



**GLOMAC BERHAD**  
**NOTES TO THE UNAUDITED INTERIM REPORT FOR THE FINANCIAL PERIOD**  
**ENDED 31 JANUARY 2012**

**A. EXPLANATORY NOTES**

**A1. Accounting Policies and Methods of Computation**

The interim financial statements are prepared in compliance with FRS 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 30 April 2011.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2011.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the financial statements for the year ended 30 April 2011, except for the adoption of new FRSs, Interpretation and Amendments to FRSs effective on or after 1 July 2010 and 1 January 2011 as listed below:

FRS 1	First-time Adoption of Financial Reporting Standards (revised) <sup>1</sup>
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS 7 Disclosures for First-time Adopters) <sup>2</sup>
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for First-time Adopters) <sup>2</sup>
FRS 2	Share-based Payment (Amendments relating to scope of FRS 2 and revised FRS 3) <sup>1</sup>
FRS 2	Share-based Payment (Amendments relating to group cash-settled share based payment transaction) <sup>2</sup>
FRS 3	Business Combinations (revised) <sup>1</sup>
FRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary) <sup>1</sup>
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments) <sup>2</sup>
FRS 127	Consolidated and Separate Financial Statements (revised) <sup>1</sup>
FRS 128	Investments in Associates (revised) <sup>1</sup>
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from FRS 3) <sup>1</sup>
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition, embedded derivatives and revised FRS 3 and revised FRS 127) <sup>1</sup>



## **A1. Accounting Policies and Methods of Computation (cont'd)**

Improvements to FRSs (2010)<sup>2</sup>

IC Int. 4	Determining whether an arrangement contains a lease <sup>2</sup>
IC Int. 9	Reassessment of Embedded Derivatives (Amendments relating to scope of IC Interpretation 9 and revised FRS 3) <sup>1</sup>
IC Int. 12	Service Concession Arrangements <sup>1</sup>
IC Int. 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction <sup>1</sup>
IC Int. 16	Hedges of a Net Investment in a Foreign Operation <sup>1</sup>
IC Int. 17	Distributions of Non-cash Assets to Owners <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2010

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2011

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standard (“MFRS Framework”). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called “Transitioning Entities”). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the new MFRS Framework by Transitioning Entities will be mandatory for annual period beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using MFRS Framework in its first MFRS financial statements for the year ending 30 April 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits. The Group will be reviewing its accounting policies to assess financial effects of the differences between the current FRSs and accounting standards under the MFRS Framework.

## **A2. Audit Qualification**

There were no audit qualifications on the annual financial statements for the year ended 30 April 2011.

## **A3. Seasonality or Cyclicity of Operations**

Our business operations are not significantly affected by seasonality or cyclicity of operations.

## **A4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial period to-date.



#### **A5. Material Changes in Estimates of Amounts Reported**

There were no changes in estimates of amounts reported in prior financial year which have material effect in the financial statements under review.

#### **A6. Debt and Equity Securities**

There were no issuance, cancellation, resale and repayment of debt and equity securities during the current financial period except for the following:-

i) Repurchase of shares

On 28 September 2011, the shareholders of the Company renewed their approval for the Company's plan to repurchase its own ordinary shares. For the current year-to-date ended 31 January 2012, the Company repurchased 38,214,400 of its issued ordinary shares from the open market at an overall average price of RM0.82 per share. These shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

ii) 5-year 2007/2012 warrants ("Warrants")

Pursuant to the adjustment made to the exercise price and number of outstanding Warrants, as a consequence of the subdivision of every one (1) Glomac shares into two (2) ordinary shares of RM0.50 each, a total of 62,009,946 new Warrants have been issued and credited to the holders of the Warrants whose names appear in Glomac's Record of Depositors for Warrants as at the 13 October 2011. The new Warrants have been listed and quoted on the Main Market of Bursa Securities on 14 October 2011. In accordance with the Deed Poll dated 5 September 2007, the exercise price of the Warrants has been adjusted from RM1.10 per Warrants to RM0.55 per Warrants.

To-date, a total of 11,464,300 Warrants have been exercised.

#### **A7. Dividends Paid**

The first interim dividend of 4.5 sen per ordinary share, less 25% tax totaling RM9,903,454 in respect of previous financial year ended 30 April 2011 were paid on 22 June 2011.

