



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2011

INDIVIDUAL /CUMULATIVE QUARTER

	Current Year Quarter 31.03.2011 RM'000	Preceding Year Corresponding Quarter 31.03.2010 RM'000
Revenue	1,131,742	870,367
Operating profit	108,511	93,633
Interest expense	(6,501)	(6,903)
Interest income	2,543	1,604
Share of profit of associates	599	579
Profit before taxation	105,152	88,913
Tax expense	(31,597)	(23,986)
Profit for the period	73,555	64,927
Attributable to:		
Equity holders of the Company	74,080	64,674
Non-controlling interests	(525)	253
	73,555	64,927
Earning per share (sen)		
(a) Basic	11.35	9.91
(b) Fully diluted	N/A	N/A

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2011

INDIVIDUAL /CUMULATIVE QUARTER

	Current Year Quarter 31.03.2011 RM'000	Preceding Year Corresponding Quarter 31.03.2010 RM'000
Profit for the period	73,555	64,927
Foreign currency translation differences for foreign operations	(195)	57
Cash flow hedge	(63)	(6,069)
Other comprehensive income for the period, net of tax	<u>(258)</u>	<u>(6,012)</u>
Total comprehensive income for the period	<u>73,297</u>	<u>58,915</u>
Total comprehensive income attributable to:		
Equity holders of the Company	73,822	58,662
Non-controlling interests	(525)	253
Total comprehensive income for the period	<u>73,297</u>	<u>58,915</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	(Unaudited)	(Audited)
	As at end of	As at preceding
	current quarter	financial year end
	31.03.2011	31.12.2010
	RM'000	RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	657,584	618,388
Investment properties	10,467	10,490
Investments in associates	19,519	18,920
Other investments	1,967	1,807
Deferred tax assets	12,455	12,090
Hire purchase receivables	345,281	284,554
Intangible assets	14,191	14,191
Long term receivables	3,015	3,945
	1,064,479	964,385
<u>Current assets</u>		
Other investments	191,774	289,936
Hire purchase receivables	88,007	54,276
Receivables, deposits and prepayments	362,132	277,922
Current tax assets	8,632	3,310
Inventories	878,843	1,005,333
Derivative assets	713	769
Cash and cash equivalents	197,708	150,088
	1,727,809	1,781,634
TOTAL ASSETS	2,792,288	2,746,019



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011 (continued)

	(Unaudited)	(Audited)
	As at end of	As at preceding
	current quarter	financial year end
	31.03.2011	31.12.2010
	RM'000	RM'000
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	336,000	336,000
Reserve	1,445,198	1,371,376
Treasury shares	(24,778)	(24,778)
Total equity attributable to equity holders of the Company	1,756,420	1,682,598
Non-controlling interests	8,114	8,639
Total equity	1,764,534	1,691,237
<u>Non-current liabilities</u>		
Deferred tax liabilities	23,837	23,313
Borrowings	351,042	354,167
Employee benefits	34,533	31,667
	409,412	409,147
<u>Current Liabilities</u>		
Payables and accruals	324,449	287,082
Borrowings	283,117	352,384
Derivative liabilities	7	1
Taxation	10,769	6,168
	618,342	645,635
Total liabilities	1,027,754	1,054,782
TOTAL EQUITY AND LIABILITIES	2,792,288	2,746,019
Net assets per share attributable to equity holders of the Company (RM)	2.69	2.58

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



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2011

	-----Attributable to Equity Holders of the Company-----							Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Hedging reserves RM'000	Distributable reserves RM'000	Total RM'000	Non-Distributable		
At 01.01.2010	336,000	(24,777)	(177)	-	1,202,726	1,513,772	4,406	1,518,178	
- Effects on the adoption of FRS 139	-	-	-	75	-	75	-	75	
At 01.01.2010, as restated	336,000	(24,777)	(177)	75	1,202,726	1,513,847	4,406	1,518,253	
Total comprehensive income for the period	-	-	57	(6,069)	64,674	58,662	253	58,915	
At 31.03.2010	336,000	(24,777)	(120)	(5,994)	1,267,400	1,572,509	4,659	1,577,168	
At 01.01.2011	336,000	(24,778)	(3,105)	769	1,373,712	1,682,598	8,639	1,691,237	
Total comprehensive income for the period	-	-	(195)	(63)	74,080	73,822	(525)	73,297	
At 31.03.2011	336,000	(24,778)	(3,300)	706	1,447,792	1,756,420	8,114	1,764,534	

