

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED
 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To-Date Ended	Preceding Year To-Date Ended
	31 Dec		31 Dec	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue	392,438	323,762	1,382,800	1,160,058
Profit from operations	44,868	33,309	156,667	116,494
Finance costs	(2,649)	(1,219)	(6,598)	(5,045)
Profit before tax	42,219	32,090	150,069	111,449
Tax expense	(9,325)	12,167	(25,428)	(10,066)
Profit for the period	32,894	44,257	124,641	101,383
Other comprehensive income, net of tax				
Exchange differences on translation foreign operations	(8,399)	86	786	(855)
Total other comprehensive income for the period, net of tax	(8,399)	86	786	(855)
Total comprehensive income for the period	24,495	44,343	125,427	100,528
Profit attributable to:				
Owners of the Company	32,527	44,040	123,000	101,148
Non-controlling interests	367	217	1,641	235
Profit for the period	32,894	44,257	124,641	101,383
Total comprehensive income attributable to:				
Owners of the Company	24,236	44,126	123,762	100,293
Non-controlling interests	259	217	1,665	235
Total comprehensive income for the period	24,495	44,343	125,427	100,528
Basic earnings per ordinary share (sen)	10.24	13.77	38.68	31.63
Diluted earnings per ordinary share (sen)	9.98	N/A	37.27	N/A

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED
 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 As at 31 December 2011 – unaudited

	31 December 2011 RM'000	31 December 2010 RM'000
Assets		
Non-current assets		
Property, plant and equipment	236,625	140,436
Prepaid lease payments	7,017	7,308
Intangible assets	2,596	2,860
Other long term investments	3,590	3,590
Deferred tax assets	837	303
	<u>250,665</u>	<u>154,497</u>
Current assets		
Derivative financial assets	204	2,119
Inventories	466,392	155,988
Trade and other receivables	170,337	160,357
Deposits, bank and cash balances	13,160	11,414
	<u>650,093</u>	<u>329,878</u>
Total assets	<u>900,758</u>	<u>484,375</u>
Equity		
Share capital	79,936	60,000
Treasury shares	(5,195)	(20)
Share premium	4	7,718
Foreign currency translation reserve	(86)	(872)
Retained profits	187,447	115,596
Equity attributable to owners of the Company	<u>262,106</u>	<u>182,422</u>
Non-controlling interests	<u>6,388</u>	<u>4,723</u>
Total equity	<u>268,494</u>	<u>187,145</u>
Non-current liabilities		
Loans and borrowings	8,917	13,213
Deferred tax liabilities	14,201	13,591
	<u>23,118</u>	<u>26,804</u>
Current liabilities		
Derivative financial liabilities	5,670	3,418
Trade and other payables	161,907	71,817
Loans and borrowings	427,672	192,767
Tax payable	13,897	2,424
	<u>609,146</u>	<u>270,426</u>
Total liabilities	<u>632,264</u>	<u>297,230</u>
Total equity and liabilities	<u>900,758</u>	<u>484,375</u>
Net assets per share (sen)		
attributable to owners of the Company	<u>82.55</u>	<u>74.82</u>

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2011 – unaudited

	Attributable To Owners Of The Company					Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-distributable		Distributable					
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000			
Balance at 1 January 2011	60,000	(20)	7,718	(872)	115,596	182,422	4,723	187,145
Issuance of bonus shares	19,935	-	(7,718)	-	(12,217)	-	-	-
Conversion of free warrants	1	-	4	-	-	5	-	5
Purchase of treasury shares	-	(5,175)	-	-	-	(5,175)	-	(5,175)
Total comprehensive income for the period	-	-	-	786	123,000	123,786	1,665	125,451
Dividends	-	-	-	-	(38,932)	(38,932)	-	(38,932)
Balance at 31 December 2011	79,936	(5,195)	4	(86)	187,447	262,106	6,388	268,494
Balance at 1 January 2010								
- as previously reported	60,000	-	7,718	(16)	37,580	105,282	2,031	107,313
Effect of adopting FRS 139	-	-	-	-	(4,898)	(4,898)	-	(4,898)
Balance at 1 January 2010 - as restated	60,000	-	7,718	(16)	32,682	100,384	2,031	102,415
Changes in ownership interest in subsidiary with no change in control	-	-	-	-	65	65	835	900
Acquisition of a subsidiary	-	-	-	-	-	-	1,867	1,867
Purchase of treasury shares	-	(20)	-	-	-	(20)	-	(20)
Total comprehensive income for the period	-	-	-	(856)	101,149	100,293	235	100,528
Dividends:								
- by the Company	-	-	-	-	(18,300)	(18,300)	-	(18,300)
- by subsidiaries to non-controlling interest	-	-	-	-	-	-	(245)	(245)
Balance at 31 December 2010	60,000	(20)	7,718	(872)	115,596	182,422	4,723	187,145