The shareholders have approved the second and final dividend of 5.0 sen per share, less 25% tax totaling RM11,027,636 in respect of the previous financial year ended 30 April 2011 at the Annual General Meeting on 28 September 2011. The dividend was paid on 6 October 2011.

Share capital comprise of ordinary shares only.



## A8. Segmental Reporting

The segmental analysis for the financial period ended 31 January 2012 was as follows:

### Analysis by Activity

	<b>Property Development RM'000</b>	<b>Construction RM'000</b>	<b>Property Investment RM'000</b>	<b>Other Operations RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>REVENUE</b>						
External	399,269	256	7,677	749	-	407,951
Inter-segment	-	80,942	755	7,037	(88,734)	-
Total revenue	399,269	81,198	8,432	7,786	(88,734)	407,951
<b>RESULTS</b>						
Segment results	104,190	2,497	(1,737)	(310)	(2,233)	102,407
Unallocated corporate expenses						(5,493)
Operating profit						96,914
Interest expenses						(5,519)
Interest income						8,106
Gain on disposal of investment in associates						8,638
Share of results of associates	1,205	-	237	-	-	1,442
Taxation						(26,705)
Profit for the period						82,876
<b>ASSETS</b>						
Segment assets	1,116,982	28,473	69,213	2,625	-	1,217,293
Investment in equity method of Associates	6,404	17,615	18,577	-	-	42,596
Unallocated corporate assets						57,704
Consolidated total assets						1,317,593

The financial information by geographical location was not presented as the Group's activities are primarily conducted in Malaysia.



#### **A9. Valuations of Property, Plant and Equipment**

Valuation of property, plant and equipment have been brought forward without amendment from the last audited annual financial statements.

#### **A10. Material Events Subsequent to the End of Financial Period**

Save for the below, there were no material events subsequent to the balance sheet date up to 15 March 2012, being the latest practicable date which is not earlier than 7 days from the date of issuance this Interim Financial Report.

- (a) On 15 February 2012, the Company acquired the entire issued and paid-up share capital of Kristal Taipan Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

On 17 February 2012, the Company entered into a tripartite Shareholders' Agreement with Kristal Taipan Sdn Bhd and Mr. Chong Wan Ping to govern the material aspects of the joint venture ("JV"), the conduct of the business and the management of the JV Company.

On 21 February 2012, the Company has increased its authorised share capital from RM100,000 to RM5,000,000 and has subsequently changed its name to Glomac Cekap Sdn Bhd on 27 February 2012.

- (b) On 2 February 2012, the Company acquired the entire issued and paid-up share capital of Kelana Kualiti Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

On 17 February 2012, Kelana Kualiti Sdn Bhd ("KKSb"), the wholly-owned subsidiary of the Company, has received the Memorandum from the Kuala Lumpur High Court confirming successful bidding of the auction sale for 2 pieces of land with 99-year leasehold with tenure expiring on 30 July 2100 located at Mukim of Ijok, District of Kuala Selangor, State of Selangor for a total consideration of RM44,000,000.00.

KKSb has paid 1st 10% deposit and the balance of 90% of the consideration to be paid within 120 days from the date of memorandum. Barring unforeseen circumstances, the proposed acquisition is expected to be completed during the financial year ending 30 April 2013.

- (c) On 28 February 2012, the Company acquired the entire issued and paid-up share capital of Magical Sterling Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

- (d) On 28 February 2012, the Company acquired the entire issued and paid-up share capital of Crest Dollars Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.



**A11. Changes in Composition of the Group**

On 1 November 2011, the Company acquired additional 10 ordinary shares of RM1.00 each representing 10% equity in Glomac Thailand Sdn Bhd (“GTSB”). Pursuant to the acquisition, GTSB becomes a wholly-owned subsidiary of the Company.

There were no other changes in the composition of the Group since the previous financial year ended 30 April 2011.

**A12. Changes in Contingent Liabilities**

There were no significant changes in contingent liabilities since the last audited balance sheet date as at 30 April 2011.

**A13. Capital Commitments**

The Group has the following capital commitments:

	<b>31/1/12</b>
	<b>RM'000</b>
<b>Approved and contracted for:-</b>	
Purchase of land for development	113,300
	<hr/>



**B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. Review of the Performance of the Company and its Principal Subsidiaries**

Group's year-to-date revenue decreased by 8% mainly due to completion of three projects namely Glomac Tower, Sri Bangi and Glomac Galleria.

