



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of comprehensive income  
for the year ended 31 December 2010**

	Individual Quarter		Cumulative Quarter	
	3-months period ended		12-months period ended	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
	RM'000	RM'000	RM'000	RM'000
Revenue	74,888	N/A	315,071	N/A
Cost of sales	(68,619)	N/A	(292,374)	N/A
Gross profit	6,269	N/A	22,697	N/A
Operating expenses	(5,137)	N/A	(21,583)	N/A
Operating income	(136)	N/A	4,603	N/A
Results from operating activities	996	N/A	5,717	N/A
Finance costs	(1,855)	N/A	(10,146)	N/A
Operating profit / (loss)	(859)	N/A	(4,429)	N/A
Share of profit of associates	123	N/A	326	N/A
Profit / (loss) before tax	(736)	N/A	(4,103)	N/A
Tax expense	911	N/A	(195)	N/A
Profit / (loss) for the period / year	175	N/A	(4,298)	N/A
Other comprehensive income	16	N/A	47	N/A
Total comprehensive income / (loss) for the period/year	191	N/A	(4,251)	N/A
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	981	N/A	(1,252)	N/A
Minority interest	(790)	N/A	(2,999)	N/A
	191	N/A	(4,251)	N/A
Basic earnings per share				
Earning per share (sen)	1.46	N/A	(1.86)	N/A
Diluted earnings per share				
Earnings per share (sen)	0.81	N/A	N/A	N/A

**Notes**

- 1) No comparative figures are available for the preceding year's individual and cumulative corresponding quarter as this is the second financial report being announced by the Company in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Requirements ("Listing Requirements").
- 2) Basic earnings per share for the quarter and cumulative financial period is calculated based on the profit for the period divided by the weighted average number of ordinary shares in issue for the quarter and financial period respectively.
- 3) Diluted earnings per share for the quarter and cumulative financial period is calculated based on the profit for the period divided by the weighted average number of ordinary shares in issue after full conversion of ICULS for the quarter and financial period respectively.



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of financial position  
as at 31 December 2010**

	As at 31-Dec-10 RM'000	As at 31-Dec-09 RM'000
<b>ASSETS:</b>		
Property, plant and equipments	207,720	N/A
Intangible assets	981	N/A
Prepaid lease payments	-	N/A
Investment in an associate	5,460	N/A
Other investments	197	N/A
<b>Total non-current assets</b>	<u>214,358</u>	<u>N/A</u>
Inventories	105,888	N/A
Receivables, deposits and prepayments	77,326	N/A
Current tax assets	2,479	N/A
Assets classified as held for sale	734	N/A
Cash & cash equivalents	12,121	N/A
<b>Total current assets</b>	<u>198,548</u>	<u>N/A</u>
<b>Total assets</b>	<u><u>412,906</u></u>	<u><u>N/A</u></u>
<b>Equity</b>		
Share capital	51,000	N/A
ICULS	27,994	N/A
Fair value reserve	(1)	N/A
Reverse acquisition reserve	(53,541)	N/A
Revaluation reserve	47,587	N/A
Retained earnings	48,206	N/A
Share premium	775	N/A
<b>Total equity attributable to equity holders of the Company</b>	<u>122,020</u>	<u>N/A</u>
Minority interest	13,927	N/A
<b>Total equity</b>	<u>135,947</u>	<u>N/A</u>
<b>Liabilities</b>		
Borrowings	30,430	N/A
Deferred tax liabilities	18,352	N/A
<b>Total non-current liabilities</b>	<u>48,782</u>	<u>N/A</u>
Payables and accruals	82,798	N/A
Borrowings	144,262	N/A
Current tax liabilities	1,117	N/A
<b>Total current liabilities</b>	<u>228,177</u>	<u>N/A</u>
<b>Total liabilities</b>	<u>276,959</u>	<u>N/A</u>
<b>Total equity and liabilities</b>	<u><u>412,906</u></u>	<u><u>N/A</u></u>



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of change of equity  
for the year ended 31 December 2010**

