Amendment to FRS 117 Leases

The adoption of Amendment to FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land and did not have material impact on current year statement of comprehensive income.

Prior to the adoption of Amendment to FRS 117, the Group had classified leasehold land that normally has an indefinite economic life and whose title is not expected to pass to the lessee by the end of the lease term as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as prepaid lease payment that is amortised over the lease term in accordance with the pattern of benefits provided.

On adoption of Amendment to FRS 117, lease of a leasehold land which is in substance a finance lease has been reclassified to property, plant and equipment and measured as such retrospectively as follows:

RM'000	As previously reported 30/9/2010	Adoption of FRS 117	As restated 30/9/2010
Property, plant & equipment	741,788	74,366	816,154
Prepaid lease payments	74,366	(74,366)	-

Schedule F : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

1. Accounting Policies and method of computation (cont'd)

c) FRS 139: Financial Instruments - Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments.

FRS 139 has been applied prospectively in accordance with the transitional provisions of the standard. In accordance with the transitional provisions for first-time adoption of FRS 139, adjustments arising from re-measuring the financial instruments as at 1 October 2010 shall be recognised as adjustments of the opening balance of retained profits or other appropriate reserves. Comparatives are not adjusted as the amounts are not material.

In the current quarter, the Group entered into forward foreign currency exchange contracts to hedge its exposure to fluctuations in foreign currency exchange from purchases. A gain arising from fair value changes of forward foreign currency contracts of RM0.8 million was recognised in the income statement (details in Note 9, Schedule G).

2. Discontinued operations

The results of the discontinued operations (glass container business) are as follows:-

RM'000	Individual 2 nd Quarter		Cumulative 2 nd Quarter	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Revenue	-	131,082	-	240,633
Operating profit	-	8,362	-	17,064
Interest expense	-	(2,347)	-	(4,756)
Interest income	-	133	-	249
Profit before tax	-	6,148	-	12,557
Taxation	-	(1,435)	-	(2,774)
Profit after taxation	-	4,713	-	9,783

3. Auditors' report

The auditors' report of the preceding annual financial statements of the Company and of the Group was not subject to any qualification.

4. Comment on seasonality or cyclicity of operation

The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the demand for certain group products such as soft drinks may be skewed towards major festivities.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter. Foreign currency translation difference of negative RM10.3 million in the Statement of Comprehensive Income under "other comprehensive income" relates to the translation loss arising from the balance sheet of its Thailand operations as a result of the stronger Ringgit.

Schedule F : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

6. Significant estimates and changes in estimates

There were no significant changes in estimates that have had any material effect on the results of the current quarter.

7. Issuance or repayments of debt/equity securities

There have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current financial quarter except for issuance of 40,400 ordinary shares pursuant to its Executives' Share Option Scheme at the exercise price of RM7.17 each.

8. Dividends paid

A special interim single tier dividend of RM1.10 per share for the financial year ended 30 September 2010 amounting to RM394.3 million was paid on 6 January 2011.

A final single tier dividend of 38 sen per share amounting to RM136.2 million (2009: RM103.3 million) in respect of the financial year ended 30 September 2010 was paid on 23 February 2011.

9. Segmental results

For management purposes, the Group's operating businesses are organised according to products and services, namely soft drinks, dairy products and property/others. Segment performance is evaluated based on operating profit. Inter-segment transactions and pricing arrangements where applicable, are determined on a commercial basis. The results by segments for the quarter are as follows:

RM'000	Revenue			
	Individual 2 nd quarter		Cumulative 2 nd quarter	
	2011	2010	2011	2010
Continuing operations				
Soft drinks	459,251	384,523	935,759	765,494
Dairy products	489,716	488,254	1,040,927	981,595
Property/Others	60,501	(682)	60,808	7,614
	<u>1,009,468</u>	<u>872,095</u>	<u>2,037,494</u>	<u>1,754,703</u>
Discontinued operations				
Glass container	-	131,082	-	240,633
Total operations	<u>1,009,468</u>	<u>1,003,177</u>	<u>2,037,494</u>	<u>1,995,336</u>
RM'000	Operating profit			
	Individual 2 nd quarter		Cumulative 2 nd quarter	
	2011	2010	2011	2010
Continuing operations				
Soft drinks	69,317	51,899	157,681	105,587
Dairy products	34,841	47,379	75,898	87,989
Property/Others	56,109	1,886	58,777	5,563
	<u>160,267</u>	<u>101,164</u>	<u>292,356</u>	<u>199,139</u>
Discontinued operations				
Glass container	-	8,362	-	17,064
Total operations	<u>160,267</u>	<u>109,526</u>	<u>292,356</u>	<u>216,203</u>