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



TAN CHONG MOTOR HOLDINGS BERHAD
(Company No: 12969-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2011

	INDIVIDUAL / CUMULATIVE QUARTER	
	For the 3 months ended 31.03.2011 RM'000	For the 3 months ended 31.03.2010 RM'000
Profit before tax	105,152	88,913
Adjustment for:		
Non-cash items	17,468	8,017
Non-operating items (which are investing/financing)	3,958	5,084
Operating profit before working capital changes	126,578	102,014
(Increase) in working capital	(13,881)	(143,156)
Other cash used (tax payment etc.) in operations	(36,215)	(10,704)
Net cash generated from operating activities	76,483	(51,846)
Net cash generated from investing activities	43,530	37,162
Net cash (used in)/generated from financing activities	(65,868)	62,777
Net increase in cash and cash equivalents	54,144	48,093
Cash and cash equivalents at beginning of the year	143,564	114,019
Cash and cash equivalents at end of the period	197,708	162,112

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Basis Of Preparation

The unaudited interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (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 2010. 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 2010.

2. Changes In Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following Financial Reporting Standards ("FRS"), Amendments to FRSS, IC Interpretations and Technical Release ("TR"):

- Amendments to FRS 132, *Financial Instruments: Presentation – Classification of Rights Issues*
- FRS 1, *First-time Adoption of Financial Reporting Standards (revised)*
- FRS 3, *Business Combinations (revised)*
- FRS 127, *Consolidated and Separate Financial Statements (revised)*
- Amendments to FRS 2, *Share-based Payment*
- Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations*
- Amendments to FRS 138, *Intangible Assets*
- IC Interpretation 12, *Service Concession Agreements*
- IC Interpretation 16, *Hedges of a Net Investment in a Foreign Operation*
- IC Interpretation 17, *Distributions of Non-cash Assets to Owners*
- Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives*
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*
 - *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*
 - *Additional Exemptions for First-time Adopters*
- Amendments to FRS 2, *Group Cash-settled Share Based Payment Transactions*
- Amendments to FRS 7, *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*
- IC Interpretation 4, *Determining whether an Arrangement contains a Lease*
- IC Interpretation 18, *Transfers of Assets from Customers*
- Improvements to FRSS (2010)

The adoption of the revised FRS 3 and FRS 127, will potentially have a financial impact on the Group as it will result in changes in accounting for business combinations and the preparation of consolidated financial statements. The main change introduced under the revised FRS 127 will be the accounting for changes in ownership interest in a subsidiary, where changes in ownership which do not result in the loss of control are now accounted for within equity instead of the income statement. Where changes in ownership interest result in loss of control, any remaining interest is re-measured at fair value and a gain or loss is recognised in the income statement. Minority interest is now referred to as "non-controlling interest". All total comprehensive income is proportionately allocated to non-controlling interest, even if it results in the non-controlling interests having a deficit balance.

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The revised FRS 3 introduces the option, on an acquisition-by-acquisition basis, to measure non-controlling interest in a business combination either at fair value or at the non-controlling interest's proportionate share of the net identifiable assets acquired. Goodwill is measured as the difference between the aggregate of the fair value of consideration transferred, any non-controlling interest in the acquiree and the fair value at acquisition date of any previously held equity interest in the acquiree, and the net identifiable assets acquired. Any negative goodwill (ie. bargain purchase) is recognised in the income statement. Any consideration transferred in a business combination is measured at fair value as at the acquisition date. There is no financial impact immediately upon adoption of these two accounting standards as they both only have prospective effect, and hence their adoption will only have impact on future acquisitions of the Group.

The adoption of the Amendments to FRS 7, which promotes enhanced disclosures on fair value measurement of financial instruments via the introduction of the concept of the fair value hierarchy, will only affect disclosures and will not have any financial impact on the results of the Group.

The adoption of the other FRSs, Amendments to FRSs, IC Interpretations and Technical Release above generally did not have any material impact on the financial results of the Group, as they mainly deal with accounting policies affecting transactions which do not form part of the Group's normal business operations or transactions where the Group only has minimal exposure.