	Share Capital	ICULS	Non - Distributable				Distributable			Minority Interest	Total Equity
			Fair Value Reserve	Revaluation Reserve	Reverse Acquisition Reserve	Retained Earnings	Share Premium	Total			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2010	^	-	-	47,587	-	46,103	-	93,690	4,045	97,735	
Effect of adopting FRS139		-	(48)	-	-	-	-	(48)	-	(48)	
At 1 January 2010, restated	^	-	(48)	47,587	-	46,103	-	93,642	4,045	97,687	
Shares issued for acquisition of TGH	42,500	27,994	-	-	-	-	-	70,494	-	70,494	
Arising from reverse acquisition	-	-	-	-	(53,541)	-	-	(53,541)	-	(53,541)	
Effect of acquisition of TGO	1,220	-	-	-	-	(189)	-	1,031	-	1,031	
Public issue	7,280	-	-	-	-	-	775	8,055	-	8,055	
Dilution of investment in a subsidiary	-	-	-	-	-	3,592	-	3,592	12,881	16,473	
Total comprehensive income for the period	-	-	47	-	-	(1,299)	-	(1,252)	(2,999)	(4,251)	
At 31 December 2010	51,000	27,994	(1)	47,587	(53,541)	48,206	775	122,020	13,927	135,947	

Note: Denotes RM2 comprising of 4 ordinary share of RM0.50 per share



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of cash flows  
for the year ended 31 December 2010**

	<b>Current year to date 31-Dec-10 RM'000</b>	<b>Preceding year to date 31-Dec-09 RM'000</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(4,103)	N/A
Adjustments for non-cash items	15,080	N/A
Operating profit before working capitals changes	<u>10,977</u>	<u>N/A</u>
<b>Changes in working capital</b>		
- Inventories	(8,834)	N/A
- Receivables, deposits and prepayments	(23,119)	N/A
- Payables and accruals	15,642	N/A
Cash used in operation	<u>(5,334)</u>	<u>N/A</u>
Interest received	-	N/A
Tax paid	(1,769)	N/A
<b>Net cash used in operating activities</b>	<u>(7,103)</u>	<u>N/A</u>
<b>Cash flow from investing activity</b>		
Acquisition of plant and equipment	(16,895)	N/A
Dividend received	-	N/A
Disposal of investment in a subsidiary	16,500	N/A
<b>Net cash used in investing activities</b>	<u>(395)</u>	<u>N/A</u>
<b>Cash flow from financing activities</b>		
Interest paid	(3,802)	N/A
Repayment of borrowings	(6,973)	N/A
Drawdown of term loan	22,463	N/A
Repayment of term loan	(7,890)	N/A
Drawdown of finance lease liabilities	1,701	N/A
Repayment of finance lease liabilities	(3,139)	N/A
Proceeds from public issue	8,055	N/A
<b>Net cash generated from financing activities</b>	<u>10,415</u>	<u>N/A</u>
Net increase in cash and cash equivalents	2,917	N/A
Cash and cash equivalents at 1 January 2010	(3,274)	N/A
<b>Cash and cash equivalents at 31 December 2010</b>	<u>(357)</u>	<u>N/A</u>



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of cash flows  
for the year ended 31 December 2010**

	<b>Current year to date 31-Dec-10 RM'000</b>	<b>Preceding year to date 31-Dec-09 RM'000</b>
Cash and bank balances	12,121	N/A
Fixed deposits pledged with banks	(9,522)	N/A
Bank overdrafts	(2,956)	N/A
Cash and cash equivalents	<u>(357)</u>	<u>N/A</u>



**TATT GIAP GROUP BERHAD**  
(732294-W)  
(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**A. EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

**A2. Significant accounting policies**

Except for the new Financial Reporting Standards, Amendments and Interpretations applicable to the Group effective from 1 January 2010 as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statement as at and for the year ended 31 December 2009.

- FRS 7, Financial Instruments: Disclosures
- FRS 8, Operating Segments
- FRS 101, Presentation of Financial Statements (revised)
- FRS 123, Borrowing Costs (revised)
- FRS 139, Financial Instruments: Recognition and Measurement
- Amendments to FRS 7, Financial Instruments: Disclosures
- Amendments to FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 139, Financial Instruments: Recognition and Measurement
  - Reclassification of Financial Assets
- Improvements to FRSs (2009)
- IC Interpretation 9, Reassessment of Embedded Derivatives
- IC Interpretation 10, Interim Financial Reporting and Impairment

Other than the application of FRS 10, FRS 139 and Amendments to FRS 117, Leases the application of the above FRSs, Amendments and Interpretations did not result in a significant change in accounting policies and presentation of the financial results of the Group.

