MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED 30 SEPTEMBER 2010

(The figures are unaudited)

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	238,448	245,093	687,370	671,890
Cost of sales	(165,455)	(175,599)	(492,596)	(484,006)
Gross profit	72,993	69,494	194,774	187,884
Other income	5,785	4,651	16,601	16,153
Distribution costs	(4,661)	(4,433)	(14,620)	(11,786)
Administrative expenses	(23,952)	(21,700)	(66,224)	(65,364)
Other operating expenses	(23,454)	(25,684)	(79,793)	(79,268)
Profit from operations	26,711	22,328	50,738	47,619
Exceptional items (refer Note A4)	22,884	164	32,001	5,393
Finance cost	(14,947)	(12,958)	(42,048)	(45,459)
Share of results of associates	13,478	3,284	20,272	4,888
Profit before taxation	48,126	12,818	60,963	12,441
Tax expense	(9,155)	(5,228)	(16,803)	(9,042)
Profit for the financial period	38,971	7,590	44,160	3,399
Profit/(Loss) attributable to:				
Equity holders of the Company	33,042	4,507	33,580	(14,397)
Minority interests	5,929	3,083	10,580	17,796
Profit for the financial period	38,971	7,590	44,160	3,399
Earnings/(Loss) per share attributable to equity holders of the Company:-	Sen	Sen	Sen	Sen
Basic	1.63	0.23	1.66	(0.74)
Fully diluted	1.13	0.16	1.15	N/A

N/A - Not applicable

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	38,971	7,590	44,160	3,399
Other comprehensive income/(loss), net of tax:				
Foreign currency translation differences for foreign subsidiaries	(3,878)	(8,723)	(48,360)	27,579
Fair value of available-for-sale investments				
- Gain on fair value changes	165	-	5,249	-
- Transfer to profit or loss upon disposal	214	-	214	-
Share of other comprehensive loss of associates	(3,435)	(360)	(4,680)	(63)
Other comprehensive income/(loss) for the financial period	(6,934)	(9,083)	(47,577)	27,516
Total comprehensive income/(loss) for the financial period	32,037	(1,493)	(3,417)	30,915
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	26,933	(6,310)	(11,048)	8,767
Minority interests	5,104	4,817	7,631	22,148
Total comprehensive income/(loss) for the financial period	32,037	(1,493)	(3,417)	30,915

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD
Company No: 3809-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010

	30.09.2010	31.12.2009
	RM'000	RM'000 (restated)
ASSETS		
Non-Current Assets		
Property, plant and equipment	470,429	517,234
Investment properties	97,630	90,036
Investments in associates	249,642	280,984
Other investments	275,849	257,271
Land held for property development	35,263	35,263
Goodwill on consolidation	225,996	225,996
Deferred tax assets	2,537	2,547
	1,357,346	1,409,331
Current Assets		
Property development costs	72,250	76,555
Inventories	115,836	102,744
Trade and other receivables	294,592	327,817
Held-to-maturity investments	40,294	45,024
Other investments	72,045	59,589
Tax recoverable	2,253	1,851
Deposits, bank balances and cash	464,142	483,518
	1,061,412	1,097,098
Assets classified as held for sale	228,606	256,702
	1,290,018	1,353,800
TOTAL ASSETS	2,647,364	2,763,131
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	2,029,773	1,940,532
ICULS#	767,114	736,479
Reserves	(2,095,885)	(1,982,241)
	701,002	694,770
Minority Interest	299,038	296,175
Total Equity	1,000,040	990,945
Non-Current Liabilities	699,438	784,977
Current Liabilities		
Trade and other payables	204,378	244,347
Provisions	122,265	102,755
Borrowings	539,531	568,918
Tax liabilities	11,243	15,180
Reserves for unearned premium	70,469	56,009
	947,886	987,209
Total Liabilities	1,647,324	1,772,186
TOTAL EQUITY AND LIABILITIES	2,647,364	2,763,131
	RM	**RM**
Net assets per share attributable to equity holders of the Company	0.35	0.36

ICULS refers to Class A1 and Class A2, 8-year Irredeemable Convertible Unsecured Loan Stocks stated net of discount and Class A3, 2 ½-year Irredeemable Convertible Unsecured Loan Stocks