The following FRS and IC Interpretations have been issued by the MASB but are not yet effective, and have yet to be adopted by the Group:-

Effective for annual periods commencing on or after 1 July 2011:-

- IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
- Effective for annual periods commencing on or after 1 January 2012:
- FRS 124 *Related Party Disclosures*
- IC Interpretation 15 Agreements for the Construction of Real Estate

3. Audit Qualifications

There were no audit qualifications in the annual financial statements for the year ended 31 December 2010.

4. Seasonal Or Cyclical Factors

During the quarter, the business of the Group had not been affected by any significant seasonal or cyclical factors, apart from the general economic environment in which it operated.

5. Unusual Items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flow for the period.

6. Material Changes In Estimates

There were no material changes in estimates in respect of amounts reported in prior financial year.

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

7. Debt And Equity Securities

Under the Group's Asset-Backed Medium Term Notes ("MTN") Program, the Group has redeemed RM0.35 million and RM1.05 million nominal values of Class B and Class C MTN respectively during the quarter. The outstanding nominal value of MTN comprising Class A, Class B and Class C is RM538.7 million at the end of the financial quarter.

Save for the above, there were no other issuance and repayment of debt securities, share cancellation and resale of treasury shares during the period.

8. Dividend Paid

No dividends were paid during the quarter ended 31 March 2011.

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

9. Segmental Reporting

For the three months ended 31 March 2011

	Vehicles assembly, manufacturing, distribution and after sale services		Financial services		Other operations		Total	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	1,122,067	857,655	8,817	12,707	859	5	1,131,743	870,367
Inter-segment revenue	4,462	-	696	5,313	4,990	4,489	10,148	9,802
Segment EBITDA*	125,963	97,526	6,193	5,931	(2,821)	1,884	129,335	105,341

*Segment earnings before interest, taxation, depreciation and amortisation

Reconciliation of reportable segment profit or loss:

	31.03.2011	31.03.2010
	RM'000	RM'000
Total EBITDA for reportable segments	129,335	105,341
Depreciation and amortisation	(15,985)	(12,774)
Finance costs	(6,501)	(6,903)
Interest income	2,543	1,604
Share of profit of associates not included in reportable segments	599	579
Unallocated corporate expenses	(4,839)	1,066
Consolidated profit before tax	105,152	88,913

10. Valuation Of Property, Plant And Equipment

The valuation of property, plant and equipment were brought forward without amendment from the annual financial statements for the year ended 31 December 2010.

11. Material Subsequent Event

The Board is not aware of any material event subsequent to the end of the period reported on that have not been reflected in the financial statement for the period.

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

12. Changes In Composition Of The Group

During the quarter under review, the Group had incorporated in Malaysia the following wholly-owned subsidiaries:

No.	Name of Subsidiary	Date of Incorporation	Principal Activity
(i)	Tan Chong Premier Sdn Bhd	28-Mar-11	Insurance agency

13. Changes In Contingent Liabilities Or Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

14. Capital Commitments Outstanding Not Provided For In The Interim Financial Report

	31.03.2011	31.12.2010
	RM'000	RM'000
Property, plant and equipment		
Authorised and contracted for		
In Malaysia	33,481	37,584
Outside Malaysia	5,111	-
Authorised but not contracted for		
In Malaysia	170,436	125,218
Outside Malaysia	40,313	-
	<u>249,341</u>	<u>162,802</u>

Explanatory notes as per Financial Reporting Standard (FRS) 134 Interim Financial Reporting and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

15. Significant Related Party Transactions

- (a) Significant transactions with Warisan TC Holdings Berhad (WTCH) and APM Automotive Holdings Berhad (APM) Groups, companies in which certain Directors of the Company, namely Dato' Tan Heng Chew and Tan Eng Soon, are deemed to have substantial financial interests, are as follows:

	Individual / Cumulative Quarter	
	31.03.2011	31.03.2010
	RM'000	RM'000
With WTCH Group		
Sales	9,914	5,305
	<u>9,914</u>	<u>5,305</u>
With APM Group		
Purchases	56,316	29,578
	<u>56,316</u>	<u>29,578</u>