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR
 ENDED 31 DECEMBER 2011**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 For the period ended 31 December 2011 – unaudited

	Twelve Month Ended	
	31-Dec-11 RM'000	31-Dec-10 RM'000
Cash flows from operating activities		
Profit before tax	150,069	111,449
Adjustments for:		
Non-cash items	16,679	6,314
Non-operating items	15,995	3,195
Operating profit before working capital changes	<u>182,743</u>	<u>120,958</u>
Changes in working capital		
Net change in current assets	(295,212)	(28,911)
Net change in current liabilities	57,520	5,088
Cash generated from operations	<u>(54,949)</u>	<u>97,135</u>
Tax paid	(13,885)	(8,991)
Interest paid	(4,162)	(3,486)
Interest received	616	441
Net cash (used in)/from operating activities	<u>(72,380)</u>	<u>85,099</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(107,002)	(40,362)
Proceeds from disposal of property, plant and equipment	337	1,959
Payment for the sub-leases of land and warehouses	(124)	(6,002)
Others	116	(18)
Net cash (used in) investing activities	<u>(106,673)</u>	<u>(44,423)</u>
Cash flows from financing activities		
Bank and other borrowings	224,592	(20,003)
Conversion of warrants to ordinary shares	4	-
Net increase in Fixed deposit pledged	(353)	-
Share buy-back	(5,175)	(20)
Dividend paid	(38,932)	(18,300)
Dividends paid to non-controlling shareholders	-	(245)
Net cash from/(used in) financing activities	<u>180,136</u>	<u>(38,568)</u>
Net increase in cash and cash equivalents	1,083	2,108
Effect of exchange rate changes	55	(696)
Cash and cash equivalents at the beginning of financial period	11,414	10,002
Cash and cash equivalents at the end of financial period	<u>12,552</u>	<u>11,414</u>
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	13,160	11,414
Bank overdrafts	(255)	-
	<u>12,905</u>	<u>11,414</u>
Less : Non-cash and cash equivalents		
Fixed deposit pledged to bank as collateral	(353)	-
	<u>12,552</u>	<u>11,414</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Basis 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 of Guan Chong Berhad (“GCB” or the “Company”) and its subsidiaries (“Group”) for the financial year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2010.

A2. Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the preparation of the financial statements of the Group for the financial year ended 31 December 2010 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments and Issues Committee (“IC”) Interpretations with effect from 1 January 2011:

FRSs, Amendments and IC Interpretations

FRS 1 (Revised)	First-time Adoption of Financial Reporting Standards
FRS 3 (Revised)	Business Combinations
FRS 127 (Revised)	Consolidated and Separate Financial Statements
Amendments to FRS 1 (Revised)	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	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sales and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 138	Intangible Assets
Amendments to FRSs “Improvements to FRSs (2010)”	
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The adoption of the above FRSs, Amendments and IC Interpretations did not result in any significant financial impact on the interim financial report upon their initial application, except for the following:

- (a) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised Standard will be applied prospectively and therefore, there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.
- (b) FRS 127 (Revised) requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised Standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of FRS 127 (Revised) prospectively and therefore, there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for its future transactions or arrangements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

A2. Changes in Accounting Policies – (Cont'd)

- (c) Amendments to FRS 7 requires enhanced disclosures about fair value measurements and liquidity risk, which includes disclosures of fair value measurements by level of a fair value measurement hierarchy and a separate liquidity risk analysis for derivative and non-derivative financial liabilities.

Malaysian Financial Reporting Standards (MFRS)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (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 (MFRS141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC15), including its parent, significant investor and vent user.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2012. In presenting its first MFRS financial statements, the Group will be required to restate the financial position as at 1 January 2012 to amounts reflecting the application of MFRS Framework.

