

**KINSTEEL BHD.**  
Company No : 210470-M  
Incorporated in Malaysia

*Quarterly report on consolidated results for the first quarter ended 31 March 2012.  
The figures have not been audited.*

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 MARCH 2012**

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31.03.2012 RM'000	31.03.2011 RM'000	31.03.2012 RM'000	31.03.2011 RM'000
Revenue	506,074	555,597	506,074	555,597
Operating expenses	(459,329)	(544,006)	(459,329)	(544,006)
Other operating income	1,809	1,423	1,809	1,423
Finance costs	(30,329)	(33,117)	(30,329)	(33,117)
Profit/(Loss) before taxation	<u>18,225</u>	<u>(20,103)</u>	<u>18,225</u>	<u>(20,103)</u>
Taxation	(11)	(2,270)	(11)	(2,270)
Profit/(Loss) for the period	<u>18,214</u>	<u>(22,373)</u>	<u>18,214</u>	<u>(22,373)</u>
Other comprehensive income, net of tax Available-for-sale (AFS) investment's fair value movements	-	66	-	66
Total comprehensive income/(expense)	<u>18,214</u>	<u>(22,307)</u>	<u>18,214</u>	<u>(22,307)</u>
Profit/(Loss) attributable to:				
Owners of the parent	10,266	(3,564)	10,266	(3,564)
Non-controlling interests	7,948	(18,809)	7,948	(18,809)
	<u>18,214</u>	<u>(22,373)</u>	<u>18,214</u>	<u>(22,373)</u>
Total comprehensive income/(expense) attributable to:				
Owners of the parent	10,266	(3,539)	10,266	(3,539)
Non-controlling interests	7,948	(18,768)	7,948	(18,768)
	<u>18,214</u>	<u>(22,307)</u>	<u>18,214</u>	<u>(22,307)</u>
Earnings/(Loss) per share attributable to owners of the parent:				
- Basic (sen)	0.99	(0.37)	0.99	(0.37)
- 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 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**KINSTEEL BHD.**  
Company No : 210470-M  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2012**

	As at 31.03.2012 RM'000	As at 31.12.2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,254,209	2,283,412
Intangible assets	1,293	1,293
Deferred tax assets	160,000	160,000
	<u>2,415,502</u>	<u>2,444,705</u>
<b>Current assets</b>		
Inventories	1,057,905	944,808
Trade and other receivables	328,766	307,924
Tax recoverable	1,166	1,096
Deposits with licensed banks	20,028	38,169
Cash and bank balances	3,001	21,240
	<u>1,410,866</u>	<u>1,313,237</u>
<b>TOTAL ASSETS</b>	<u><u>3,826,368</u></u>	<u><u>3,757,942</u></u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	209,872	209,872
Redeemable Convertible Unsecured Loan Stocks (RCULS)	20	-
Share premium	30,493	30,493
Treasury shares	(4,153)	(4,153)
Retained earnings	421,162	410,896
<b>Equity attributable to owners of the parent</b>	<u>657,394</u>	<u>647,108</u>
<b>Non-controlling interests</b>	<u>677,577</u>	<u>669,596</u>
<b>Total equity</b>	<u>1,334,971</u>	<u>1,316,704</u>
<b>Non-current liabilities</b>		
Loans and borrowings	325,296	330,693
Deferred taxation	6,213	6,194
	<u>331,509</u>	<u>336,887</u>
<b>Current liabilities</b>		
Trade and other payables	655,737	589,198
Overdrafts and short term borrowings	1,504,126	1,515,108
Provision for taxation	25	45
	<u>2,159,888</u>	<u>2,104,351</u>
<b>Total liabilities</b>	<u>2,491,397</u>	<u>2,441,238</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>3,826,368</u></u>	<u><u>3,757,942</u></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>0.63</b>	<b>0.62</b>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.*

Note: *The comparative figures are extracted from the audited financial statements for the year ended 31 December 2011.*