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010

	Attributable to Equity Holders of the Company						Minority Interests	Total Equity
CUMULATIVE 9 MONTHS	**Share Capital RM'000**	**ICULS# RM'000**	**Non-Distributable Reserves RM'000**	**Distributable Reserves RM'000**	**Accumulated Losses RM'000**	**Total RM'000**	**RM'000**	**RM'000**
At 1 January 2010								
As previously stated	1,940,532	736,479	325,454	25,257	(2,329,172)	698,550	296,395	994,945
- effect of adopting IC Int. 13	-	-	-	-	(3,780)	(3,780)	(220)	(4,000)
- effect of adopting FRS 139	-	-	13,956	-	90	14,046	8,787	22,833
As restated	1,940,532	736,479	339,410	25,257	(2,332,862)	708,816	304,962	1,013,778
Total comprehensive (loss)/income for the financial period	-	-	(44,628)	-	33,580	(11,048)	7,631	(3,417)
Conversion of Class AI ICULS to ordinary shares	89,241	(89,241)	-	-	-	-	-	-
Discount on Class AI ICULS upon issuance debited to accumulated losses upon conversion	-	15,171	-	-	(15,171)	-	-	-
Issuance of Class A3 2 ½-year ICULS at RM1.00 nominal value as compensation	-	104,705	-	-	(104,705)	-	-	-
Accretion of interest in a subsidiary			3,234	-	-	3,234	(3,234)	-
Dividends paid to minority interest	-	-	-	-	-	-	(10,321)	(10,321)
At 30 September 2010	2,029,773	767,114	298,016	25,257	(2,419,158)	701,002	299,038	1,000,040
At 1 January 2009								
As previously stated	1,940,532	736,479	299,562	25,257	(2,330,246)	671,584	276,518	948,102
- effect of adopting IC Int. 13	-	-	-	-	(3,780)	(3,780)	(220)	(4,000)
As restated	1,940,532	736,479	299,562	25,257	(2,334,026)	667,804	276,298	944,102
Total comprehensive income/(loss) for the financial period	-	-	23,164	-	(14,397)	8,767	22,148	30,915
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(561)	(561)
Disposal of interest in a subsidiary	-	-	-	-	-	-	456	456
Dividends paid to minority interest	-	-	-	-	-	-	(2,151)	(2,151)
At 30 September 2009	1,940,532	736,479	322,726	25,257	(2,348,423)	676,571	296,190	972,761

ICULS refers to Class A1 and Class A2, 8-year Irredeemable Convertible Unsecured Loan Stocks stated net of discount and Class A3, 2 ½-year Irredeemable Convertible Unsecured Loan Stocks.

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

MALAYAN UNITED INDUSTRIES BERHAD

Company No: 3809-W

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010

	CUMULATIVE 9 MONTHS 30.09.2010 RM'000	30.09.2009 RM'000
Cash Flows From Operating Activities		
Profit before taxation	60,963	12,441
Net adjustments	15,091	51,443
Operating profit before working capital changes	76,054	63,884
Net change in working capital	(21,339)	(10,162)
Net cash from operating activities	54,715	53,722
Cash Flows From Investing Activities		
Cost incurred on investment properties	-	(5)
Cost incurred on non-current assets held for sale	(1,275)	-
Dividends received	13,144	12,250
Interest received	6,753	7,965
Prepayment of land lease	-	(17,547)
Proceeds from distribution arising from an investment in associate	37,891	-
Proceeds from disposal of property, plant and equipment	189	28
Proceeds from disposal of investment property	-	2,900
Proceeds from disposal of non-current assets held for sale	-	39,000
Proceeds from disposal of investments	18,849	15,065
Proceeds from disposal of interest in a subsidiary	-	9,300
Proceeds from disposal of government bonds and securities	4,964	7,471
Purchase of investments	(17,275)	(59,396)
Purchase of property, plant and equipment	(15,336)	(13,687)
Net cash from investing activities	47,904	3,344
Cash Flows From Financing Activities		
Dividends paid to minority shareholders of subsidiaries	(10,321)	(2,151)
Interest paid	(39,853)	(44,179)
Net repayments of bank borrowings	(63,782)	(203,892)
Payment from a subsidiary not consolidated	5,292	-
Net cash used in financing activities	(108,664)	(250,222)
Effects of exchange rate changes	3,907	(487)
Net decrease in cash and cash equivalents	(2,138)	(193,643)
Cash and cash equivalents at 1 January		
As previously reported	431,408	581,617
Effects of exchange rate changes on cash and cash equivalents	(14,798)	5,088
As restated	416,610	586,705
Cash and cash equivalents at 30 September	414,472	393,062

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009 except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretations with effect from 1 January 2010:-

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs (Revised)
FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
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
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Improvements to FRSs issued in 2009 in respect of various FRSs including Amendments to FRS 117: Leases

Other than for the adoption of FRS 8, FRS 101, FRS 139, Amendments to FRS 117 and IC Interpretation 13, the adoption of the above FRSs, Amendments to FRSs and IC Interpretation did not result in any significant changes in the accounting policies and the presentation of the financial results of the Group.