The Group has started a preliminary assessment of the differences between FRS and accounting standards under the MFRS Framework and is in the process of assessing the financial effects of the differences. Accordingly, the financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

A3. Auditors' report on preceding annual financial statements

The audited financial statements of the preceding financial year were not subjected to any qualification.

A4. Seasonal or cyclical factors

The cocoa processing industry is, to a certain extent, subject to the seasonal pattern of the consumption of cocoa-based products within a year.

A5. Unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence.

A6. Material changes in estimates

There was no material changes in estimates of amounts reported that will have a material effect during the current quarter under review.

A7. Issuances and repayment of debt and equity securities

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

- (a) The paid-up share capital of the Company was increased from 240,000,000 ordinary shares of RM0.25 each or RM60,000,000 as at 31 December 2010 to 319,742,258 ordinary shares of RM0.25 each or RM79,935,565 as at 31 December 2011, as a result of the issuance of 79,740,033 bonus shares and 2,225 new ordinary shares upon conversion of 2,225 warrants at the exercise price of RM2.00 per share.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

A7. Issuances and repayment of debt and equity securities – (Cont'd)

- (b) The number of warrants outstanding as at 31 December 2011 was 59,802,800. Each warrant entitles the holder the right to subscribe for a new ordinary share of RM0.25 each in the Company at an exercise price of RM2.00 per share. The warrants will be expiring on 20 February 2016.
- (c) The Company bought back 2,230,700 of its issued ordinary shares of RM0.25 each (“GCB Shares”) from the open market at an average price of RM2.32 per share. The total consideration paid for the repurchase including transaction costs was RM5,174,602 and this was financed by internally generated funds.

As at 31 December 2011, the Company held 2,240,700 GCB Shares as treasury shares out of its total issued and paid-up share capital of 319,742,258 GCB Shares. Such treasury shares are held at a carrying amount of RM5,194,748.

A8. Dividends paid

During the financial year ended 31 December 2011 :

- (a) Final tax-exempt single-tier dividend of 12% equivalent to 3 sen per ordinary share in respect of the financial year ended 31 December 2010 was approved by the shareholders during the Annual General Meeting held on 29 Jun 2011 and subsequently paid on 28 Jul 2011.
- (b) First interim tax-exempt single-tier dividend of 9% equivalent to 2.25 sen per ordinary share in respect of the financial year ended 31 December 2011 was declared on 31 January 2011 and subsequently paid on 8 March 2011.
- (c) Second interim tax-exempt single-tier dividend of 12% equivalent to 3 sen per ordinary share in respect of financial year ending 31 December 2011 was declared on 11 August 2011 and subsequently paid on 14 September 2011.
- (d) Third interim tax-exempt single-tier dividend of 16% equivalent to 4 sen per ordinary share in respect of financial year ending 31 December 2011 was declared on 9 November 2011 and subsequently paid on 12 January 2012.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

A9. Segmental information

The Group presenting segmental information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the assets.

Twelve Month Ended 31 December 2011	Malaysia RM'000	Singapore RM'000	Indonesia RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Geographical Segments:						
Total external revenue	1,079,565	303,121	114	-		1,382,800
Internal segment revenue	194,157	1,309,077	435,272	138,520	(2,077,026)	-
Total revenue	1,273,722	1,612,198	435,386	138,520	(2,077,026)	1,382,800
Segment result	103,727	43,006	25,827	1,048	(5,621)	167,987
Interest income						616
Finance cost						(6,598)
Depreciation & amortisation						(11,936)
Profit before tax						150,069
Tax expenses						(25,428)
Profit for the period						124,641
Segment assets	548,523	75,279	272,466	879	-	897,147
Other long term investment						3,590
Unallocated assets						21
Total assets						900,758
Segment liabilities	415,660	189,233	13,882	13,489	-	632,264
						632,264

No comparative information is prepared as Group is principally involved in manufacturing and trading of cocoa-derived food ingredients and cocoa related products which are predominantly carried out in Malaysia for the period ended 31 December 2010.