**KINSTEEL BHD.**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2012**

	← Attributable to owners of the parent →						Total Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Non-distributable			Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Fair Value Reserve RM'000	RCULS RM'000	Retained Earnings RM'000			
Balance at 01.01.2012	209,872	(4,153)	30,493	-	-	410,896	647,108	669,596	1,316,704
Issuance of RCULS (Equity component)	-	-	-	-	20	-	20	33	53
Comprehensive income for the period	-	-	-	-	-	10,266	10,266	7,948	18,214
<b>Balance at 31.03.2012</b>	<b>209,872</b>	<b>(4,153)</b>	<b>30,493</b>	<b>-</b>	<b>20</b>	<b>421,162</b>	<b>657,394</b>	<b>677,577</b>	<b>1,334,971</b>
Balance at 01.01.2011	191,257	(4,153)	30,493	(99)	-	551,827	769,325	872,019	1,641,344
Exercise of warrant	2,270	-	-	-	-	-	2,270	-	2,270
Comprehensive expense for the period	-	-	-	-	-	(3,564)	(3,564)	(18,809)	(22,373)
Other comprehensive income for the period	-	-	-	25	-	-	25	41	66
<b>Balance at 31.03.2011</b>	<b>193,527</b>	<b>(4,153)</b>	<b>30,493</b>	<b>(74)</b>	<b>-</b>	<b>548,263</b>	<b>768,056</b>	<b>853,251</b>	<b>1,621,307</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**KINSTEEL BHD.**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2012**

	3 Months Ended	
	31.03.2012 RM'000	31.03.2011 RM'000
<b>Profit/(Loss) before tax</b>	<b>18,225</b>	<b>(20,103)</b>
<b>Adjustments for :</b>		
Depreciation	19,491	29,265
Interest expense	30,329	33,117
Interest income	(696)	(387)
Other non-cash item	-	(65)
<b>Operating cash flows before working capital changes</b>	<b>67,349</b>	<b>41,827</b>
<b>Changes in working capital</b>		
(Increase)/ decrease in inventories	(113,097)	96,976
Increase in receivables	(12,920)	(6,857)
Increase/ (decrease) in payables	91,761	(54,410)
	<b>33,093</b>	<b>77,536</b>
Interest paid	(28,100)	(28,291)
Interest received	150	332
Tax paid	(114)	(99)
<b>Net cash flows from operating activities</b>	<b>5,029</b>	<b>49,478</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(9,602)	(34,795)
Proceeds from disposal of property, plant and equipment	-	65
<b>Net cash flows for investing activities</b>	<b>(9,602)</b>	<b>(34,730)</b>
<b>Financing activities</b>		
Proceeds from issuance of RCULS	5,264	-
Proceeds from exercise of warrants	-	2,270
Short term borrowings	(52,621)	15,614
Drawdown/(repayment) of loans	27,046	(4,353)
Repayment of government loan	-	(600)
Repayment of hire purchase/lease liabilities	(1,876)	(1,396)
Dividends paid	-	-
<b>Net cash flows (for)/from financing activities</b>	<b>(22,187)</b>	<b>11,535</b>
<b>Net change in cash and cash equivalents</b>	<b>(26,760)</b>	<b>26,283</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>33,727</b>	<b>39,025</b>
<b>Cash and cash equivalents at end of period</b>	<b>6,967</b>	<b>65,308</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**KINSTEEL BHD (210470-M)**  
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND PERIOD  
ENDED 31 MARCH 2012**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards 134 (MFRS134): “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. The explanatory notes attached to these 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 2011.

These are the Group’s condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS framework annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. The transition to MFRS framework does not have any financial impact to the financial statements of the Group.

**A2. Significant Accounting Policies**

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011.

The following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:-

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosures of Interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (as amended in June 2011)	1 January 2013
MFRS 127	Separate Financial Statements (as amended by IASB in May 2011)	1 January 2013

MFRS 128	Investment in Associates and Joint Ventures (as amended by IASB in May 2011)	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

### **A3. Audit Report**

The preceding financial year's audit report was not subject to and qualification.

### **A4. Seasonal or Cyclical Factors**

The business operation of the Group is generally affected by the demand in construction sector, commodities market condition and outlook of the global economy, as well as the festive seasons.

### **A5. Items of Unusual Nature and Amount**

There were no items affecting assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year-to-date.

