



APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2010 - unaudited

<i>In thousands of RM</i>	Current Quarter Ended 31-Dec-10	Corresponding Quarter Ended 31-Dec-09	Cumulative Year To Date 31-Dec-10	Corresponding Year To Date 31-Dec-09
Revenue	287,933	268,936	1,178,846	918,533
Results from operating activities	43,654	29,267	177,956	96,545
Finance costs	(48)	(61)	(421)	(573)
Finance income	2,140	975	6,994	4,660
Profit before tax	45,746	30,181	184,529	100,632
Income tax expense	(10,901)	(1,850)	(44,195)	(18,354)
Profit for the period	34,845	28,331	140,334	82,278
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	306	619	(3,773)	5,777
Total comprehensive income for the period	35,151	28,950	136,561	88,055
Profit attributable to :				
Owners of the Company	30,342	25,456	124,489	72,651
Minority interests	4,503	2,875	15,845	9,627
Profit for the period	34,845	28,331	140,334	82,278
Total comprehensive income attributable to :				
Owners of the Company	30,648	26,075	121,176	78,358
Minority interests	4,503	2,875	15,385	9,697
Total comprehensive income for the period	35,151	28,950	136,561	88,055
Depreciation	10,029	8,644	38,057	30,444
Earnings per share				
Basic (sen)	15.50	12.99	63.61	36.89
Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010 – unaudited

<i>In thousands of RM</i>	At 31-Dec-10	At 31-Dec-09 Restated
Assets		
Property, plant & equipment	240,153	220,800
Prepaid lease payments	6,320	4,043
Investment property	1,217	1,257
Development expenditure	936	1,549
Deferred tax assets	13,079	13,972
Total non-current assets	261,705	241,621
Inventories	176,293	162,959
Trade and other receivables, including derivatives	213,359	210,185
Cash and cash equivalents	351,207	260,344
Total current assets	740,859	633,488
Total assets	1,002,564	875,109
Equity		
Share capital	201,600	201,600
Reserves	548,940	453,663
Treasury shares	(12,776)	(12,733)
Total equity attributable to owners of the Company	737,764	642,530
Minority interests	30,359	20,806
Total equity	768,123	663,336
Liabilities		
Deferred tax liabilities	4,789	4,746
Employee benefits	14,139	13,593
Deferred grant income	-	8
Total non-current liabilities	18,928	18,347
Trade and other payables, including derivatives	179,656	182,534
Short term borrowings	25,279	4,140
Taxation	10,578	6,752
Total current liabilities	215,513	193,426
Total liabilities	234,441	211,773
Total equity and liabilities	1,002,564	875,109
Net asset per share attributable to owners of the Company (RM)	3.77	3.28

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 31 DECEMBER 2010 – unaudited

<i>In thousands of RM</i>	Current Year to Date 31-Dec-10	Corresponding Year To Date 31-Dec-09
Cash generated from operations	165,931	135,198
Net cash flow used in investing activities	(62,997)	(33,360)
Net cash flow used in financing activities	(11,092)	(35,979)
Net increase in cash and cash equivalents	91,842	65,859
Exchange differences	(916)	2,486
Cash and cash equivalents at beginning of year	259,879	191,534
Cash and cash equivalents at end of period	350,805	259,879
Cash and cash equivalents comprise :-		
Cash and bank balances	351,207	260,344
Bills/Bank overdrafts	(402)	(465)
	350,805	259,879

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2010 - unaudited

<i>In thousands of RM</i>	<----- Non-Distributable ----->				Distributable		Minority interests	Total equity
	Share capital	Treasury shares	Trans- lation reserve	Capital reserve	Retained profits	Total		
At 1-Jan-09	201,600	(8,433)	(4,919)	(24,441)	426,831	590,638	13,325	603,963
Purchase of treasury shares	-	(4,300)	-	-	-	(4,300)	-	(4,300)
Total comprehensive income for the period	-	-	5,707	-	72,651	78,358	9,697	88,055
Dividend paid	-	-	-	-	(22,166)	(22,166)	(2,216)	(24,382)
At 31-Dec-2009	201,600	(12,733)	788	(24,441)	477,316	642,530	20,806	663,336
At 1-Jan- 10, as previously stated	201,600	(12,733)	788	(24,441)	477,316	642,530	20,806	663,336
-effect of adopting FRS 139	-	-	-	-	520	520	-	520
At 1-Jan-10, as restated	201,600	(12,733)	788	(24,441)	477,836	643,050	20,806	663,856
Total comprehensive income for the period	-	-	(3,313)	-	124,489	121,176	15,385	136,561
Purchase of treasury shares	-	(43)	-	-	-	(43)	-	(43)
Dividend paid	-	-	-	-	(26,419)	(26,419)	(5,832)	(32,251)
At 31-Dec-2010	201,600	(12,776)	(2,525)	(24,441)	575,906	737,764	30,359	768,123

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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EXPLANATORY NOTES – 31 December 2010

1. Basic of preparation

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. The explanatory notes 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.