Schedule F : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

10. Valuation of property, plant and equipment
 There were no changes in the valuation on property, plant and equipment since the last annual financial statements.
11. Subsequent events
 There were no material events subsequent to the end of the quarter that have not been reflected in the current financial quarter.
12. Changes in the composition of the Group

a) Disposal of a Subsidiary Company

On 10 March 2011, the Company completed the disposal of the entire shareholdings of Brampton Holdings Sdn Bhd ("Brampton"), a wholly owned subsidiary, which carried out the development of Fraser Business Park Phase II project.

The disposal of Brampton had the following effects on the financial position of the Group as at 31 March 2011.

	RM'000
Assets	
Deferred tax assets	2,005
Property development cost	123,905
Receivables	38,868
Cash and cash equivalents	5,810
Total assets	<u>170,588</u>
Less: Liabilities	
Payables	(91,803)
Provision for taxation	(3,494)
Borrowings	(45,000)
Carrying value of net assets	<u>30,291</u>
Proceeds from disposal of Brampton	(42,100)
	(11,809)
Add :	
Unrealised profit in relation to internal sales of properties recognised upon disposal of Brampton (before tax)	(24,015)
Total gain on disposal	<u>(35,824)</u>
Cash inflow arising on the disposal of Brampton:	
Proceeds from disposal of Brampton	42,100
Less: Cash and cash equivalents of Brampton	(5,810)
Net cash inflow on the disposal of Brampton	<u>36,290</u>

Schedule F : Selected Explanatory Notes Pursuant to FRS 134 (cont'd)

12. Changes in the composition of the Group (cont'd)

b) Incorporation of a Sub-Subsidiary Company

On 11 March 2011, the Company's wholly owned subsidiary F&N Beverages Marketing Sdn Bhd incorporated F&N Beverages (Thailand) Limited ("FNBT"), a wholly owned subsidiary with a registered share capital of THB100,000,000 comprising 1,000,000 shares of THB100 each. FNBT was set up to conduct the business of, among others, preparing, packaging, marketing, sale or distribution of beverages in Thailand. FNBT remained dormant since the date of incorporation.

13. Contingent liabilities

There were no contingent liabilities of a material nature since the last annual balance sheet date.

14. Contingent assets

There were no contingent assets of a material nature since the last annual balance sheet date.

15. Capital commitments

The outstanding capital commitments of the continuing operations at the end of the current quarter are as follows:-

RM'000	<u>Current Quarter</u>
Property, plant and equipment	
Approved and contracted for	232,200
Approved and not contracted for	<u>64,231</u>
	<u>296,431</u>

16. Significant related party transactions

The following are significant related party transactions:-

RM'000	<u>Cumulative 2nd Quarter 2011</u>		<u>Cumulative 2nd Quarter 2010</u>	
	<u>Continuing Operations</u>	<u>Discontinued Operations</u>	<u>Continuing Operations</u>	<u>Discontinued Operations</u>
Sales	29,237	-	32,417	44,797
Purchases	93,978	-	90,953	74
Royalties paid	18,725	-	17,218	-
Corporate charges paid	1,752	-	1,634	-
Rental income	150	-	147	

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Fraser and Neave Limited group of companies. These transactions are within the ambit of the mandate approved by the shareholders of the Company on 19 January 2011.