### **A6. Changes in Estimates**

There were no changes in the estimates that have had a material effect in the current quarter under review.

### **A7. Debt and Equity Securities**

- 1) On 4 January 2012, its subsidiary, Perwaja Holdings Berhad (PHB), had provisionally allotted RM280 million nominal value of RCULS to the Company, at 100% of its nominal value. The Restricted Issue was deemed completed upon issuance of the RCULS to the Company on 26 March 2012 and the entitled shareholders of PHB under ROS on 30 March 2012 following the listing of and quotation for the RCULS to the Official List of Main Market of Bursa Securities.
- 2) On 28 February 2012, PHB allotted 280 million Free Warrants to its entitled shareholders. The Free Warrants issue was completed on 2 March 2012 following the listing and quotation for the Free Warrants.

Save for the above, there have been no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current period and year to date.

**A8. Dividends Paid or Proposed**

No dividends have been proposed nor paid for the current quarter under review.

**A9. Segmental information**

Segmental information is not provided as the Group's primary business segment is principally engaged in the manufacturing and trading of steel related products and its operation is principally located in Malaysia.

**A10. Valuation of Property, Plant and Equipment**

Property, plant and equipment are stated at cost or fair values less accumulated depreciation.

**A11. Capital commitments**

The total capital commitments being approved and contracted for as at the end of current quarter and financial year-to-date are amounting to RM177.9 million for the Group.

**A12. Material Subsequent Events**

There were no material subsequent events that have not been reflected at the date of issue of this announcement.

**A13. Changes in the Composition of the Group**

There were no changes in the current quarter and financial year-to-date in the composition of the Group.

**A14. Contingent Liabilities and Contingent Assets**

Save as disclosed in Note B10, there were no contingent liabilities or contingent assets, which upon becoming enforceable, may have a material effect on the net assets, profits or financial position of our Group.

## **KINSTEEL BHD (210470-M)**

(Incorporated in Malaysia)

### **PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

#### **B1. Review of Performance**

For the current quarter under review, the Group's revenue was lower by 8.9% to RM506.1 million as compared to RM555.6 million recorded in the preceding year corresponding quarter (1Q11). The Group recorded a pre-tax profit of RM18.2 million as compared to a pre-tax loss of RM20.1 million reported in 1Q11.

The slight decrease in revenue was mainly driven by slight drop in sales volume. However, the lower cost of raw materials and higher steel price have resulted in profit during the current quarter.

#### **B2. Comparison with Preceding Quarter's Results**

The Group's revenue for the current quarter decreased by RM48.4 million to RM506.1 million from RM554.5 million in the immediate preceding quarter due to decrease in sales volume and lower selling price for the steel products. However, as the cost of raw material has decreased in tandem with the selling price in current quarter and there was no requirement to write down further the inventory value, the Group recorded a pre-tax profit of RM18.2 million as compared to the preceding quarter's pre-tax loss of RM240.8 million.

#### **B3. Prospects for the Financial Year 2012**

The Group remains cautiously optimistic on the iron and steel industry for 2012. The outlook for the global steel industry is still promising with growth in global demand but the downside risk remain, including further rises in steel raw materials prices, continuing sluggish growth in advanced economies and higher oil prices, assuming the market response to the European debt crisis does not result in increased volatility in the global financial system. Meanwhile in the domestic market, the demand for steel will be supported by various government mega projects to be rolled out under the ETP.

Therefore, as iron ore prices are expected to remain high, the Group will have to closely monitor the price fluctuations and adopt a prudent purchasing and inventory management strategy. We, being one of the larger players in the market, are confident in our ability to capitalise on any turnaround in the market conditions as the Malaysian Government rolls out major projects.

The Group has embarked on the construction of a concentration and pelletizing plant which when completed, will reduce the Group's reliance on imported pellets and the exposure to raw material price fluctuations when it is fully operational. The Group believes that the concentration and pelletizing plant will significantly reduce the Group's production cost, and hence enable it to position itself more competitively going forward.



**B4. Profit Forecast**

Not applicable as the Group did not issue any profit forecast/guarantee to the public.

