

MISC Berhad

(Company No. 8178 H)



This is a quarterly report on consolidated results for the period ended 31 December 2010.
The figures have not been audited.

Condensed Consolidated Income Statement

For The Period Ended 31 December 2010

	3 months ended 31 December		Year to Date ended 31 December	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	3,045,585	3,047,105	9,401,284	10,467,642
Other operating (losses)/income	(11,606)	47,036	440,957	170,639
Operating profit	194,239	262,354	1,208,814	873,536
Gain on disposal of 33.5% stake in MHB	1,436,581	-	1,436,581	-
Loss on disposal of ships	-	-	-	(28,292)
Finance cost	(89,454)	(96,996)	(259,555)	(264,335)
Share of (loss)/profit of associates	(949)	160	(894)	244
Share of profit of jointly controlled entities	38,871	26,109	81,974	44,609
Profit before tax	1,579,288	191,627	2,466,920	625,762
Taxation	(10,094)	(3,244)	(29,505)	(37,203)
Profit after tax	1,569,194	188,383	2,437,415	588,559
Profit attributable to:				
Shareholders of the parent	1,343,510	170,101	2,178,630	485,611
Minority interests	225,684	18,282	258,785	102,948
	1,569,194	188,383	2,437,415	588,559
Earnings per share attributable to shareholders of the parent:				
(i) Basic (based on 4,463,794,000 and 3,860,789,000 ordinary shares) (sen)	30.1	4.4	48.8	12.6
(ii) Dilutive (based on 4,463,794,000 and 3,860,789,000 ordinary shares) (sen)	30.1	4.4	48.8	12.6

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2010

MISC Berhad

(Company No. 8178 H)



This is a quarterly report on consolidated results for the period ended 31 December 2010.
The figures have not been audited.

Condensed Consolidated Statement of Comprehensive Income

For The Period Ended 31 December 2010

	3 months ended 31 December		Year to Date ended 31 December	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Profit after tax	<u>1,569,194</u>	<u>188,383</u>	<u>2,437,415</u>	<u>588,559</u>
Income/ (expense) adjustments to reserves:				
Fair value gain on non-current investments	8,468	3,604	7,423	17,046
Fair value gain / (loss) on cash flow hedges	37,840	7,855	(49,374)	(54,585)
Currency translation differences	170,699	(148,592)	(1,418,413)	(1,089,722)
Total income/(expense) adjustments to reserves for the quarter	<u>217,007</u>	<u>(137,133)</u>	<u>(1,460,364)</u>	<u>(1,127,261)</u>
Total comprehensive income/(expense) for the quarter, net of tax	<u>1,786,201</u>	<u>51,250</u>	<u>977,051</u>	<u>(538,702)</u>
Attributable to:				
Shareholders of the parent	1,554,592	29,076	737,107	(634,884)
Minority interests	231,609	22,174	239,944	96,182
	<u>1,786,201</u>	<u>51,250</u>	<u>977,051</u>	<u>(538,702)</u>

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Condensed Consolidated Statement of Financial Position