Nevertheless, on-going projects particularly Glomac Damansara, Glomac Cyberjaya, Saujana Rawang and Bandar Saujana Utama have contributed stronger revenues in this period as compared to last corresponding period.

**B2. Comment on Material Change in the Profit Before Taxation for Current Quarter as Compared with Previous Quarter**

The Group's Profit Before Tax ("PBT") increased by 25% as compared to previous quarter mainly contributed by Glomac Tower, Glomac Cyberjaya and Bandar Saujana Utama.

**B3. Prospects for the current Financial Year**

Barring any unforeseen circumstances, the Directors are of the opinion that, based on the on-going development projects and the level of work targeted to be completed, the Group's performance for the financial year ending 30 April 2012 is expected to improve.

**B4. Variance of Actual Profit from Forecast Profit**

Not applicable.

**B5. Taxation**

The taxation charge for the current quarter and financial period to-date include the followings:

	Current Quarter Ended 31/1/12 RM'000	Year To-date Ended 31/1/12 RM'000
Current taxation	11,469	26,508
Deferred taxation	(417)	197
	<u>11,052</u>	<u>26,705</u>

The Group's effective tax rate for the current financial period is lower than the statutory tax rate by the Inland Revenue Board mainly due income non-taxable and non-recognition of deferred tax assets on tax losses.



**B6. Profit on Sale of Unquoted Investments and/or Properties**

There was no other sale of unquoted investment or properties.

**B7. Purchase or Disposal of Quoted Securities**

- a) There was no purchase or disposal of quoted securities in the current financial period to-date.
- b) There was no investment in quoted shares held as at end of the reporting period.

**B8. Status of Corporate Proposals**

a) Status of Corporate Proposal Announced But Not Completed

- i) Proposed Acquisition of approximately 7.62 acres of land in Pekan Kayu Ara, Daerah Petaling from Puncakdana Development Sdn Bhd and Motif Bakti Sdn Bhd for a cash consideration of RM31.2 million by Glomac Kristal Sdn Bhd and FDM Development Sdn Bhd, both wholly-owned subsidiaries of Glomac Berhad. ("Proposed Acquisition")

On 13 November 2009, Glomac Kristal Sdn Bhd ("Kristal") entered into a Sale and Purchase Agreement with Puncakdana Development Sdn Bhd and Motif Bakti Sdn Bhd for the acquisition of leasehold land in Pekan Kayu Ara, Daerah Petaling, Selangor Darul Ehsan for a total purchase consideration of RM19.7 million. As of 30 April 2010, the said acquisition was completed.

On 13 November 2009, FDM Development Sdn Bhd ("FDM") entered into a Sale and Purchase Agreement with Motif Bakti Sdn Bhd for the acquisition of leasehold land in Pekan Kayu Ara, Daerah Petaling, Selangor Darul Ehsan for a total purchase consideration of RM11.5 million. F. As of 31 January 2012, the said acquisition was completed..

- ii) Proposed acquisition of land by Glomac Alliance Sdn Bhd from Score Option Sdn Bhd (Receivers and Managers Appointed) for a purchase consideration of RM77.0 million

On 21 January 2011, Glomac Alliance Sdn Bhd ("GASB") entered into a Sale and Purchase Agreement ("SPA") with Score Option Sdn Bhd (Receivers and Managers Appointed) for the proposed acquisition of 200 acres of leasehold land for a purchase consideration of RM77.0 million.

On 14 February 2012, the payment of the balance consideration of RM69.3 million, representing 90% of the purchase consideration, has been made in full. The land is now pending transfer in favour of GASB.

There was no other corporate proposal announced but not completed.

- b) Status of Utilisation of Proceeds Raised From Corporate Proposal  
Not applicable.





**B9. Group Borrowings and Debt Securities**

The Group borrowings as at 31 January 2012 were as follows:-

	Due within 12 months RM'000	Due after 12 months RM'000	Total as at 31/1/12 RM'000	Total as at 31/1/11 RM'000
<u>Secured</u>				
Hire Purchase and Lease Borrowings	723	1,664	2,387	2,859
Bank Borrowings	12,641	174,769	187,410	213,498
	<u>13,364</u>	<u>176,433</u>	<u>189,797</u>	<u>216,357</u>
<u>Unsecured</u>				
Bonds	-	-	-	50,000
Bank Borrowings	55,000	78,000	133,000	-
	<u>68,364</u>	<u>254,433</u>	<u>322,797</u>	<u>266,357</u>

There are no borrowings in foreign currency.