2. Significant Accounting Policies

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.

FRSs, Amendments to FRSs and Interpretations

FRS 7 Financial Instruments: Disclosures
FRS 8 Operating Segments
FRS 101 Presentation of Financial Statements (Revised 2009)
FRS 123 Borrowing Costs
FRS 139 Financial Instruments: Recognition and Measurement
Amendment to FRS 1 First-time Adoption of Financial Reporting Standards
Amendment to FRS 7 Financial Instruments: Disclosures
Amendment to FRS 8 Operating Segments
Amendment to FRS 107 Statement of Cash Flows
Amendment to FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110 Events after the Reporting Period
Amendment to FRS 116 Property, Plant and Equipment
Amendment to FRS 117 Leases
Amendment to FRS 118 Revenue
Amendment to FRS 119 Employee Benefits
Amendment to FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123 Borrowing Costs
Amendment to FRS 131 Interest in Joint Ventures
Amendment to FRS 132 Financial Instruments: Presentation
Amendment to FRS 134 Interim Financial Reporting
Amendment to FRS 136 Impairment of Assets
Amendment to FRS 139 Financial Instruments: Recognition and Measurement
Amendment to FRS 140 Investment Property
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

The application of the above FRSs, Amendments to FRSs and Interpretations do not have any material impact to the financial results of the Group.

(a) FRS 7: Financial Instruments

The adoption of FRS 7 requires additional disclosures regarding fair value measurements and liquidity risk in the full year financial statements, and has no effect on reported profit or equity. However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures had been made in these interim financial statements

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2. Significant Accounting Policies (Continued)

(b) FRS 8: Operating Segments (FRS 8)

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 is now presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group. The comparatives of the preceding year corresponding period are re-presented to conform to the current period presentation, as disclosed in Note 9.

(c) FRS 101: Presentation of Financial Statements (FRS 101)

Prior to 1 January 2010, the components of a set of financial statements consisted of balance sheet, income statement, statement of changes in equity, cash flow statement and notes to financial statements.

With the adoption of revised FRS 101, a set of financial statements is now comprise a statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flow and notes to the financial statements. The statement of comprehensive income consists of profit or loss for the period and other comprehensive income. All non-owner changes in equity previously presented in the consolidated statement of changes in equity are now presented as components in the statement of comprehensive income.

(d) FRS 117 : Leases

Prior to the adoption of the Amendments to FRS 117, leasehold land were treated as operating leases and classified as prepaid lease payments. With the adoption of Amendments to FRS 117, the Group has reassessed and determined that certain lands are in substance a finance lease. Accordingly, the Group has reclassified these leasehold lands to property, plant & equipment.

The change of this accounting policy has been made retrospectively in accordance with the transitional provision of the amendments. The comparative figures have been restated as follows:

In thousands of RM

31 December 2009/ 1 January 2010	As previously stated	Reclassification	As restated
Property, plant & equipment	186,858	33,942	220,800
Prepaid lease payments	37,985	(33,942)	4,043

(e) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139)

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recognized initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

i) Financial assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, available-for-sale("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short-term deposits, receivables, deposits and prepayments. Prior to 1 January 2010, receivables were stated at gross receivables less allowance for doubtful debts. Under FRS 139, receivables are initially measured at fair value and subsequently at amortized cost using the effective interest rate (EIR) method. Gains and losses arising from derecognition of the receivables, EIR amortization and impairment losses are recognized in the statement of comprehensive income.

2. Changes in Accounting Policies (continued)

(e) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139)

ii) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include loan and borrowings, trade and other payables and are carried at amortized cost.

iii) Derivative financial instruments

Prior to the adoption of FRS 139, forward foreign currency contracts were off balance sheets items, gain or loss were recognized in the financial statements at settlement date. With the adoption of FRS 139, forward foreign currency contracts are required to be initially recognized at fair value on the date of inception and subsequently at fair value at each financial position date. Gains or losses arising from changes in fair value will be recognized in statement of comprehensive income except for derivative contract designated as hedge instruments.

