

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2011 (RM'000)	Preceding Year Corresponding Quarter 31/03/2010 (RM'000)	Current Year To Date 31/03/2011 (RM'000)	Preceding Year Corresponding Period 31/03/2010 (RM'000)
Revenue	151,621	151,210	151,621	151,210
Operating expenses	(140,517)	(143,616)	(140,517)	(143,616)
Other operating income	1,225	186	1,225	186
Profit from operations	12,329	7,780	12,329	7,780
Fair value gain on derivative financial instruments	-	46	-	46
Fair value gain on financial assets at fair value through profit or loss	421	-	421	-
Fair value loss on available-for-sale financial assets	(724)	(97)	(724)	(97)
Income from other investments and finance	34	112	34	112
Impairment of plant, property and equipment	(1,200)	-	(1,200)	-
Severance payment	(577)	-	(577)	-
Profit before tax	10,283	7,841	10,283	7,841
Taxation	(2,647)	(2,226)	(2,647)	(2,226)
Net profit for the period	7,636	5,615	7,636	5,615
Other comprehensive income after tax:				
Net currency translation differences	(183)	(26)	(183)	(26)
Net fair value gain on available-for-sale financial assets	1,072	(367)	1,072	(367)
Other comprehensive income/(loss) for the period, net of tax	889	(393)	889	(393)
Total comprehensive income for the period	8,525	5,222	8,525	5,222
Net profit attributable to:				
- Owners of the parent	7,632	5,615	7,632	5,615
- Minority interest	4	-	4	-
	7,636	5,615	7,636	5,615
Total comprehensive income attributable to:				
- Owners of the parent	8,521	5,222	8,521	5,222
- Minority interest	4	-	4	-
	8,525	5,222	8,525	5,222
Earnings per share (sen) for profit attributable to owners of the parent:				
- basic/diluted	5.00	3.68	5.00	3.68

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011**

	Unaudited as at 31/03/2011 (RM'000)	Audited as at 31/12/2010 (RM'000)
Non-current assets		
Property, plant and equipment	55,673	58,310
Investment properties	10,258	10,366
Available-for-sale financial assets	19,776	19,429
Intangible asset	10,322	10,799
Prepaid lease rental	5,077	5,126
Deferred tax assets	942	1,461
	102,048	105,491
Current assets		
Inventories	55,725	73,316
Trade receivables	78,699	65,602
Amount due from immediate holding company	17,951	9,243
Amounts due from related companies	-	1,917
Other receivables, deposits and prepayments	10,868	23,164
Derivative financial asset	-	17
Tax recoverable	548	977
Financial assets at fair value through profit or loss	68,941	48,521
Deposits and cash balances	22,458	16,501
	255,190	239,258
Current liabilities		
Trade payables	25,871	21,379
Other payables and accrued expenses	58,705	59,411
Amount due to penultimate holding company	51	1,535
Amounts due to related companies	1,410	-
Tax payable	2,103	1,864
	88,140	84,189
Net current assets	167,050	155,069
Non-current liabilities		
Provision for retirement benefits	5,293	5,313
Deferred tax liabilities	1,449	1,416
	6,742	6,729
Net assets	262,356	253,831
Capital and reserves attributable to owners of the parent		
Share capital	153,548	153,548
Reserves	110,431	101,910
Treasury shares	(1,853)	(1,853)
	262,126	253,605
Minority interest	230	226
Total equity	262,356	253,831
Net assets per share (RM) attributable to owners of the parent	1.72	1.66

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2011
Attributable to owners of the parent

	Issued Share Capital	Share Premium	Capital Reserve	Fair Value Reserve	Foreign Exchange Reserve	Retained Earnings	Treasury Shares	Total	Minority Interest	Total Equity
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
3 months period ended 31 March 2010										
Balance as at 1 January 2010	153,548	34,445	1	2,770	2,265	65,097	(1,850)	256,276	225	256,501
Fair value gain on available-for-sale financial assets	-	-	-	(367)	-	-	-	(367)	-	(367)
Currency translation differences	-	-	-	-	(26)	-	-	(26)	-	(26)
Net profit for the year	-	-	-	-	-	5,615	-	5,615	-	5,615
Total comprehensive (loss)/income for the period	-	-	-	(367)	(26)	5,615	-	5,222	-	5,222
Balance as at 31 March 2010	<u>153,548</u>	<u>34,445</u>	<u>1</u>	<u>2,403</u>	<u>2,239</u>	<u>70,712</u>	<u>(1,850)</u>	<u>261,498</u>	<u>225</u>	<u>261,723</u>
3 months period ended 31 March 2011										
Balance as at 1 January 2011	153,548	34,445	1	6,956	4,192	56,316	(1,853)	253,605	226	253,831
Fair value gain on available-for-sale financial assets	-	-	-	1,072	-	-	-	1,072	-	1,072
Currency translation differences	-	-	-	-	(183)	-	-	(183)	-	(183)
Net profit for the year	-	-	-	-	-	7,632	-	7,632	4	7,636
Total comprehensive income/(loss) for the period	-	-	-	1,072	(183)	7,632	-	8,521	4	8,525
Balance as at 31 March 2011	<u>153,548</u>	<u>34,445</u>	<u>1</u>	<u>8,028</u>	<u>4,009</u>	<u>63,948</u>	<u>(1,853)</u>	<u>262,126</u>	<u>230</u>	<u>262,356</u>