(a) FRS 8: Operating Segments

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting has been presented based on the internal reporting to the senior management who makes decisions on the allocation of resources and assess the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101: Presentation of Financial Statements

This Standard introduces the titles "statement of financial position" and "statement of cash flows" to replace the current titles "balance sheet" and "cash flow statement" respectively. A new statement known as the "statement of comprehensive income" is also introduced in this Standard whereby all non-owner changes in equity are required to be presented in either one statement of comprehensive income or in two statements (i.e. a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

This Standard also introduces a new requirement to present a statement of financial position as at the beginning of the earliest comparative period if there are applications of retrospective restatements that are defined in FRS 108, or when there are reclassifications of items in the financial statements.

Additionally, FRS 101 requires the disclosure of reclassification adjustments and income tax relating to each component of other comprehensive income, and the presentation of dividends recognised as distributions to owners together with the related amounts per share in the statement of changes in equity or in the notes to the financial statements.

This Standard introduces a new requirement to disclose information on the objective, policies and processes for managing capital based on information provided internally to key management personnel as defined in FRS 124: Related Party Disclosures. Additional disclosures are also required for puttable financial instruments classified as equity instruments.

(c) FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 January 2010 in accordance with the transitional provisions. The effect arising from the adoption of this Standard has been accounted for by adjusting the opening balances of reserves/retained earnings as at 1 January 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below.

Other Investments

(i) Available-for-sale investments

Prior to 1 January 2010, the Group classified its investments which were held for non-trading purposes as long term investments. Such investments were carried at cost less impairment losses. Upon the adoption of FRS 139, these investments, except for those whose fair value cannot be reliably measured, are designated at 1 January 2010 as available-for-sale investments and accordingly are stated at their fair values as at that date. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of reserves as at 1 January 2010. Investments whose fair value cannot be reliably measured continued to be carried at cost less impairment losses as at 1 January 2010.

(ii) Investments at fair value through profit or loss

Prior to 1 January 2010, the Group categorised its short term investments into short term investments and held-for-trading investments. Upon adoption of FRS 139, these investments are designated at 1 January 2010 as Investments at fair value through profit or loss upon initial recognition and held-for-trading invesments.

(a) Designated as Investments at fair value through profit or loss upon initial recognition

The Group classified its quoted investments, except for the investments held by insurance subsidiary, which were held for short term as short term invesments. Such investments were carried at the lower of cost and market value. Upon the adoption of FRS 139, these investments are designated at 1 January 2010 as investment at fair value through profit or loss. As the previous year carrying amounts of these investments have been stated at market value, no adjustments to their previous year carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 January 2010.

(b) Held-for-trading investments

The Group classified its quoted investments held by insurance subsidiary, which were held for trading purposes as held-for-trading investments in accordance with the Risk-Based Capital Framework issued by Bank Negara Malaysia. Such investments were stated at fair values, determined based on active market using quoted market prices as representing actual market transactions on an arm's length basis. Upon the adoption of FRS 139, these investments continued to be designated as held-for-trading investments. As the previous year carrying amounts of these investments have been stated at fair value, no adjustments to their previous year carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 January 2010.

Held-to-maturity investments

Prior to 1 January 2010, investments in Government securities and bonds are measured at amortised cost using the effective interest method in accordance with the Risk-Based Capital Framework issued by Bank Negara Malaysia. Upon the adoption of FRS 139, these investments continued to be designated as held-to-maturity investments. As the previous year carrying amounts of these investments have been stated at amortised cost using the effective interest method, no adjustments to their previous year carrying amounts are recognised as adjustments to the opening balance of retained earnings at at 1January 2010.

Borrowings

Prior to 1 January 2010, the Group's non-current fixed rate borrowings were carried at cost. Upon adoption of FRS 139, borrowings are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Gains and losses arising from the derecognition of the borrowings, effective interest rate amortisation and impairment losses are recognised in the income statement.

Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparative figures of the Group as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following balances in the statement of financial position as at 1 January 2010.

	At 1 January 2010			
	As previously stated RM'000		Effects of FRS 139 RM'000	As restated RM'000
Assets				
Non-current other investments	257,271		23,332	280,603
Investment in associates	280,984		40	281,024
Current other investments	59,589		45	59,634
Liabilities				
Non-current liabilities	784,977		(28)	784,949
Equity				
Other reserves	325,454		13,956	339,410
Accumulated losses	(2,332,952)	*	90	(2,332,862)
Minority interest	296,175	*	8,787	304,962

** Figures stated after the adoption of IC Interpretation 13: Customer Loyalty Programmes*

(d) Amendments to FRS 117: Leases

The Group has adopted the amendments to FRS 117. The Group has reassessed and determined that all leasehold land are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

The following comparative figures have been restated following the adoption of the amendments to FRS 117:

Group	At 31 December 2009		
Cost	As previously stated RM'000	Effects of FRS 117 RM'000	As restated RM'000
Property, plant and equipment	470,714	46,520	517,234
Prepaid land lease payments	46,520	(46,520)	-

(e) IC Interpretation 13: Customer Loyalty Programmes

IC Interpretation 13: Customer Loyalty Programmes applies to entities that operate or otherwise, participate in customer loyalty programme under which the customers are entitled to receive award credits as part of the sales transaction.

IC Interpretation 13 requires such transactions to be accounted for as a separately identifiable component of the sales transaction(s) in which they are granted. Part of the fair value of the consideration received relating to the customer loyalty awards is deferred and subsequently recognised over the period in which the awards are redeemed. This change in accounting policy has been applied retrospectively.

The following comparative figures have been restated following the adoption of the IC Interpretation 13:

Group	At 31 December 2009		
	As previously stated RM'000	Effects of IC Int. 13 RM'000	As restated RM'000
Liabilities			
Current liabilities	240,347	4,000	244,347
Equity			
Accumulated losses	(2,329,172)	(3,780)	(2,332,952)
Minority interest	296,395	(220)	296,175

A2 Seasonal or Cyclical Factors

The Group's businesses where seasonal or cyclical factors, other than economic factors, would have some effects on operations are as follows:-

(a) The retailing operations in United Kingdom normally record better sales in the fourth quarter of the financial year due to the Christmas season. Similarly, the retail operations in Malaysia have seasonal peaks in tandem with the various festive seasons and during sales promotions;

(b) The hotel operations in United Kingdom normally will experience low trading after Christmas, New Year and Easter due to the after effects of the holiday seasons. Additionally, winter periods will also experience a decline in trading; and

(c) The food and confectionery operations in Malaysia, Singapore and Hong Kong normally record better sales during the various festive seasons.

A3 Changes in estimates

There were no significant changes in estimates of the amounts reported in prior financial years which have a material effect in the current financial period.

A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the financial period ended 30 September 2010 other than the exceptional items as follows:-

Exceptional items	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2010 RM'000	30.09.2009 RM'000	30.09.2010 RM'000	30.09.2009 RM'000
Bad debts recovered	32	-	1,121	-
Gain on disposal of investments	5,997	171	5,997	1,666
Gain on disposal of a subsidiary	-	-	-	7,844
Gain on disposal of property, plant & equipment	38	-	105	834
Gain/(Loss) on foreign exchange	51	1,829	3,551	(2,367)
Inventories written down	(1,226)	(1,654)	(860)	(2,756)
Negative goodwill recognised	-	-	-	340
Reserval of impairment in associate	17,984	-	17,984	-
Writeback of allowance / (allowance) for doubtful debts	(67)	(182)	4,028	(168)
Writeback of allowance for diminution in value	75	-	75	-
	22,884	164	32,001	5,393

A5 Issuances, Repurchases and Repayments of Debts and Equity Securities

During the financial period ended 30 September 2010, the Company issued the followings:-

(a) 89,241,226 ordinary shares of RM1.00 each arising from the conversion of the Class A1 ICULS with nominal value totalling RM89,241,226 exercised by the holders of the Class A1 ICULS;

(b) Class A3 ICULS with nominal value totalling RM104,705,354 as compensation on the outstanding Class A1 ICULS and Class A2 ICULS as at 30 June 2010 in accordance with the terms of the trust deed.

Other than the above, there were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial period ended 30 September 2010.