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

- (b) Significant transactions with Nissan Motor Co. Limited Group, Japan, a substantial shareholder of the Company, are as follows:

	Individual / Cumulative Quarter	
	31.03.2011	31.03.2010
	RM'000	RM'000
Purchases	281,758	248,510
	<u>281,758</u>	<u>248,510</u>

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

- (c) Significant transactions with Auto Dunia Sdn. Bhd.:

- (i) a company in which a former Director of the Company, namely Azman bin Badrillah (resigned on 1 July 2010) has substantial financial interest; and
- (ii) a company connected to certain Directors of the Company, namely Dato' Tan Heng Chew and Tan Eng Soon by virtue of Section 122A of the Companies Act, 1965.

	Individual / Cumulative Quarter	
	31.03.2011	31.03.2010
	RM'000	RM'000
Purchases	58,870	74,238
	<u>58,870</u>	<u>74,238</u>

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Review Of Performance

2011 started with a record turnover of RM1.1 billion (+30% year-on-year) for the 3 months ended 31 March. The previous peak was RM1 billion revenues in Q3 2008 before the global financial crisis. Net income stood at RM74 million and this included a non-cashflow translation loss of RM5.4 million arising from a devaluation in the Vietnam Dong against US Dollar and US Dollar against a stronger Ringgit (our base currency). This set of accounts also consolidated 74% subsidiary, Nissan Vietnam Limited (NVL) and it further squeezed operating margins to 9.6% in 1Q 2011 from 10.8% a year ago. At the margin, NVL has achieved EBITDA break even in Q1 2011 after taking over the company last November. In addition, cost as a percentage of revenue increased by 1% as the Group continues to expand across regional markets and new products. Q1 2011 performance shows a disciplined approach to executing our long-term business plans even as total domestic industry volume peaked in 2010.

2. Comparison With Preceding Quarter's Results

The all-new NISSAN Teana drove the performance in Q1 2011 compared to Q4 2010 because it was launched on 23 November 2010 and the bulk of sales were recognised at the start of 2011 instead of 2010. Due to a higher value added product offering, Operating Profit margins grew from 8.5% in Q4 2010 to 9.6% in Q1 2011 despite the drag in forex and NVL. Notwithstanding exceptional quarterly sales and stockpiling just in time, inventories stood at RM878.8 million as at 31 March 2011 compared to over RM1.0 billion as at 31 December 2010

3. Current Year Prospects

Although booking levels remain elevated, we started to pace production as a response to mitigate risks in the auto supply chain (since the earthquake in Japan on 11th March 2011). Sales momentum may slow in Q2 but pick up again in 2H 2011. Nissan is focusing all efforts to ensure swift restoration of its production operations. Despite an uncertain production environment in the near-term related to the disaster in Japan, we are right sizing our working capital by de-leveraging: reducing inventory and increasing cash in Q2 2011 to be ready for a recovery led by stock replenishment.

4. Comparison With Profit Forecast

This is not applicable to the Group.

5. Taxation

	Individual / Cumulative Quarter	
	31.03.2011	31.03.2010
	RM'000	RM'000
Current year	(31,384)	(20,319)
Prior year	(54)	(37)
Deferred tax	(159)	(3,630)
	<u>(31,597)</u>	<u>(23,986)</u>

Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

5. Taxation (Continued)

Taxation for the quarter under review is higher compared to corresponding period last year due to improved profit and Reinvestment Allowance has been exhausted.

The effective tax rate for the year is higher than the statutory rate of 25% due to certain expenses disallowed for tax purposes and absence of full group relief.

6. Profits On Sales Of Unquoted Investments And/Or Properties

There were no sale of unquoted investments and/or properties for the current financial quarter ended 31 March 2011.

7. Quoted Securities

There was a disposal of quoted securities of RM100million on the current financial quarter ended 31 March 2011.

The adoption of FRS 139 has resulted in the Group's short term investment which consists of quoted securities classified under "Financial assets at fair value through profit and loss (FAFVPL)".

FAFVPL are subsequently measured at fair value with gain or loss recognised in profit or loss. This category of financial assets is classified as current assets.