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 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2011**

	3 months ended <u>31/03/2011</u> (RM'000)	3 months ended <u>31/03/2010</u> (RM'000)
Cash flows from operating activities		
Profit before tax	10,283	7,841
Adjustments for non-cash items	<u>4,084</u>	<u>5,723</u>
Operating profit before working capital changes	14,367	13,564
Net change in current assets	10,798	26,325
Net change in current liabilities	<u>2,217</u>	<u>(15,549)</u>
Cash flows from operations	27,382	24,340
Other operating activities	<u>(1,675)</u>	<u>(636)</u>
Net cash flows from operating activities	25,707	23,704
Net cash flows used in investing activities	(19,793)	(618)
Net cash flows used in financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	5,914	23,086
Cash and cash equivalents at beginning of year	16,501	41,893
Effects of foreign exchange on opening balance	43	(113)
Cash and cash equivalents at end of period	<u><u>22,458</u></u>	<u><u>64,866</u></u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2011**
1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: 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. The 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 financial year ended 31 December 2010.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year 31 December 2010 except for the adoption of the following which are expected to have no significant impact on the financial statement of the Group.

FRSs, Improvements or Amendments to FRSs and Interpretations
Effective for financial period beginning on or after 1 July 2010

FRS 1 (revised)	First time adoption of Financial Reporting Standards
FRS 3 (revised)	Business Combination
FRS 127 (revised)	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operation
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation

Effective for financial period beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosure about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
Improvements to FRSs (2010)	

2. Disclosure of Preceding Year Unqualified Audit Report

The preceding year's audit report for the year ended 31 December 2010 was unqualified.

3. Cyclicity of Operations

The operations were normally influenced by higher demand during festive periods.

4. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flow

The Group closed its manufacturing plant in Kuching and consolidated its operations with the Johor Bahru plant which resulted in a severance payment of RM0.6 million. In addition, in line with our plan to improve plant utilisation, we plan to consolidate the Petaling Jaya plant with the Shah Alam plant for which an impairment of RM1.2 million has been recognised in this quarter.

5. Quarterly Estimations

There was no material change in the estimation methods used in this interim reporting quarter, which will have a material effect on the financial results.

6. Debt and Equity Securities

During the quarter, the company did not purchase any of its own shares.

7. Segmental Reporting

3 months period ended 31 March 2010	Malaysia (RM'000)	Indonesia (RM'000)	Singapore & others (RM'000)	Total (RM'000)
Revenue	130,522	2,703	17,985	151,210
Profit/(loss) before tax	7,684	334	(177)	7,841
3 months period ended 31 March 2011				
Revenue	123,973	3,510	24,138	151,621
Profit before tax	10,060	178	45	10,283
Assets as at:	Malaysia (RM'000)	Indonesia (RM'000)	Singapore & others (RM'000)	Total (RM'000)
31 December 2010	326,635	11,617	4,059	342,311
31 March 2011	339,780	13,508	2,460	355,748
Assets Reconciliation	As at 31 Mar 2011 (RM'000)	As at 31 Dec 2010 (RM'000)		
Segment assets	355,748	342,311		
Deferred tax assets	942	1,461		
Tax recoverable	548	977		
Total assets	<u>357,238</u>	<u>344,749</u>		

8. Valuations of Property, Plant and Equipment

There was no amendment to the valuations of property, plant and equipment brought forward.

9. Significant Events

There was no significant event for the current reporting quarter.

10. Subsequent Events

There was no subsequent event for the current reporting quarter.

11. Changes in the Composition of the Group

There was no change in the composition of the Group for the current reporting quarter.

12. Contingent Liabilities

There was no change in the status of contingent liabilities since the last annual balance sheet date except as disclosed in Note 25 to the financial statements.

13. Performance of the Group

The Group recorded revenue of RM151.6 million for the current quarter under review, compared to RM151.2 million generated in the same quarter last year, an increase of 0.3%. Sales from Yeo's core brand product improved by 11%. However, overall sales only improved by 0.3% mainly due to the reduction in sales from Red Bull products following the termination of the Red Bull distribution rights in April 2010.

In this quarter under review, the Group recorded an operating profit of RM12.3 million as compared to RM7.8 million in the previous corresponding quarter. The improved result was due to higher sales from Yeo's core brand products.

The Group closed its manufacturing plant in Kuching and consolidated its operations with the Johor Bahru plant which resulted in a severance payment of RM0.6 million. In addition, in line with our plan to improve plant utilisation, we plan to consolidate the Petaling Jaya plant with the Shah Alam plant for which an impairment of RM1.2 million has been recognised in this quarter.

The Group recorded a pre-tax profit of RM10.3 million for the current quarter against a pre-tax profit of RM7.8 million in the previous corresponding quarter. Despite impairment of RM1.2 million and severance cost of RM0.6 million, there was still an improvement in pre-tax profit mainly due to improved operating results from higher sales in Yeo's core brand product.