**B10. Financial Instruments With Off Balance Sheet Risk**

There were no financial instruments with off balance sheet risk for the financial period ended 31 January 2012.

**B11. Material Litigation**

A wholly owned subsidiary, Glomac Alliance SdnBhd (“GASB”) had entered into a Joint Venture Agreement with Score Option SdnBhd (“SOSB”) on 17 January 2003 to develop a land (“Project Land”). However, disputes have arisen between GASB and SOSB which are currently the subject matter of a legal suit in the High Court of Malaya at Kuala Lumpur. GASB is seeking court orders for the sale to itself of the Project Land at the price stipulated in the Joint Venture Agreement.

SOSB, in turn, is cross-claiming for the delivery of vacant possession of the Project Land on the alleged ground that GASB is no longer entitled to occupy and develop the Project Land by reason of the termination of the Joint Venture Agreement by SOSB. GASB subsequently, applied for injunctive relief to restrain SOSB from interfering with the development of the Project Land by GASB and SOSB applied for an injunction restraining GASB from continuing in possession of the Project Land.

The Court had on 30 May 2008 delivered its decision by dismissing SOSB’s application for injunction and granting the Order of Injunction in favor of GASB.

SOSB has appealed to the Court of Appeal against the decision of the High Court and on 17 August 2009 and the Court of Appeal has dismissed the appeal filed by SOSB. The Court only awarded one set of costs in the sum of RM5,000 to SOSB.

The Federal Court had on 25 January 2010 delivered its decision by dismissing both applications by SOSB for injunction.

GASB has applied for an extension on discovery of documents until 14 December 2009 and subsequent to the hearing on 10 March 2010, the Court has fixed the case for decision on 8 April 2010.



## **B11. Material Litigation (continued)**

On 22 March 2010, the Receivers and Managers for SOSB (“R&M”) had advertised in The Star inviting interested parties to submit an offer or expression of interest for an outright purchase of a parcel of development land (“the Land”) and other assets on an “as is where is” basis or a proposed development of the Land with the R&M, subject to the exclusion of all verifiable sold units and to the proper resolution of existing encumbrances and third party interest on the Land some of which are the subject matter of ongoing litigation.

SOSB has filed for appeal to Judge in Chambers against the decision in respect of the discovery application on 24 May 2010. The appeal is dismissed with costs of RM1,000. SOSB has filed Stay Application and Variation Application and the Judge has vacated the case management scheduled on 18 March 2011 and fixed the same on 11 April 2011 the same as the hearing of the interveners’ application. The court on 29 July 2011 has withdrawn the intervener’s application in enclosure 58 and fixed for case management on 3 October 2011. The court further fixed for case management on 3 November 2011 for the parties to file summary of the case, common bundle of documents and opening statement and the court has fixed for trial on 2 January 2012 – 6 January 2012, however the court had adjourned the matter and fixed for new trial date on 19 March 2012 – 23 March 2012. On 19 March 2012, the court refused to grant any further adjournment and both parties withdrew the respective claims with liberty to file afresh and with no order as to the costs. Court of the view that such withdrawals are not prejudicial to any parties.

GASB had been served with Writ of Summons and Statement of Claims (“the Claim”) dated 21 March 2011 filed by SOSB and Austral Development Sdn Bhd (“the Plaintiffs”) against the R&M as the 1st and 2nd defendants, Malayan Banking Berhad as the 3rd defendant and GASB as the 4th defendant. The Claim against GASB inter alia the following:-

1. A declaration that the Sales & Purchase Agreement dated 24 January 2011 entered into between GASB and the SOSB (“SPA”) is null and void;
2. A declaration that the approval given to GASB to complete the 79 units (the development of 2½ storey houses) is null and void; and
3. Injunction order against GASB to enter the Land.

There is no pleaded claim for monetary or damages against GASB in this suit, only for an injunction to restrain the completion on the Sale and Purchase Agreement entered into by GASB with SOSB for the purchase of the Land from SOSB acting through the R & M. On 21 March 2011, SOSB and Austral Development SdnBhd (“ADSB”) filed a suit against the R & M, Malayan Banking Berhad (“MBB”) and GASB. On 22 March 2011 SOSB filed summon in chambers for injunction application in enclosure 4. On 24 March 2011 GASB filed memorandum of appearance. On 7 April 2011 R & M filed striking out application in enclosure 13. On 30 June 2011 the court fixed for hearing both injunction application and striking out application. On 13 July 2011 the court fixed for decision in which the injunction application was dismissed with costs to be paid by the Directors (SOSB) and R&M striking out application was allowed with costs.