	31.03.2011
	RM'000
Fair value gain recognised in profit or loss	<u>108</u>

8. Status Of Corporate Proposals

There were no corporate proposals announced but not completed as at reporting date.

9. Group Borrowings

Group borrowings, all denominated in Ringgit Malaysia, as at the end of the reporting period are as follows:

	31.03.2011
	RM'000
Unsecured :	
- Bills payable	74,528
- Short term loan	208,589
- Long term loan	<u>351,042</u>
Total borrowings	<u><u>634,159</u></u>
Comprising :	
Amount repayable within one year	283,117
Amount repayable after one year	<u>351,042</u>
	<u><u>634,159</u></u>

Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

10. Realised And Unrealised Profits

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	Group 31.03.2011 RM'000	Group 31.12.2010 RM'000
Total retained profits of Tan Chong Motor Holdings Bhd and its subsidiaries:		
- Realised	1,621,312	1,552,710
- Unrealised loss	(16,689)	(16,848)
	<u>1,604,623</u>	<u>1,535,862</u>
Total share of retained profits from associated companies:		
- Realised	5,576	4,980
- Unrealised loss	(54)	(57)
	<u>5,522</u>	<u>4,923</u>
Total Group retained profits before consolidation adjustments	1,610,145	1,540,785
Less: Consolidation adjustments	(162,353)	(167,073)
Total Group retained profits as per consolidated accounts	<u>1,447,792</u>	<u>1,373,712</u>

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

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

11. Outstanding Derivatives As At 31 March 2011

Derivative type	Notional value RM '000	Fair value RM '000	Maturity
Forward foreign exchange contracts	86,013	86,718	Less than 1 year

Forward foreign exchange contracts are entered into with locally incorporated licensed banks to hedge certain portion of the Group's purchases from exchange rate movements. As the exchange rates are pre-determined under such contracts, in the event of exchange rate movement, exposure to opportunity gain/(loss) is expected. Given that the contracts are entered into with locally incorporated licensed banks, we are of the view that credit risk and the counterparty risk are minimal. Apart from a small fee payable to the banks there are no cash requirements for the forward contracts.

It is the Group policy not to enter into hedging contracts, which in the aggregate relate to volumes that exceed its expected commercial requirements for imports.

Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

12. Changes In Material Litigations

Tan Chong & Sons Motor Company Sdn. Bhd. ("TCM"), Nissan Motor Co. Ltd. ("Nissan") and Auto Dunia Sdn. Bhd. were sued in the High Court at Kota Kinabalu by Teck Guan Trading (Sabah) Sdn. Bhd. ("Teck Guan") for general damages, special damages of RM10.67 million and liquidated damages of RM2.97 million together with interest and costs in connection with car distributorship in Sabah ("1st Suit").

All parties have closed their case in relation to the 1st Suit during the last hearing date on the 9th and 10th of February 2011. On 5th of May 2011, the High Court at Kota Kinabalu dismissed Teck Guan's suit in favour for the 3 Defendants, i.e. TCM, Nissan and Auto Dunia Sdn. Bhd. Teck Guan is liable for cost.

In 1987, another related suit was filed (where TCM was sued by Teck Guan for RM65,065.00 together with interest and costs in connection with alleged monies owed to Teck Guan) ("2nd Suit"). This matter will be heard at a later date to be fixed by the Court.

13. Dividend

No dividend has been proposed for the 1st quarter ended 31 March 2011.

Subject to shareholders approval at the forthcoming AGM scheduled on 25 May 2011, the final dividend of 12% less income tax for the year ended 31 December 2010 will be paid on 24 June 2011 to shareholders whose names appear in the Register of Members on 3 June 2011.

14. Earnings Per Share

The calculation of basic earnings per share for the periods is based on the net profit attributable to ordinary shareholders of the periods and the weighted average numbers of ordinary shares outstanding during the periods as follows:

Weighted average number of ordinary shares	Individual / Cumulative Quarter	
	2011 (‘000)	2010 (‘000)
Issued ordinary shares at beginning of the period	652,819	652,819
Effect of shares buyback during the period	-	-
Weighted average number of ordinary shares	<u>652,819</u>	<u>652,819</u>

BY ORDER OF THE BOARD

YAP BEE LEE
Company Secretary

Kuala Lumpur
18 May 2011