As at 31 December 2010

	31 December 2010	31 March 2010
	RM'000	RM'000
Ships	20,657,655	20,056,849
Offshore floating assets	7,265,449	6,911,217
Property, Plant and Equipment	1,393,041	1,260,933
Prepaid Land & Building Lease Payments	123,860	125,989
Investments in Associates	1,250	2,715
Investments in Jointly Controlled Entities	3,348,195	551,911
Other non-current financial assets	792,539	956,229
Intangible Assets	876,362	963,298
Deferred Tax Asset	14,467	4,803
	34,472,818	30,833,944
Current Assets		
<i>Inventories</i>	349,344	344,560
<i>Trade & Other Receivables</i>	1,475,785	1,676,326
<i>Cash</i>	3,291,011	7,849,080
<i>Amounts due from Group Companies</i>	497,919	199,594
<i>Amounts due from Associates</i>	3,607	9,597
<i>Amounts due from Jointly Controlled Entities</i>	121,043	108,372
<i>Assets held for sale</i>	-	38,715
	5,738,709	10,226,244
Current Liabilities		
<i>Short Term Borrowings</i>	1,259,524	3,577,411
<i>Trade & Other Payables</i>	4,095,148	3,693,587
<i>Provision for Taxation</i>	44,623	77,539
<i>Amounts due to Group Companies</i>	70,241	129,397
<i>Amounts due to Associates</i>	3,129	7,380
<i>Amounts due to Jointly Controlled Entities</i>	75,855	128,998
	5,548,520	7,614,312
Net Current Assets	190,189	2,611,932
Equity Attributable to Equity Holders of the Corporation		
Share Capital	4,463,794	4,463,794
Share Premium	4,459,468	4,459,468
Reserves		
<i>Revaluation Reserve</i>	1,381	1,381
<i>Other Reserves</i>	(1,021,187)	420,336
<i>Statutory Reserve</i>	1,242	1,242
<i>Retained Profits</i>	14,935,405	14,315,751
	22,840,103	23,661,972
Minority interests	1,081,508	374,237
Total equity	23,921,611	24,036,209
Non-Current Liabilities		
<i>Long Term Borrowings</i>	10,462,710	9,194,263
<i>Deferred Taxation</i>	44,057	30,149
<i>Derivatives Liabilities</i>	234,629	185,255
	34,663,007	33,445,876

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2010

MISC Berhad

(Company No. 8178 H)



Condensed Consolidated Statement of Cash Flow

For The Period Ended 31 December 2010

	31 December 2010	31 December 2009
	RM'000	RM'000
Cash Flow from Operating Activities	2,240,613	3,169,151
Cash Flow from Investing Activities	(4,209,977)	(3,305,540)
Cash Flow from Financing Activities	(2,215,137)	61,478
Net Change in Cash & Cash Equivalents	<u>(4,184,501)</u>	<u>(74,911)</u>
Cash & Cash Equivalents at the beginning of the year	7,849,080	3,725,436
Currency translation difference	(373,568)	(653,748)
Cash & Cash Equivalent at the end of the period	<u>3,291,011</u>	<u>2,996,777</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2010

MISC Berhad

(Company No. 8178 H)



Condensed Consolidated Statement of Changes in Equity

For The Period Ended 31 December 2010

	Total Equity	Equity attributable to equity holders of the Corporation	Share Capital* Ordinary shares	Share Premium	Other reserves total	Retained profits	Attributable to equity holders of the Corporation							Minority interest
							Other capital reserve	Capital reserve	Revaluation reserve	Statutory reserve	Capital redemption reserve	Net unrealised gains/(losses) reserve	Currency translation reserve	
							RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
9 MONTHS ENDED 31 DECEMBER 2010														
At 1 April 2010	24,036,209	23,661,972	4,463,794	4,459,468	422,959	14,315,751	41,342	1,185	1,381	1,242	59,715	38,878	279,216	374,237
Total comprehensive income/(expense)	977,051	737,107	-	-	(1,441,523)	2,178,630	-	-	-	-	-	(46,839)	(1,394,684)	239,944
Transaction with owners														
Acquisition of a subsidiary	1,119	-	-	-	-	-	-	-	-	-	-	-	-	1,119
Disposal of subsidiaries	520,070	-	-	-	-	-	-	-	-	-	-	-	-	520,070
Dividends	(1,612,838)	(1,558,976)	-	-	-	(1,558,976)	-	-	-	-	-	-	-	(53,862)
Total transactions with owners	(1,091,649)	(1,558,976)	-	-	-	(1,558,976)	-	-	-	-	-	-	-	467,327
At 31 December 2010	23,921,611	22,840,103	4,463,794	4,459,468	(1,018,564)	14,935,405	41,342	1,185	1,381	1,242	59,715	(7,961)	(1,115,468)	1,081,508
9 MONTHS ENDED 31 DECEMBER 2009														
At 1 April 2009	21,294,241	20,953,162	3,719,828	-	2,209,161	15,024,173	41,342	1,185	1,381	1,242	59,715	68,412	2,035,884	341,079
Total comprehensive (expense) / income	(538,702)	(634,884)	-	-	(1,120,495)	485,611	-	-	-	-	-	(50,496)	(1,069,999)	96,182
Transaction with owners														
Dividends	(1,405,620)	(1,309,183)	-	-	-	(1,309,183)	-	-	-	-	-	-	-	(96,437)
Total transactions with owners	(1,405,620)	(1,309,183)	-	-	-	(1,309,183)	-	-	-	-	-	-	-	(96,437)
At 31 December 2009	19,349,919	19,009,095	3,719,828	-	1,088,666	14,200,601	41,342	1,185	1,381	1,242	59,715	17,916	965,885	340,824