Schedule G : Additional Disclosures in Compliance with Main Market Listing Requirements

1. Operations review

Continuing Operations

Current Quarter vs Corresponding Quarter last year

Group revenue for the quarter was 16% ahead of the corresponding quarter last year on continued strong sales momentum of soft drinks division and sale of the college building under the Fraser Business Park (FBP) development project.

Soft drinks division registered revenue growth of 19% compared with last year on account of successful festive promotions and incremental sales from new teas, juice product variants and Redbull energy drinks.

Revenue of the dairies division was flat. Improved sales in Thailand and Indochina were offset by lower volume in Malaysia as the market adjusted to the price increase implemented in January 2011 to pass on cost increase caused by the selective removal of sugar subsidies.

The sale of the college building contributed revenue of RM60 million to the group.

Group operating profit increased 58% over the previous year mainly attributed to better performance in soft drinks division and the realisation of profit from the remaining properties in FBP via the divestment of Brampton (See Schedule F, Note 12 above). Profitability of the Malaysia unit in dairies division eroded due to lower sales volume and higher input cost. Dairies Thailand's operating margin improved on the back of higher volume and manufacturing and supply chain efficiencies from the Rojana factory in Thailand.

Group profit after taxation for the quarter of RM132 million was 63% above last year, attributable to higher operating profit and lower group tax charge as part of the gain on disposal of Brampton was not taxable.

Current Half Year vs Corresponding Period last year

For the first half year, Group revenue recorded a 16% growth to RM2 billion. All divisions contributed positively to the growth. Soft drinks and Dairies Thailand recorded revenue growths of 22% and 13% respectively while Dairies Malaysia registered no growth in revenue as volume declined on higher selling price.

Group operating profit rose 47% to RM292 million spurred by strong contribution from the soft drinks and property divisions. During the first 6 months, Dairies Malaysia only managed to pass on, partially, the sharp increase in input costs as it made progressive adjustment to selling prices. Dairies Thailand recorded modest improvement in profit as it continued its drive to invest and strengthen its distribution network and brand equity both in Thailand and Indochina.

Schedule G : Additional Disclosures in Compliance with BURSA MALAYSIA Listing Requirements (cont'd)

2. Comment on material change in profit before taxation vs preceding quarter

Group PBT for the quarter of RM162 million was 19% higher than the preceding quarter on account of the profit from the property division. Soft drinks division registered lower PBT due to lower sales volume in February and March post major festive promotions. In the case of dairies division, PBT from Malaysian unit declined due to erosion of margin as a result of higher sugar price and market adjustment in volume due to the price increase.

3. Prospects for the current financial year

While there are increasing concerns over escalating food prices and inflation especially in Asia, consumer demand is expected to remain stable in the face of continuing growth in the main markets of Malaysia and Thailand.

For the next 6 months, soft drinks division will continue its current momentum to build and strengthen its operations ahead of the impending expiry of the transition arrangement with Coca-Cola on 30 September 2011.

Dairies Malaysia will focus on managing its business with a view to optimizing its current available production capacity as it awaits the completion of its new state-of-the-art production facility in Pulau Indah, Port Klang in the new financial year. Dairies Thailand is also expected to continue its current effort in growing its revenue and volume both in Thailand and Indochina.

Given the strong results for the first half year, the Board is confident that the Group's performance for this financial year will be satisfactory.

4. Tax expense

The details of the tax expense are as follows:-

RM'000	Continuing Operations		Discontinued Operations	
	Current Quarter	Cumulative 2 nd Quarter	Current Quarter	Cumulative 2 nd Quarter
Current	32,344	62,047	-	-
Deferred tax	(2,752)	(3,495)	-	-
	<u>29,592</u>	<u>58,552</u>	<u>-</u>	<u>-</u>

The Group's effective tax rate on continuing operations in the current quarter is lower than the statutory rate due to tax exemption enjoyed by a subsidiary and the gain from disposal of Brampton is not subjected to tax.

5. Sale of unquoted investments and properties

The Group recorded a profit of RM9.8 million from selling the factory site of its glass plant at Jalan Kilang, Petaling Jaya. There was no profit from sales of unquoted investments in the current financial quarter.