**B11. Material Litigation (continued)**

On 11 August 2011 SOSB and ADSB filed notice of appeal to the Court of Appeal.. On 26 January 2012 the court fixed the appeal for trial and heard the case on 21 March 2012 whereby the whole application for appeal against the dismissal of the injunction has been dismissed by the Court of Appeal with an order against the directors of the company to pay the costs to each of the respondents.

The Claim, if it succeeds, may have an impact on the completion of the SPA. However, the Company has sought the legal advice from its solicitors and they are of the view that the Plaintiffs are unlikely to succeed in their Claim.

There is no other material litigation which will adversely affect the position or business of the Group.

**B12. Dividend**

The Board has on 22 March 2012, declared an interim dividend of 2.75 sen per ordinary share less tax at 25% in respect of financial year ended 30 April 2012, of which the entitlement date and payment date will be determined later.

**B13. Earnings Per Share**

a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the net profits for the period and the weighted average number of ordinary shares in issue during the period.

Description	Current quarter ended 31/1/12	Preceding year corresponding quarter ended 31/1/11	Current year to date ended 31/1/12	Preceding year corresponding period ended 31/1/11
Profit attributable to equity holders of the Company (RM'000)	21,887	16,523	63,535	47,960
Weighted average number of ordinary shares in issue ('000)	571,474	292,531	579,980	292,427
Basic earning per share (sen)	3.83	* 2.82	10.95	* 8.20

b) Diluted Earnings Per Share

The diluted earnings per share for the current financial period ended 31 January 2012 has been calculated by dividing the Group's net profit for the period by the weighted average number of shares that would have been issued upon full exercise of the remaining option under the Warrants, adjusted for the number of such shares that would have been issued at fair value, calculated as below.



**B13. Earnings Per Share (cont'd)**

Description	Current quarter ended	Preceding year corresponding quarter ended	Current year to date ended	Preceding year corresponding period ended
	31/1/12	31/1/11	31/1/12	31/1/11
Profit attributable to equity holders of the Company (RM'000)	<b>21,887</b>	16,523	<b>63,535</b>	47,960
Weighted average number of ordinary shares as per basic EPS	<b>571,474</b>	292,531	<b>579,980</b>	292,427
Effect of shares option ('000)	<b>40,182</b>	23,586	<b>40,182</b>	23,586
Weighted average number of ordinary shares (diluted)	<b>611,656</b>	316,117	<b>620,162</b>	316,013
Diluted earning per share (sen)	<b>3.58</b>	* 2.61	<b>10.24</b>	* 7.59

\* In accordance with FRS 133 Earnings Per Share, the comparatives have been restated to account for the effects of the share split.

**B14. Provision of Financial Assistance**

- a) There has been no additional financial assistance provided pursuant to Paragraph 8.23 of the Main Market Listing Requirement during the current quarter.
- b) The aggregate amount of financial assistance provided as at 31 January 2012 was as follows:-

<u>Type of Financial Assistance</u>	Limit of Amount (RM' million)
1) Corporate Guarantee for Credit Facilities	4.4
2) Corporate Guarantee for Equipment Leasing Facilities	2.0
3) Profit Guarantee	16.5
	22.9

As at 31 January 2012, RM1.8 million was outstanding in respect of the above guarantees.

There was no financial impact on the Group arising from the financial assistance provided.



## B15. Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

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:

	<b>31/1/12</b> <b>RM ‘000</b>	<b>30/4/11</b> <b>RM ‘000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	370,384	297,998
- Unrealised	6,778	14,946
	<hr/> 377,162	<hr/> 312,944
Total share of retained profits from associated companies:		
- Realised	20,452	20,451
	<hr/> 397,614	<hr/> 333,395
Less: Consolidation adjustments	(80,238)	(68,591)
<b>Total Group retained profits as per consolidated accounts</b>	<hr/> <b>317,376</b>	<hr/> <b>264,804</b>

The determination of realised and unrealised profits is based on the Guidance of 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 on 20 December 2010. A charged or a credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resources of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

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