**B5. Taxation**

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31.03.2012 RM'000	31.03.2011 RM'000	31.03.2012 RM'000	31.03.2011 RM'000
Income tax				
- Current year	11	490	11	490
Deferred tax				
- Current year	-	1,780	-	1,780
	<u>11</u>	<u>2,270</u>	<u>11</u>	<u>2,270</u>

The Group's effective tax rate is lower than the prevailing statutory tax rate of 25%, mainly due to the utilization of deferred tax assets not recognized in prior years.

**B6. Profit Before Tax**

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31.03.2012 RM'000	31.03.2011 RM'000	31.03.2012 RM'000	31.03.2011 RM'000
Interest income	696	387	696	387
Interest expense	30,329	33,117	30,329	33,117
Depreciation of property, plant and equipment	19,491	29,265	19,491	29,265
Gain on disposal of property, plant and equipment	-	65	-	65

**B7. Status of Corporate Proposal**

The Company has on 25 July 2011 announced that it is proposing to undertake the following proposals:

- i) Proposed subscription of RM280,000,000 nominal value of Redeemable Convertible Unsecured Loan Stocks ("RCULS") issued by its subsidiary, Perwaja Holdings Berhad (PHB) at 100% of its nominal value; and
- ii) Proposed renounceable restricted offer for sale ("ROS") of such nominal value of the RCULS held by it to the entitled shareholders of PHB, other than the Company, on the basis of RM1.00 nominal value of RCULS for every two existing ordinary shares of RM1.00 each in PHB held on the entitlement date, upon completion of the proposed restricted issue.

Perwaja Holdings Berhad (PHB) has on 25 July 2011 announced that it is proposing to undertake the following proposals:

- i) Proposed restricted issue of RM280,000,000 nominal value of Redeemable Convertible Unsecured Loan Stocks (“RCULS”) to Kinsteel Bhd at 100% of its nominal value;
- ii) Proposed issue of 280,000,000 free warrants on the basis of one free warrant for every two existing PHB shares held by the entitled shareholders on the entitlement date.

On 4 August 2011, Bank Negara Malaysia has granted its approval on the proposed issue of free warrants to non-resident shareholders of PHB.

On 26 August 2011, Securities Commission has granted its approval on the proposed issue of RCULS under the PDS Guidelines while the Proposed ROS is not subject to SC’s approval.

On 25 October 2011, Bursa Securities has granted its approval for the admission of the RCULS and Free Warrants to the Official List of Bursa Securities and the listing of and quotation for the RCULS, Free Warrants and the new PHB Shares to be issued arising from the conversion of the RCULS and exercise of the Free Warrants on the Main Market of Bursa Securities.

On 4 November 2011, the Company and PHB have dispatched the Circular to the shareholders respectively informing on the Extraordinary General Meeting (EGM) to be held on 22 November 2011 to vote on the Proposals. At the EGM held on 22 November 2011, both the shareholders of the Company and PHB have approved the resolutions for the Proposals.

On 4 January 2012 and 9 February 2012, the Company has paid the full subscription price of RM280 million for the RCULS. On 4 January, PHB has provisionally allotted RM280 million nominal value of RCULS to the Company at 100% of its nominal value. The Restricted Issue will be deemed completed upon the issuance of the RCULS to the Company and the Entitled Shareholders under the ROS.

On 10 February 2012, PHB has announced the Entitlement Date which is fall on 24 February 2012. On the Entitlement Date, the Entitled Shareholders will be provisionally offered the Offer RCULS based on their respective shareholdings in PHB. The Free Warrants will also be issued to PHB’s shareholders whose names appeared in the Record of Depositors on the Entitlement Date.

The Company has carried out the ROS of RM175,450,000 nominal value of RCULS held by it to the Entitled Shareholders, on the basis of RM1.00 nominal value of RCULS for every two (2) existing shares of PHB held on the Entitlement Date.

On 26 March 2012, the Restricted Issue was completed following the issuance of RM280 million nominal value of RCULS by PHB.

The ROS was completed on 30 March 2012 following the admission of RM280 million nominal value of the RCULS to the Official List of Bursa Securities, and the listing of and quotation for the aforesaid securities on the Main Market of Bursa Securities.