* Included in share capital is one preference share of RM1.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2010

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Notes to The Condensed Financial Report

The figures have not been audited

A1. ACCOUNTING POLICIES

The interim financial statements have been prepared under the historical cost convention except for the derivatives financial instruments and available-for-sale financial assets that have been measured at fair value.

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the year ended 31 March 2010.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the quarterly condensed consolidated financial statements are consistent with those of the audited financial statements for the year ended 31 March 2010 except for the adoption of the new standards and interpretations which are mandatory for annual financial periods beginning on or after 1 July 2009 and 1 January 2010, noted below:

FRS 8: Operating Segments

FRS 101: Presentation of Financial Statements (Revised)

Amendment to FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellations

Amendments to FRS 7: Financial Instruments - Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives

Amendments to FRSs ' Improvements to FRSs (2009)

IC Interpretation 11: FRS 2: Group and Treasury Share Transactions

IC Interpretation 13: Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

FRS 4: Insurance Contracts and TR i-3: Presentation of Financial Statements of Islamic Financial Institutions will also be effective for annual financial period beginning on or after January 2010. These FRSs are, however, not applicable to the Group.

The new and revised FRSs and Interpretations above are expected to have no significant financial impact on the financial statements of the Group upon initial application except for the following:

FRS 8: Operating Segments

FRS 8, which replaces FRS 114₂₀₀₄: Segment Reporting, specifies how entity should report its operating segments, based on the information about the components of the entity available to the chief operating decision maker for the purpose of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS114₂₀₀₄.

FRS 101: Presentation of Financial Statements (Revised)

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line labelled as total comprehensive income. In addition, the revised standard introduces the statement of comprehensive income that presents all items of income and expense recognised in income statement, together with all other items of recognised income and expense, that is recognised directly in equity, either in one single statement, or in two linked statements.

The Group has elected to present this statement as a two-linked statement. However, for subsidiaries that do not have any movement in their statement of comprehensive income, they are allowed to opt for single statement presentation.

In addition, a statement of financial position is required at the beginning of earliest comparative period following a change in accounting policy, correction of an error or change in classification of items in the financial statements.

This is a disclosure standard with no impact on the financial position or financial performance of the Group and the Group has adopted the standard retrospectively.

FRS 117: Leases

FRS 117; leases clarifies on the classification of leases of land and buildings. For those land element held under operating leases that are required to be reclassified as finance leases, the group shall recognise a corresponding asset and liability in the financial statements which will be applied retrospectively upon initial application. However, in accordance with transitional provision, the Group is permitted to reassess lease classification on the basis of the facts and circumstances existing on the date it adopts the amendments; and recognise the asset and liability related to a land lease newly classified as a finance lease at their fair values on that date; any difference between those fair values is recognised in retained earnings.

The Group has conducted impact assessment of this standard and found no impact from its adoption.

A3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors issued an unqualified audit report on the financial statements for Financial Year Ended 31 March 2010.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are subject to market fluctuations.

A5. EXCEPTIONAL ITEMS

There were no exceptional items for the quarter ended 31 December 2010.