14. Material Change in Profit Before Tax As Compared to the Immediate Preceding Quarter

The Group recorded an operating profit of RM12.3 million for the current quarter compared to RM3.6 million in the immediate preceding quarter. This was due to higher festive season sales in current quarter.

The Group recorded a pre-tax profit of RM10.3 million for the current quarter against a pre-tax profit of RM1.7 million as compared to the immediate preceding quarter. This was due to improvement in operating results and lower severance payment and impairment cost charged in the current quarter.

15. Prospects of the Group

The Group is positive on its prospect for the current year. It will continue to grow its operating profit further through brand building, promotion efforts and cost management.

16. Capital Commitment

Authorised capital commitments not provided and not contracted for in the interim financial statements as at 31 March 2011 in respect of property, plant and equipment for the business operations consolidation amount to RM33.5 million.

17. Variance from Profit Forecast

Not applicable.

18. Taxation

The tax is as follows:

	<u>Current Quarter</u> (RM'000)	<u>YTD</u> (RM'000)
Income tax:		
Current tax	2,395	2,395
Over provision in prior year	(301)	(301)
Deferred tax:		
Origination and reversal of temporary differences	619	619
Over provision in prior year	(66)	(66)
	<u>2,647</u>	<u>2,647</u>

The Group's effective tax rate of 26% in the current quarter and current year to date ended 31 March 2011, was higher than the statutory tax rate of 25% mainly due to non-deductible expenses.

19. Gain on Sale of Properties

There was no sale of properties for the current reporting quarter.

20. Quoted Securities

a) During the quarter, the Company purchased RM20 million of quoted securities, which are classified as financial assets at fair value through profit or loss.

b) Investments in quoted shares as at 31 March 2011 are as follow:

	<u>Available-for sale</u> <u>financial assets</u> (RM'000)	<u>Financial assets at fair value</u> <u>through profit or loss</u> (RM'000)
At cost	<u>27,395</u>	<u>68,000</u>
Book value/market value	<u>19,776</u>	<u>68,941</u>

21. Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this report.

22. Group Borrowings

There was no borrowing as at the end of the reporting period.

23. Financial Instruments

a) Derivatives

There was no outstanding derivative during current reporting quarter.

b) Gains/(losses) arising from fair value changes in financial liabilities

There was no gain/(loss) arising from fair value changes in financial liabilities in this reporting period.

24. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits/(accumulated losses) at the legal entity level is prepared in accordance with Guidance on Special matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

Realised and Unrealised Profits or Losses

	As at 31 Mar 2011	As at 31 Dec 2010
	RM'000	RM'000
Total retained profits of Yeo Hiap Seng (M) Berhad and it's subsidiaries:		
- Realised	58,617	52,211
- Unrealised	(1,032)	(605)
	<u>57,585</u>	<u>51,606</u>
Add : Consolidation adjustments	<u>6,363</u>	<u>4,710</u>
Total Group retained profits as per consolidated accounts	<u>63,948</u>	<u>56,316</u>

25. Material Litigations

There was no change in material litigations since the last annual audited financial statements other than the following:

- (i) The Board of Directors announced on 2 February 2010 that the Jakarta High Court had decided in favour of the Company and its subsidiary, PT YHS Indonesia regarding a suit filed by PT Kharisma Inti Persada ("the Plaintiff"), claiming for approximately Rupiah219.9 billion (approximately RM77 million) for an alleged breach of an alleged agreement and an alleged distributor's appointment. The Company has on 23 March 2010 received a formal notification from the Central Jakarta District Court that the Plaintiff has filed an appeal against the Jakarta High Court's decision and the Company has on 5 April 2010 filed a counter memorandum to the Court. The Company is still awaiting the Indonesia Supreme Court decision and there has been no change in status since the last quarter reporting.
- (ii) The Board of Directors announced on 11 March 2010 that the High Court of Shah Alam has on 10 March 2010 vide the proceedings under Civil Suit no. MT3-22-936-2003 granted judgement against the Company in favour of F.Y. Sdn Bhd, for the alleged breach of an agreement. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. Our lawyer has advised that we have a strong case to appeal and a memorandum of appeal has been filed with the Court on 28 June 2010. There has been no change in status since the last quarter reporting.

26. Dividend Proposed/Paid

There was no dividend declared or paid for the period under review.

27. Earnings Per Share

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Year
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Net profit attributable to owners of the parent (RM'000)	7,632	5,615	7,632	5,615
Weighted average number of ordinary shares in issue (units)	152,703,369	152,705,369	152,703,369	152,705,369
Earnings per share:				
- Basic/diluted (sen)	<u>5.00</u>	<u>3.68</u>	<u>5.00</u>	<u>3.68</u>

The diluted earnings per share is the same as the basic earnings per share as the Group did not have any financial instrument in this reporting period, which may entitle its holder to ordinary shares of the Company and therefore dilute the basic earnings per share.

By Order of the Board
SAU EAN NEE
Company Secretary
26 April 2011
Petaling Jaya