Financial assets and liabilities designated as hedge items and forward foreign currency contracts as hedge instruments are accounted for in accordance with the hedge accounting requirements of FRS 139 as explained below.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in other comprehensive income until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from equity into profit or loss.

In accordance with the transitional provision of FRS 139, the derivatives, financial assets and financial liabilities of the Group as at 1 January 2010 have been identified and remeasured. The differences between the remeasured amount and the previous carrying amount has been recognized as an adjustment to the retained profits as at 1 January 2010 as follows:-

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2. Changes in Accounting Policies (continued)

(e) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139)

<i>In thousands of RM</i>	Retained Profits
At 31 December 2009/ 1 January 2010, as previously stated	477,316
Initial recognition of derivatives at 1 January 2010	520
At 1 January 2010, as restated	477,836
=====	=====

3. Annual Audit Report

The audit report of the preceding annual financial statements was not qualified.

4. Seasonality or Cyclicity of Interim Operations

The operations of the Group were not affected by any seasonal or cyclical factors, other than the general economic environment in which the Group operates.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

NIL.

6. Changes in Estimates Reported in Prior Interim Periods of the Current Financial Year or Prior Financial Year Having a Material Effect in the Current Interim Period

NIL.

7. Debts and Equity Securities

There were no issuances, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to date, other than the following repurchase of shares by the Company:

<u>Month</u>	<u>No. of shares repurchased</u>	<u>Total consideration</u> <i>(In thousands of RM)</i>
Jan-10	13,000	35
Mar-10	1,000	3
Aug-10	1,000	5
Total	15,000	43

8. Dividends Paid

The following dividend was paid to shareholders during the current quarter and year to date

<i>In thousands of RM</i>	Current Quarter Ended <u>31-Dec-10</u>	Corresponding Quarter Ended <u>31-Dec-09</u>	Current Year To Date <u>31-Dec-10</u>	Corresponding Year To Date <u>31-Dec-09</u>
Final dividend 2009/2008	-	-	(14,677)	(13,306)
Interim dividend 2010/2009	-	-	(11,742)	(8,860)
	-	-	(26,419)	(22,166)

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9. Segment Information

With the adoption of FRS 8, *Operating Segments*, the Group's segment information is now presented following its operating structure instead of geographical segments as previously presented.

The Group's operating structure comprises the following strategic business divisions, each offering different groups of products or activities as described below:

- *Suspension Division, Malaysia*: comprises business in products such as leaf springs, parabolic springs, coil springs, shock absorbers, Gas Springs, U-bolts and metal parts.
- *Interior & Plastics Division, Malaysia*: comprises business in products such as plastics parts, interiors, seatings for motor vehicles, buses, auditoriums and cinemas.
- *Electrical & Heat Exchange Division, Malaysia*: comprises business in products such as air-conditioning systems, radiators, starter motors, alternators, wiper system, distributors and other electrical parts.
- *Marketing Division, Malaysia*: main activity is that of trading and distribution of automotive components/parts manufactured by the Group for the replacement and export market.
- *Others, Malaysia*: comprises mainly operations related to the rental of investment properties in Malaysia and provision of management services for companies within the Group.
- *Operations Outside Malaysia*: comprises businesses in Indonesia, Vietnam and Australia

Performance of these operating segments is measured primarily on the gross sales and the profit before tax. The results by segments for the quarter are as follows:

In thousands of RM

<u>Quarterly</u>	31-Dec-10		31-Dec-09	
	Segment Revenue	Profit/(loss) before tax	Segment Revenue	Profit before tax
Operations within Malaysia				
Suspension	56,364	6,106	53,875	10,236
Interior & Plastics	177,206	29,982	154,139	17,263
Electricals & Heat Exchange	60,654	2,673	63,779	(1,323)
Marketing	47,972	3,298	40,384	3,247
Others	10,969	(341)	11,033	(470)
Operations outside Malaysia	35,589	3,628	33,709	1,268
	388,754	45,346	356,919	30,221
Eliminations	(100,821)	400	(87,983)	(40)
	287,933	45,746	268,936	30,181