A6 Dividend Paid

No dividend was paid by the Company during the financial period ended 30 September 2010 (30 September 2009 : Nil).

A7 Operating Segments

The analysis of the Group's operations for the financial period ended 30 September 2010 is as follows:-

	Retailing RM'000	Hotels RM'000	Food & Confectionery RM'000	Financial Services RM'000	Property RM'000	Travel & Tourism RM'000	Investment Holding RM'000	Total RM'000
REVENUE								
Gross revenue	611,731*	126,534	55,191	193,444	19,061	5,943	22,850	1,034,754
Inter-segment revenue	-	(194)	-	(1,524)	-	(1,233)	(528)	(3,479)
Net	611,731	126,340	55,191	191,920	19,061	4,710	22,322	1,031,275
Less: Group's share of associates' revenue								(343,905)
								687,370
RESULTS								
Segment results	14,966	22,160	(3,000)	17,991	5,396	(105)	(14,077)	43,331
Interest income	458	39	250	5,213	229	5	1,213	7,407
Exceptional items	103	27	(630)	(217)	257	-	32,461	32,001
Finance cost	(605)	(995)	(35)	-	(194)	(18)	(40,201)	(42,048)
Share of results of associates	17,673*	-	-	(1,052)	-	-	3,651	20,272
Profit/(Loss) before taxation	32,595	21,231	(3,415)	21,935	5,688	(118)	(16,953)	60,963
ASSETS								
Segment assets	374,457	247,719	164,282	411,667	203,730	1,200	761,271	2,164,326
Non-current assets held for sale	-	228,606	-	-	-	-	-	228,606
Investments in associates	172,494	-	-	49,982	-	-	27,166	249,642
Unallocated corporate assets								4,790
								2,647,364

* *Includes estimated results in an associate*

A8 Events Subsequent to the End of the Interim Reporting Period

There are no material events subsequent to the end of the financial period ended 30 September 2010 that have not been reflected in the financial statements for the said period as at the date of this report other than as mentioned in Note A5.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 September 2010.

A10 Contingent Liabilities

There are no material contingent liabilities as at the date of this report.

A11 Capital Commitments

As at 30 September 2010, the Group has commitments in respect of capital expenditure as follows:-

	RM'000
Contracted but not provided for	288
Authorised but not contracted for	361
	649

B. NOTES PER BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

B1 Review of Performance of the Company and its Principal Subsidiaries

For the 9 months ended 30 September 2010, the Group recorded revenue of RM687.4 million and profit before tax ("PBT") of RM61.0 million compared with revenue of RM671.9 million and PBT of RM12.4 million for the same period last year. This improvement was mainly attributable to the better performance by the Group's various business operations, higher exceptional gain, lower interest expense and share of better results from associates.

In retailing, Laura Ashley Holdings plc ("Laura Ashley") reported a strong performance for the 26 weeks to 31 July 2010 with total sales increasing by £7.3 million (RM36.7 million) or 5.7% to £135.1 million compared with the previous period of £127.8 million. The higher sales was mainly due to increase in E-Commerce and UK store sales. PBT, including gains from exceptional items, was £10.5 million (RM52.8 million) compared with £1.1 million (RM6.0 million) in the same period last year. For the 31 weeks to 4 September 2010, total UK retail sales increased by 4.5%. Laura Ashley will continue to focus on developing its distinctive product offering as well as improving operational efficiency. In Malaysia, the profit of Metrojaya Berhad also grew strongly by 61% in the current period under review compared with the same period last year.

The Group's hotel operations in Malaysia continued to perform well with higher profit on the back of better occupancies and higher room rates. The hotels in UK continued to operate under challenging environment. However, the performance of Corus Hotel Hyde Park in London continued to show improvement.

Under the financial services division, the insurance operation registered a strong performance in its underwriting operations and investment activities with commendable growth in both revenue and profitability. However, the universal broking operation remained challenging under the existing business environment.

The food & confectionery operations recorded higher revenue due to better sales following the major rebranding exercise for several of their products. The rebranding exercise has resulted in higher advertising and promotional expenditure, but has elevated the products brand positioning and improved market acceptance. During the period, higher raw material costs has an impact on the operating performance.

The property development operations continued to perform satisfactorily. Sales performance for the Bandar Springhill development project was encouraging in the current period under review. The development of a university campus as well as an international school will help accelerate the township development. Works on the international school have already started.