The status of utilisation of proceeds from the RCULS as at the end of the financial period is as follows:-

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Balance Unutilised RM'000	Intended time frame for utilisation
Working capital	276,500	276,500	-	Within 12 months from the date of completion of the Proposed Restricted Issue
Expenses for the Proposals and proposed ROS	3,500	2,179	1,321	Within 6 months from the date of completion of the Proposals and Proposed ROS
	280,000	278,679	1,321	

#### B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2012 were as follows:-

	31.03.2012 RM'000
Secured	1,129,785
Unsecured	699,637
Total borrowings	<u>1,829,422</u>
<u>Short term borrowings:-</u>	
Bank Overdraft	16,062
Hire Purchases / Lease Creditors	16,885
Bankers' acceptance and trust receipts	1,225,432
Short Term Loans	42,954
Term Loans	40,000
Government Loan	30,883
Related Party Loan	21,910
Murabahah Commercial Papers/ Murabahah Medium Term Notes	110,000
	<u>1,504,126</u>
<u>Long Term borrowings:-</u>	
RCULS	5,194
Term Loans	29,526
Government Loan	68,813
Related Party Loan	48,737
Hire Purchases / Lease Creditors	3,026
Murabahah Medium Term Notes	170,000
	<u>325,296</u>
Total borrowings	<u>1,829,422</u>

#### B9. Derivative Financial Instruments

There were no derivative financial instruments as at the reporting date.

## B10. Material Litigation

Save as disclosed below, as at 31 March 2012, neither Kinsteel Bhd nor its Group is engaged in any material litigation and arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Group and our Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

### (i) Dubai Court of Cassation Appeal No.: 131/2011 PSSB v Star Steel International LLC (“Star Steel”)

On 13 June 2011, PSSB issued a legal notice to Star Steel (an associate of ETA ASCON STAR Group) to recover the outstanding payment for the steel products being USD9,375,000. Star Steel has yet to reply to the legal notice.

Besides the above claim, PSSB has filed a claim against Star Steel for a sum of USD5,625,000 being payment for goods sold and delivered on 27 July 2010. Judgment was granted in favour of PSSB. Subsequently, Star Steel successfully appealed against PSSB on grounds that the dispute was subject to arbitration. PSSB filed an appeal against the decision but was dismissed with cost on 25 January 2012.

PSSB’s claim shall now be subject to arbitration proceedings under the arbitration rules of the Dubai International Arbitration Centre. Both parties have yet to commence the arbitration proceedings.

## B11. Proposed Dividend

No dividend has been proposed, paid or declared by the Company since 31 December 2011 other than as stated in Note A8.

## B12. Earnings Per Share

### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the Group's net profit attributable to equity holders for the period by the weighted average number of ordinary shares in issue during the current quarter and the financial year to date.

	Current quarter 31.03.2012	Current year-to-date 31.03.2012
Net profit attributable to ordinary shareholders (RM'000)	10,266	10,266
Weighted average number of ordinary shares in issue including Treasury shares ('000)	1,049,358	1,049,358
Treasury shares ('000)	(7,754)	(7,754)
Weighted average number of ordinary shares in issue ('000)	1,041,604	1,041,604
<b>Basic earnings per share (sen)</b>	<b>0.99</b>	<b>0.99</b>

Fully diluted earnings per share is not presented as there are no dilutive potential ordinary shares in the quarter under review and financial year to date.

**B13. Realised and Unrealised Profits Disclosure**

The accumulated profits as at 31 March 2012 and 31 December 2011 is analysed as follows:

	Current Quarter RM'000	Immediate Preceding Quarter RM'000
Total accumulated profits of the Company and subsidiaries:		
- Realised profits	<b>394,550</b>	403,178
- Unrealised profits	<b>153,787</b>	155,764
	<hr/>	<hr/>
	<b>548,337</b>	558,942
Less: Consolidated adjustments	<b>(127,175)</b>	(148,046)
	<hr/>	<hr/>
Total group accumulated profits as per consolidated financial statements	<b>421,162</b>	410,896
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By order of the Board,

**Dato' Henry Pheng Chin Guan**  
**Chief Executive Officer**  
Date: 15 May 2012