A10. Material events subsequent to the end of the current quarter

There was no material events subsequent to the current quarter ended 31 December 2011 that have not been reflected in this quarterly report.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A12. Contingent liabilities

There were no material contingent liabilities as at 31 December 2011.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

A13. Commitments

(a) Lease commitments

At the end of the current quarter, the Group has the following outstanding land lease rental commitments:-

Authorised and contracted for	RM'000 1,361

(b) Capital commitments

At the end of the current quarter, capital expenditure of the Group contracted but not provided for are as follows :-

Authorised and contracted for :	RM'000
Property, plant and equipment	33,430

A14. Significant related party transactions

(a) Related party relationship

SMC Food 21 Pte. Ltd. – A company in which certain directors of a subsidiary have financial interest.

SMC Food (Thailand) Company Limited – A company in which certain directors of a subsidiary have financial interest

(b) Related party transactions

	Current Quarter Ended	Current Year To-Date
	31 December 2011	31 December 2011
	RM'000	RM'000
SMC Food 21 Pte. Ltd.		
- Sale of goods	1,656	6,740
- Purchase of goods	6,264	11,114
SMC Food (Thailand) Company Limited		
- Purchase of goods	0	509
	_____	_____

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

The Group's revenue of RM 392.438 million for the current quarter ended 31 December 2011 is higher than the revenue in the previous corresponding quarter ended 31 December 2010 of RM 323,762 million. The increase of 21.21% in turnover is mainly due to higher sales volume of cocoa products as the result of contribution from our new subsidiaries in Singapore and Indonesia. The profit before tax for the quarter ended 31 December 2011 increased to RM 42.219 million. This is mainly attributed by higher sales volume and selling price of cocoa products and net fair value gain on foreign exchange derivatives.

Guan Chong Cocoa Manufacturer Sdn Bhd and GCB Cocoa Singapore Pte Ltd contributed approximately 78% and 21.9% of the revenue during the year. The Group's cocoa bean grinding capacity increased from 80,000MT to 120,000MT this year. This is mainly boosted by our Group's new cocoa processing plant in Batam, Indonesia, which commenced its operation in February 2011.

B2. Comment on material change in profit before tax

The Group recorded a profit before tax of RM 42.219 million for the current quarter as compared to a profit before tax of RM 33.823 million in the preceding quarter. Net fair value gain arising from foreign exchange due to appreciation of Ringgit Malaysia has enhanced the profit before tax of the Group.

B3. Commentary of prospects

The Board of Directors is optimistic about the performance of GCB in the future financial year given that the new cocoa processing plant located in Batam, Indonesia has commenced its production in 1st quarter 2011. We believe GCB is well-positioned for growth as many initiatives to improve our competitiveness and profitability have been systematically carried out by the management team.

Barring any unforeseen circumstances, the Board of Directors of GCB expects that the Group's financial performance for the financial year 2012 to be satisfactory.

B4. Profit forecast or profit guarantee

There were no profits forecast or profit guarantee issued by the Group.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

B5. Tax expense

	Current Quarter Ended		Current Year To-Date Ended	
	31-Dec-11 RM'000	31-Dec-10 RM'000	31-Dec-11 RM'000	31-Dec-10 RM'000
Income tax expense:				
Current period estimate	5,330	(10,166)	25,359	10,126
Deferred tax	3,995	(2,001)	69	(60)
	<u>9,325</u>	<u>(12,167)</u>	<u>25,428</u>	<u>10,066</u>

The effective tax rate of the Group for the quarter under review is lower than the statutory tax rate due principally to the claim of tax incentive in relation to the increase export allowance and reinvestment allowance.

B6. Corporate proposals

There were no corporate proposals announced but not completed as at the date of this report.

B7. Loans and borrowings

The Group's borrowings at the end of the current quarter are as follows:

		Denominated in currency	31-Dec-11 RM'000
Current			
Secured	- Bank overdraft	RM	255
	- Bankers' acceptances	RM	7,600
	- Term loans	RM	4,623
		SGD	87,820
	- Trade loans	USD	324,405
	- Revolving credit	RM	2,700
	- Obligations under finance leases	RM	269
			<u>427,672</u>
Non-current			
Secured	- Term loans	RM	7,601
		SGD	1,017
	- Obligations under finance leases	RM	299
			<u>8,917</u>
			<u>436,589</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

B8. Derivative financial instruments

Details of the outstanding derivative financial instruments as at 31 December 2011 are as follows:

	Derivative	Contract Amount RM'000	Fair Value - Net Gains/(Losses) RM'000	Purpose
1	Forward Foreign Exchange Contracts: Sale Contracts - Less than 1 year Purchase Contracts - Less than 1 year - 1 year to 3 years	272,406 0 0	204 0 0	For hedging currency risk
2	Commodity Futures Contracts: Sale Contracts - Less than 1 year - 1 year to 3 years Purchase Contracts - Less than 1 year - 1 year to 3 years	(14,013) 0 54,217 0	5,101 0 (10,771) 0	For hedging price risk

The fair values of the above derivatives are determined by using the market rates at the end of reporting period and changes in the fair values are recognised in the profit and loss. The subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or a liability with the corresponding gain or loss recognised in the profit or loss.