In thousands of RM

<u>Cumulative year to date</u>	31-Dec-10		31-Dec-09	
	Segment Revenue	Profit/(loss) before tax	Segment Revenue	Profit before tax
Operations within Malaysia				
Suspension	219,671	24,680	206,625	25,723
Interior & Plastics	713,235	104,150	506,330	47,859
Electricals & Heat Exchange	266,216	26,116	212,102	6,690
Marketing	188,884	12,230	165,748	11,483
Others	20,084	212	20,396	(105)
Operations outside Malaysia	160,047	16,823	109,837	8,926
	1,568,137	184,211	1,221,038	100,576
Eliminations	(389,291)	318	(302,505)	56
	1,178,846	184,529	918,533	100,632

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10. Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

12. Changes in the Composition of the Enterprise during the Interim Period

There were no material changes in the composition of the enterprise during the interim period.

13. Changes in Contingent Liabilities and Contingent Assets

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

14. Capital Commitments

The outstanding capital commitments as at

In thousands of RM

	31-Dec-10
Authorized but not contracted for	17,811
Contracted but not provided for	6,562
Total	24,373

15. Significant related party transactions

The following is significant related party transactions:-

In thousands of RM

With TCMH Group	Current Quarter Ended 31-Dec-10	Corresponding Quarter Ended 31-Dec-09	Cumulative Year To Date 31-Dec-10	Corresponding Year To Date 31-Dec-09
Sales of goods	26,824	30,345	132,596	83,259
Rental income	64	94	177	494
Insurance agency services	432	213	2,427	2,730
Rental expense	8	(7)	12	141
Purchase of goods and services	2,086	313	4,294	1,542
Administrative and consultancy services	1	1	6	6
Total	29,415	30,959	139,512	88,172

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong Motor Holdings Bhd and its subsidiaries ("TCMH Group").

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Additional Information Required By Main Market Listing Requirements of Bursa Malaysia

1. Review of Performance of the Company and its Principal Subsidiaries Compared with 4th Quarter 2009

Group revenue of RM 287.9 million for the current quarter is 7.1% higher than the revenue in the previous corresponding quarter of RM 268.9 million. Profit before tax improved by 52.0% from RM30.2 million to RM45.9 million, contributed mainly by the exceptionally good performance of Interior and Plastics segment.

For the full year of 2010, Group revenue exceeded the Billion ringgit mark for the first time with a record revenue of RM 1,178.8 million, representing a 28.3% increase over the RM 918.5 million achieved in the previous year. Profit before tax improved significantly by 83.4% from RM100.6 million to RM 184.5 million, the highest ever profit achieved during a year. The exceptional performance was mainly driven by the strong growth in production of new vehicles in the domestic market. Production of new vehicles in Malaysia increased by 16% to reach a total of 567,715 units compared to 489,269 units in 2009, allowing the Group to enjoy further economies of scale. The strong growth in Indonesia has also added positively to the overall performance of the Group.

2. Comments on any Material Changes in the Current Quarter Profit before Tax Compared with the Immediate Preceding Quarter

Compared with the immediate preceding quarter, Group revenue dropped marginally by 1.2% from RM 291.5 million to RM 287.9 million. Overall, Group pretax profit fell by 3.4 % from RM 47.5 million to RM 45.9 million.

3. Prospects

Moving forward, the Group is positive on the outlook of the automotive industry in Malaysia and Indonesia. Malaysian Automotive Association (MAA) has forecasted the total industry volume (TIV) in the country to grow by 2.1% to 618,000 units. With the launch of some major replacement models, the Group is hopeful that these new models will generate more buying interest among the car buyers during the year. However, higher raw material and fuel prices could adversely affect the Group's operating costs and margins. The Group will remain cautious in handling such challenges and is optimistic that it will perform reasonably well in the coming year.

4. Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

5. Income tax

The Group's effective tax rate is higher than the statutory tax rate due mainly to the prior year tax and deferred tax adjustments taken up in the quarter.

<i>In thousands of RM</i>	Current Quarter Ended 31-Dec-10	Corresponding Quarter Ended 31-Dec-09	Cumulative Year To Date 31-Dec-10	Corresponding Year To Date 31-Dec-09
<u>Current tax</u>				
- Current year	(8,349)	(8,470)	(42,380)	(23,996)
- Prior year	(78)	(451)	(764)	(1,883)
<u>Deferred tax</u>				
- Current year	(1,742)	2,379	315	2,897
- Prior year	(721)	4,825	(1,318)	4,761
Withholding Tax	(11)	(133)	(48)	(133)
	<u>(10,901)</u>	<u>(1,850)</u>	<u>(44,195)</u>	<u>(18,354)</u>

6. Profits/(losses) on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties in the current interim period and financial year to date.

7. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities in the interim period and financial year to date.

8. Status of Corporate Proposals

Not applicable.

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9. Group Borrowings and Debt Securities

<i>In thousands of RM</i>		Current Quarter Ended <u>31-Dec-10</u>	At <u>31-Dec-09</u>
Unsecured	- Overdraft	402	465
	-Trade loan	24,877	2,987
	- Term loan	-	688
		<u>25,279</u>	<u>4,140</u>
Amount due within the next 12 months		25,279	4,140
Amount due after the next 12 months		-	-
		<u>25,279</u>	<u>4,140</u>

Group borrowings breakdown by currencies.

<i>In thousands of RM</i>		Current Quarter Ended <u>31-Dec-10</u>	At <u>31-Dec-09</u>
<u>Functional Currency</u>	<u>Denominated In</u>		
RM	RM	21,073	248
RM	USD	-	688
AUD	AUD	204	217
AUD	USD	1,002	1,193
VDN	USD	3,000	1,794
		<u>25,279</u>	<u>4,140</u>

Functional currency of borrowing entities in Malaysia are denominated in RM while functional currency of borrowing entities outside Malaysia are denominated in currencies of the respective countries in which they are operating.

10. Financial Instruments

Outstanding forward exchange contracts with maturities of less than 1 year as at 31 December 2010

Outstanding forward exchange contracts with maturities of less than a year.

<i>In thousands</i>			Fair Value
<u>Currency</u>	<u>Contract Amount in Original Currency</u>	<u>Contract/Notional Value (RM)</u>	<u>Gain/(loss) (RM)</u>
Buy forward contracts			
YEN	329,167	11,450	274
USD	1,271	3,929	(4)
THB	20,950	2,117	31
Sell forward contracts			
USD	7,256	23,023	466
SGD	846	2,036	(4)
AUD	303	948	(8)
Total			<u>755</u>

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10. Financial Instruments (continued)

The Group practices selective hedging mainly on sales and purchases that are denominated in currencies other than Ringgit Malaysia, whenever necessary and appropriate.

These forward exchange contracts are entered into with licensed banks and with pre-determined exchange rates, thus the Group is not exposed to credit risk and market risk. There are no cash requirements on the date of inception of these foreign currency forward contracts.

Changes in the fair value of forward exchange contracts are accounted for as stated in significant accounting policies 2c(iii)

11. Status of Material Litigation since the last Annual Balance Sheet Date

There was no material litigation since the last annual balance sheet date.

12. Dividend

Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the Directors recommend the payment of a final dividend of 12% less 25% tax for the year ended 31 December 2010 (2009 – 10% less 25% tax). The amount payable is approximately RM 17.61 million. The entitlement and payment dates will be announced at a later date.

An interim dividend of 8% less 25% tax (2009 – 6% less 25%) amounting to RM11.74 million (2009 – RM8.86 million) was paid on 20 September 2010. Together with the proposed final dividend, the total dividend payment for the year ended 31 December 2010 would be RM 29.35 million (2009 –RM23.54 million)

13. Earnings per Share

The computation of earnings per share for the period is based on the net profit attributable to ordinary shareholders of the parent entity for the period and the weighted average number of ordinary shares. The weighted average number of ordinary shares during the quarter is 195,693,300. The outstanding number of ordinary shares as at 31 December 2010 is 195,693,300 (31 December 2009:195,708,300 shares).

14. Realized and Unrealized profits

	Current Quarter Ended 31/12/2010 (RM'000)	Immediate Preceding Quarter Ended 30/09/2010 (RM'000)
Total retained profits/(accumulated losses) of the company and its subsidiaries		
- Realised	570,414	545,522
- Unrealised Gain/(Loss)	(770)	(1,647)
	<u>569,644</u>	<u>543,875</u>
Total share of retained profits/(accumulated losses) of jointly control entities		
- Realised	20,432	21,391
- Unrealised Gain/(Loss)	1,124	483
	<u>21,556</u>	<u>21,874</u>
Consolidation adjustments	(15,294)	(20,185)
Total group retained profits as per consolidated accounts	<u><u>575,906</u></u>	<u><u>545,564</u></u>

BY ORDER OF THE BOARD

CHAN YOKE LIN
LEE KWEE CHENG
Company Secretary

Kuala Lumpur

23 February 2011