A6. CHANGES IN ESTIMATES

There were no material changes in estimates reported in the prior period or prior financial year.

A7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities share buy-backs, share cancellation or shares held as treasury shares and resale of treasury shares during the current quarter ended 31 December 2010.

A8. DIVIDENDS

The Company paid a final dividend of 20 sen per share tax exempt (2008/2009: 20 sen) on 30 August 2010 in respect of the 2009/2010 financial year, totalling RM881.2 million (2008/2009: RM732.2million).

The Company also paid an interim dividend of 15 sen per share tax exempt on 23 December 2010,(2008/2009: 15 sen) in respect of the 2010/2011 financial year amounting to RM677.8 million.

A9. SEGMENT REPORT

Segmental analysis for the current financial period to date is as follows:

	Energy Related Shipping ¹⁾	Other Energy Businesses ²⁾	Integrated Liner Logistics	Others, eliminations and adjustments	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
REVENUE AND RESULT					
Revenue					
Total Revenue - External sales	4,714,539	2,904,566	1,782,179	-	9,401,284
Inter-Segment	65,309	1,275,533	115,235	(1,456,077) *	-
	<u>4,779,848</u>	<u>4,180,099</u>	<u>1,897,414</u>	<u>(1,456,077)</u>	<u>9,401,284</u>
Result					
Operating profit	<u>1,011,362</u>	<u>548,198</u>	<u>(452,354)</u>	<u>101,608</u> **	<u>1,208,814</u>

1) LNG, petroleum and chemical

2) Offshore , heavy engineering and tankage (including VTTI)

* Inter-segment revenue and transactions are eliminated on consolidation.

** Comprise of net foreign exchange gains, interest income, dividend income from quoted investments, eliminations and adjustments.

A10. VALUATION OF PROPERTY

The valuations of land and buildings have been brought forward without any amendments from the most recent annual audited financial statements as no revaluation has been made in the current financial year.

A11. SUBSEQUENT MATERIAL EVENT

There were no material events subsequent to the current financial quarter to date.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter except for the dilution of 33.5% stake in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) following the listing exercise of MHB on the Main Market of Bursa Malaysia.

A13. CONTINGENT LIABILITIES

Contingent liabilities of the Group comprise the following :-

	RM '000
Secured	
Bank guarantees extended to a third party	53,400
Unsecured	
Bank guarantees extended to third parties	46,004

A14. CAPITAL COMMITMENTS

	12/31/2010 RM'000	3/31/2010 RM'000 (Audited)
Approved and contracted for:		
<i>Group</i>	3,787,406	3,240,263
<i>Share of capital commitments in jointly controlled entities</i>	365,080	354,174
	<u>4,152,486</u>	<u>3,594,437</u>
Approved but not contracted for:		
<i>Group</i>	3,772,738	5,783,465
<i>Share of capital commitments in jointly controlled entities</i>	504,781	299,291
	<u>4,277,520</u>	<u>6,082,756</u>

The outstanding capital commitments include purchase and the construction of ships, offshore floating assets and tank terminals.

B1. REVIEW OF PERFORMANCE

a) Quarter-on-Quarter

Revenue for the current quarter of RM3,045.6 million was marginally lower compared to last year's corresponding quarter of RM3,047.1 million. Higher revenue recorded by Heavy Engineering in the quarter was however offset by lower revenue in the Liner business.

	Current Quarter RM' Million	Corresponding Quarter RM'Million
Profit before tax	1,579.3	191.6
Less:		
Gain on disposal of 33.5 % stake in MHB	(1,436.6)	-
Add:		
Provision for impairment	120.3	-
Profit before tax (excluding gain and impairment provision)	<u>263.0</u>	<u>191.6</u>

The higher profit before tax of RM263.0 million (excluding gain and impairment provision) was 37.3% higher than RM191.6 million recorded in the corresponding quarter mainly due to improved performance in Liner and Heavy Engineering businesses.

b) Year-on-Year

On Year to Date basis, the Group's revenue decreased by 10.1% to RM9,401.3 million, as compared to RM10,467.6 million recorded in the preceding year mainly attributed to lower revenue from Liner and Heavy Engineering businesses.