B2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group recorded revenue of RM238.4 million and PBT of RM48.1 million for the current quarter compared with revenue of RM203.7 million and PBT of RM5.5 million in the preceding quarter. The improved results in the current quarter was mainly contributed by higher operating profit from retailing, insurance and hotels operations, higher exceptional gains and share of better results from associates.

B3 Prospects for the current financial year

With the prospect of a generally better domestic business environment, the Group expects the performance of its various business operations to continue improving for the remaining period in the current financial year.

The Group will continue with the streamlining and rationalisation exercises to further reduce the overall gearing and to strengthen its financial position.

B4 Variance of Actual Profit from Forecast Profit

Not applicable.

B5 Taxation

Taxation comprises:-

		THIRD QUARTER		CUMULATIVE 9 MONTHS	
		30.09.2010	30.09.2009	30.09.2010	30.09.2009
		RM'000	RM'000	RM'000	RM'000
Current taxation	- Malaysia	5,996	5,772	13,123	9,390
	- foreign	2,101	166	2,403	738
Deferred taxation		176	(777)	216	(1,109)
		8,273	5,161	15,742	9,019
Under provision in respect of prior years		882	67	1,061	23
		9,155	5,228	16,803	9,042

The tax provision of the Group for the financial period ended 30 September 2010 is higher than the statutory rate of tax applicable mainly due to losses by certain subsidiaries where no group relief on losses are available.

B6 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the financial period ended 30 September 2010 other than as disclosed in Note A4.

B7 Quoted Securities

(a) Total purchases and disposals of quoted securities of the Group for the financial period ended 30 September 2010, other than those of the insurance subsidiary, are as follows:-

	RM'000
(i) Total purchases	880
(ii) Total disposals	815
Total gain on disposals (net)	159

(b) Total investments in quoted securities by the Group as at 30 September 2010, other than those by the insurance subsidiary, are as follows:-

	RM'000
At cost	158,307
Less: Allowance for diminution in value	81,465
At book value	76,842
Market value	77,709

B8 Status of Corporate Proposals

The Group has not announced any corporate proposals which have not been completed as at the date of this report.

B9 Group Borrowings

(a) Total Group borrowings as at 30 September 2010 are as follows:-

	RM'000
Long Term Borrowings	
- Secured	678,139
Short Term Borrowings	
- Secured	103,467
- Unsecured	436,064
	539,531

(b) Foreign borrowings in Ringgit equivalent as at 30 September 2010 included in (a) above are as follows:-

Currency	RM'000
Sterling Pounds	393,788

The foreign borrowings above are taken by the foreign subsidiaries of the Group.

B10 Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

B11 Fair Value Changes Of Financial Liabilities

As at 30 September 2010, the Group does not have any financial liabilities measured at fair value through profit or loss.

B12 Material Litigation

There is no material litigation involving the Group as at the date of this report.

B13 Dividend

No dividend has been declared by the Board for the financial period ended 30 September 2010 (30 September 2009: Nil).

B14 Earnings/(Loss)Per Share

(a) Basic earnings/(loss) per share

	THIRD QUARTER		**CUMULATIVE 9 MONTHS**	
	30.09.2010	**30.09.2009**	**30.09.2010**	**30.09.2009**
Profit/(Loss) for the financial period attributable to equity holders of the Company (RM'000)	33,042	4,507	33,580	(14,397)
Weighted average number of ordinary shares in issue ('000)	2,029,771	1,940,532	2,017,758	1,940,532
Profit/(Loss) per share (sen)	1.63	0.23	1.66	(0.74)

(b) Diluted earnings/(loss) per share

	THIRD QUARTER		**CUMULATIVE 9 MONTHS**	
	30.09.2010	**30.09.2009**	**30.09.2010**	**30.09.2009**
Profit/(Loss) for the financial period attributable to equity holders of the Company (RM'000)	33,042	4,507	33,580	(14,397)
Number of ordinary shares in issue ('000)	2,133,662	1,940,532	2,133,662	1,940,532
Effect of dilution :-				
Irredeemable convertible unsecured loan stocks	798,899	887,324	798,899	887,324
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,932,561	2,827,856	2,932,561	2,827,856
Diluted earnings per share (sen)	1.13	0.16	1.15	*

* Diluted earnings per share is not disclosed as it is antidilutive.

B15 Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not qualified.

On behalf of the Board
MALAYAN UNITED INDUSTRIES BERHAD

Leong Park Yip
Company Secretary

Date: 29 November 2010