6. Purchase and sale of quoted securities

There were no quoted securities acquired or disposed of in the current financial quarter.

Schedule G : Additional Disclosures in Compliance with BURSA MALAYSIA Listing Requirements (cont'd)

7. Status of corporate proposal

There were no outstanding corporate proposals or new announcements made in the current financial quarter except for the completion of the disposal of the entire shareholding of Brampton Holdings Sdn Bhd, a wholly owned subsidiary, which carried out the development of Fraser Business Park Phase II on 10 March 2011. The gain amounting to RM35.8 million is reported in the current quarter. (Schedule F, note 12)

8. Group borrowings and debt securities

The details of the Group's borrowings as at 31 March 2011 are as follows:-

RM'000	<u>Currency</u>	<u>Current</u>	<u>Non-Current</u>
Medium term notes (MTN)	RM	<u>150,000</u>	<u>150,000</u>

9. Derivatives

The details of the Group's foreign exchange forward contracts as at 31 March 2011 are as follows:-

Currency	Notional value RM'000	Fair value RM'000	Gain/(Loss) RM'000
USD (less than 2 months)	13,524	13,453	(71)
EUR (less than 1 month)	15,502	16,331	829
Total	29,026	29,784	758

The above instruments are executed with strong financial institutions in Malaysia. There is no cash requirement for these contracts.

The Group uses appropriate financial instruments, such as foreign exchange forward contracts, to hedge against specific exposures including foreign currency risks.

With the adoption of FRS 139, the difference between the notional value and fair value of the contracts amounting to RM0.8 million was recognised in the income statement.

10. Pending material litigation

There was no pending litigation of a material nature since the last balance sheet date.

Schedule G : Additional Disclosures in Compliance with BURSA MALAYSIA Listing Requirements (cont'd)

11. Proposed Dividend

In light of the improved operating results, the Board is pleased to declare an interim single tier dividend of 20 sen per share (2010: 16.5 sen) for the financial year ending 30 September 2011 amounting to RM72 million.

In addition to the above, after careful consideration, the directors are pleased to declare a special interim dividend of 15 sen per share amounting RM54 million. With this special dividend, the entire gains from the disposal of FBP development project and the factory site at Jalan Kilang, Petaling Jaya has effectively been distributed.

Both dividends will be paid on 3 August 2011.

The entitlement date for the above dividends shall be 7 July 2011 and a depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred to the depositor's securities account before 4.00pm on 7 July 2011 in respect of ordinary transfer; and
- (b) Shares bought on the BURSA MALAYSIA on a cum entitlement basis according to the Rules of the BURSA MALAYSIA.

12. Basis of calculation of earnings per share (EPS)

- (a) The basic EPS for the current quarter and cumulative 2nd quarter were computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary share in issue (net of treasury shares).

	Current quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	131,988	239,072
Weighted average issued capital net of treasury shares	358,489	358,009
Earnings per share (sen)	36.8	66.8

Schedule G : Additional Disclosures in Compliance with BURSA MALAYSIA Listing Requirements (cont'd)

12. Basis of calculation of earnings per share (EPS) (cont'd)

(b) The diluted EPS for the current quarter and cumulative 2nd quarter were computed by dividing the Group attributable profit to shareholders (net of treasury shares), adjusted for the dilutive effects of potential ordinary shares, ie. share options granted pursuant to the Employees' Share Option Scheme ("ESOS").

	Current quarter RM'000	Current YTD RM'000
Group attributable profit to shareholders of the Company	131,988	239,072
Weighted average issued capital net of treasury shares	358,489	358,009
Adjustment for share options granted pursuant to the ESOS	2,388	2,603
Adjusted weighted average issued capital net of treasury shares	360,877	360,612
Earnings per share (sen)	36.6	66.3

13. Disclosure of realised and unrealised portions of the revenue reserve

	Current quarter RM'000
Total revenue reserve of the Company and its subsidiaries	
- Realised	733,138
- Unrealised	(23,785)
	709,353
Consolidation adjustments	76,050
	785,403

No comparative figures are required in the first year of complying with the realised and unrealised disclosure.