	Current Year	Preceding Year
	RM'Million	RM'Million
Profit before tax	2,466.9	625.8
Less:		
Gain on disposal of 33.5 % stake in MHB	(1,436.6)	-
Add:		
Provision for impairment	120.3	-
Profit before tax (excluding gain and impairment provision)	1,150.6	625.8

The Group's profit before tax for the 9 months period of RM1,150.6 million (excluding gain and impairment provision) was 83.9% higher than the profit before tax of RM625.8 million recorded in the corresponding period of the preceding year largely due to lower losses in Liner business and higher profits in Heavy Engineering business.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded lower revenue in the current quarter of RM3,045.6 million compared to RM3,085.1 million recorded in the 2nd quarter of FY2011, representing a slight reduction of 1.3%.

	Current Quarter	Preceding Quarter
	RM'Million	RM'Million
Profit before tax	1,579.3	416.3
Less:		
Gain on disposal of 33.5 % stake in MHB	(1,436.6)	-
Add:		
Provision for impairment	120.3	-
Profit before tax (excluding gain and impairment provision)	263.0	416.3

The Group's profit before tax of RM263.0 million (excluding gain and impairment provision) was 36.8% lower than the profit before tax of RM416.3 million achieved in the preceding quarter. The lower profit recorded was mainly due to higher losses from Liner and Petroleum businesses.

B3. CURRENT YEAR PROSPECTS

Within our energy related shipping segments, the LNG business continues to provide stability to the Group via its stream of secured and recurring earnings through its portfolio of long term contracts. However, we expect the market to be challenging for the petroleum and chemical tanker businesses due to overcapacity in the industry.

As for our integrated liner logistics segment, we see improvements in our operations as a result of the restructuring and repositioning of MISC as an Intra-Asian player at the beginning of 2010.

Meanwhile, the healthy level of activities and buoyant spending in exploration and production within the domestic and regional energy scene continue to bode well for our heavy engineering and offshore businesses.

B4. VARIANCE OF ACTUAL RESULTS COMPARED WITH FORECASTED AND SHORTFALL IN PROFIT GUARANTEE

The Company did not provide any profit forecast or profit guarantee in any public document.

B5. TAXATION

	Oct 10-Dec 10	Apr 10-Dec 10
	RM '000	RM '000
Taxation for the period comprises the following charge		
Income tax charge		
- current period	12,628	58,787
- prior year	89	(46,658)
Deferred taxation	(2,623)	17,376
	<u>10,094</u>	<u>29,505</u>

The income of the Group that is derived from the operations of sea-going Malaysian registered ships is tax exempt under Section 54A of the Income Tax Act, 1967. The taxation charge for the Group is attributable to tax in respect of other activities of the Group.

B6. PROFITS ON SALE OF INVESTMENTS AND/OR PROPERTIES

There were no material sales of investments and/or properties for the current financial year to date.

B7. PURCHASES AND SALES OF QUOTED SECURITIES

- i) There were no purchases and sales of quoted securities for the current financial year to date.
- ii) Investments in quoted securities as at 31 Dec 2010 are as follows:-

Other Investments (Long Term)	RM '000
At cost	159,488
At carrying value	344,392
At market value	344,392

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

- a) The status of utilisation of proceeds raised from corporate proposals as at 17 February 2011 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Renounceable Rights Issue

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation	
	RM Million	RM Million		Amount RM Million	%
Capital expenditure	5,187.3	2,924.4	Within 36 months from the completion of the Rights Issue Exercise	-	-
Estimated expenses in relation to the Rights Issue Exercise	20.5	20.5	Within 3 months from the completion of the Rights Issue Exercise	-	-
Total	5,207.8	2,944.9		-	-

- b) The status of the utilisation of proceeds raised from MHB listing as at 17 February 2011 is as follows:

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation	
	RM Million	RM Million		Amount RM Million	%
Capital expenditure	914.4	265.1	Within 36 months from the date of the Listing	-	-
Working Capital	122.5	-	Within 12 months from the date of the Listing	-	-
Estimated expenses in relation to the Proposed Offer for Sale and listing	14.0	11.0	Within 3 months from the date of the Listing	-	-
Total	1,050.9	276.1		-	-

- c) On 17 May 2010, MISC, through its wholly-owned subsidiary, MTTI Sdn. Bhd entered into a conditional Sale and Purchase Agreement ("SPA") with Martank B.V. ("Martank"), a wholly-owned subsidiary of Vitol Holding B.V. for the proposed acquisition of 50% issued share capital of VTTI for a cash consideration of USD735 million.

The USD735 million purchase consideration is however, subject to price adjustment taking into account capital expenditure, working capital and other items agreed between both parties.

The transaction was completed on 7 September 2010 at a net purchase consideration of approximately USD839 million.

B9. GROUP BORROWINGS

- i) The tenure of Group borrowings as at 31 Dec 2010 classified as short and long term as well as secured and unsecured categories are as follows :-

	RM '000
Short Term Borrowings	
Secured	409,469
Unsecured	850,056
	<u>1,259,524</u>
Long Term Borrowings	
Secured	1,635,744
Unsecured	8,826,967
	<u>10,462,710</u>
Total	<u><u>11,722,234</u></u>

- ii) Foreign borrowings in Ringgit Malaysia equivalent as at 31 Dec 2010 are as follows :-

	RM '000
US Dollars	9,880,826

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments for the quarter ended 31 December 2010 .

B11. CHANGES IN MATERIAL LITIGATION

There were no material litigation involving the Group.

B12. DIVIDENDS

No dividend has been proposed for third quarter ended 31 December 2010.

B13. DERIVATIVES

As part of the Group's efforts to hedge its interest rate risks, the Group had entered into interest rate swap arrangements, a form of derivative to convert our interest exposure from floating term into fixed term.

As at 31 December 2010, the fair value loss of the interest rate swaps with maturity exceeding three (3) years, for a notional value of RM4,148.9 million was RM272.5 million.

During the year, the Group has recognised a net loss of RM49,374,000 in its equity in relation to interest rate swap arrangements.

B14. EARNINGS PER SHARE

In respect of earnings per share :-

- i) The amount used as numerator for the calculation of basic earnings per share is RM1,343.5 million for the third quarter ended 31 December 2010 which are the same as the net profits shown in the condensed consolidated income statement.
- ii) The number of ordinary shares used as the denominator in calculating the basic earnings per share in the current financial year is 4,464.0 million and 3,861.0 million for the previous financial year.
- iii) The number of ordinary shares used as the denominator in calculating the dilutive earnings per share in the current financial year is 4,464.0 million and 3,861.0 million for the previous financial year.

The Group does not have any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

B15. REALISED AND UNREALISED PROFIT

The breakdown of the retained profits of the Group as at 31 December 2010 into realised and unrealised profits are as follows:

	31-Dec-10	30-Sep-10
Total retained profits of MISC Group and its subsidiaries:		
	RM'000	RM'000
- Realised	17,794,711	17,572,014
- Unrealised	(86,962)	(139,980)
	<u>17,707,749</u>	<u>17,432,034</u>
Total share of retained loss from associates:		
- Realised	(2,212)	(1,263)
- Unrealised	-	-
	<u>(2,212)</u>	<u>(1,263)</u>
Total share of retained profits from jointly controlled entities :		
- Realised	185,589	147,136
- Unrealised	427	9
	<u>186,016</u>	<u>147,145</u>
Total Group retained profits	<u>17,891,553</u>	<u>17,577,916</u>
Less:		
Consolidation adjustments	(2,956,148)	(3,353,352)
Total Group retained profits as per consolidated accounts	<u>14,935,405</u>	<u>14,224,564</u>

By Order of the Board