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

B9. Material litigation

There was no material litigation against the Group as at the date of these interim financial statements.

B10. Dividend declared or recommended

On 24 February 2012, the board declared the first interim tax-exempt single-tier dividend of 2 sen per ordinary share in respect of financial year ending 31 December 2012 to shareholders registered in the Record of Depositors at close of business on 14 March 2012 and subsequently will be paid on 22 March 2012.

The Board of Directors proposed a final tax-exempt single-tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 December 2011. This dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting and has not been included as a liability in the financial statements. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits for the financial year ending 31 December 2012.

Total dividend declared during the financial year ended 31 December 2011 was 12.25 sen per ordinary share excluding the above-mentioned dividend declaration which is subsequent to the current financial year.

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

B11. Earnings per share

- (a) Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Current Quarter Ended		Current Year To-Date Ended	
	31-Dec-11	31-Dec-10	31-Dec-11	31-Dec-10
Profit for the financial period attributable to owners of the Company (RM'000)	32,527	44,040	123,000	101,148
Weighted average number of ordinary shares in issue ('000)	317,501	319,740	317,957	319,740
Basic earnings per share (sen)	10.24	13.77	38.68	31.63

Comparative figure for the weighted average number of ordinary shares has been restated by incorporating the bonus issue credited as fully paid-up on the basis of one (1) bonus share for every three (3) ordinary shares held as at 31 December 2010.

- (b) For the purpose of calculating diluted EPS, profit for the period and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares convert under warrants issued as shown below:

	Current	Current Year
	Quarter Ended	To-Date Ended
	31-Dec-11	31-Dec-11
Profit for the financial period attributable to owners of the Company (RM'000)	32,527	123,000
Weighted average number of ordinary shares in issue ('000)	317,501	317,957
Effect of dilution of warrants	8,345	12,069
Adjusted weighted average number of ordinary shares in issue and issuales	<u>325,846</u>	<u>330,026</u>
Diluted earnings per share (sen)	9.98	37.27

B12. Realised and Unrealised Profits/Losses Disclosure

The retained profits as at 31 December 2011 and 30 September 2011 is analysed as follows:-

	Current	Preceding
	Quarter	Quarter
	Ended	Ended
	31-Dec-11	30-Sep-11
	RM'000	RM'000
Total retained profits of the Company and the subsidiaries:		
- Realised	235,661	219,455
- Unrealised	(22,836)	(30,189)
	<u>212,825</u>	<u>189,266</u>
Less: Consolidated adjustments	(25,378)	(21,646)
Total group retained profits as per consolidated financial statements	<u>187,447</u>	<u>167,620</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS – FOURTH QUARTER ENDED 31 DECEMBER 2011

B13. Additional disclosures

	Current Quarter Ended 31-Dec-11 RM'000	Current Year To-Date 31-Dec-11 RM'000
Amortisation of prepaid lease payments	58	239
Amortisation of intangible assets	-	148
Bad debts written off	11	11
Depreciation	3,304	11,549
Dividend income from other long term investment	(16)	(1,637)
(Gain)/Loss on foreign exchange	(3,940)	13,769
(Gain)/loss on derivatives	7,078	(990)
(Gain)/loss on disposal of property, plant and equipment	60	(41)
Impairment loss on trade receivables	-	607
Interest expense	1,034	4,163
Interest income	-	(616)
Realised gain on commodity future contracts	(203)	(1,235)
Write-down of inventories	-	5,392

Other than the items highlighted above which have been included in the statement of comprehensive income, there were no gain or loss on disposal of quoted or unquoted investments and exceptional items for the current quarter and year ended 31 December 2011.

BY ORDER OF THE BOARD

Tay Hoe Lian
 Managing Director
 Dated: 24.02.2012