**(i) FRS 139, Financial Instruments: Recognition and measurement**

The adoption of FRS 139 has resulted in the following adjustments made to the carrying amount of the Group's other investments as follows:

	<b>Group fair value reserve</b>	<b>Other investments</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2010, as previously stated	-	198
Adjustments arising from adoption of FRS 139:		
Fair value of other investments in equity	<u>48</u>	<u>(48)</u>
At 1 January 2010, as restated	<u>48</u>	<u>150</u>



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

Prior to the adoption of FRS 139, other investments in equity, other than investments in subsidiaries and jointly controlled entity were stated at cost less allowance for diminution in value which is other than temporary. With the adoption of FRS 139, quoted investments in equity, other than investment in subsidiaries and jointly controlled entity are now categorized and measured as available-for-sale as detailed above and measured at fair values with the gains or losses recognized in other comprehensive income.

**ii) FRS 101 (revised), *Presentation of Financial Statements***

The Group applies revised FRS 101 (revised), which became effective as of 1 January 2010. As a result, the Group presents all non-owner changes in equity in the consolidated statement of comprehensive income. Comparative information, with the exception of the requirements under FRS 139, have been represented so that it is in conformity with the revised standard. This standard does not have any impact on earnings per ordinary share.

**iii) *Amendments to FRS 117, Leases***

Prior to the adoption of the Amendment to FRS 117, leasehold land were treated as operating leases and classified and presented as prepaid land lease payments in the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent to which risks and rewards incident to ownership lie. The change in classification has no effect to the profit or loss for the current period ended 30 June 2010 or the comparative prior period.

**A3. Auditors' report on preceding annual financial statements**

The auditors report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2009 was not subject to any qualification.

**A4. Seasonality or cyclical factors**

The business of the Group is not subject to seasonal or cyclical factors.

**A5. Exceptional and extraordinary items**

Except as disclosed in Note B6, there were no items affecting assets, liabilities, equity, net income or cash flows that are exceptional or extraordinary due to their nature, size or incidence affecting the interim financial report.

**A6. Changes in estimates**

There were no changes in estimates that had a material effect in the current quarter and period to date results.

**A7. Debt and equity securities**

Except as disclosed in Note A14, there have been no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter.



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**A8. Dividend paid**

There were no dividends paid by the Company in the current quarter .

**A9. Segment information**

Segment information is presented in respect of Tatt Giap Group's business segments, which is based on the Company's management and internal reporting structure. Inter-company pricing is determined on an arm's length terms.

Segmental revenue by business activities:-

<u>Segment Result</u>	Current Quarter Ended 31-Dec		Cumulative period to Date Ended 31-Dec	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Manufacturing	72,155	N/A	292,715	N/A
Trading	34,983	N/A	138,106	N/A
Investment holding	30	N/A	120	N/A
	<u>107,168</u>	<u>N/A</u>	<u>430,941</u>	<u>N/A</u>
Group Adjustment	(32,280)	N/A	(115,870)	N/A
	<u>74,888</u>	<u>N/A</u>	<u>315,071</u>	<u>N/A</u>

Profit before tax by business activities:-

<u>Profit / (loss) before tax</u>	Individual Quarter 3-months period ended		Cumulative Quarter 12-months period ended	
	31-Dec-10 RM'000	31-Dec-09 RM'000	2010 RM'000	2009 RM'000
Manufacturing	(101)	N/A	(3,764)	N/A
Trading	(528)	N/A	1,709	N/A
Investment holding	(229)	N/A	(1,925)	N/A
	<u>(858)</u>	<u>N/A</u>	<u>(3,980)</u>	<u>N/A</u>
Group Adjustment	122	N/A	(124)	N/A
	<u>(736)</u>	<u>N/A</u>	<u>(4,104)</u>	<u>N/A</u>

No comparative figures are available for the previous year's corresponding quarter and period to date as the Group was put in place only on 4th June 2010 and this is its second interim financial report since the Company's admission to the Main Market of Bursa Malaysia.





**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**A10. Valuation of property, plant and equipment**

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

The valuation of properties, plant and equipments has been brought forward without amendment from the previous audited financial statements.

**A11. Significant event during the period**

On 22 July 2010, the Company was officially listed on Main Market of Bursa Malaysia involving the following:

a) Public Issue

Public Issue of 14,560,000 new ordinary shares of RM0.50 each at an issue price of RM0.58 per ordinary share comprising:

- 6,000,000 new ordinary shares of RM0.50 each reserved for application by the Malaysian Public;
- 2,000,000 new ordinary shares of RM0.50 each reserved for eligible directors and employees of Tatt Giap Group Berhad and its subsidiary companies; and
- 6,560,000 new ordinary shares of RM0.50 each reserved for private placement to identified investors.

b) Offer for Sale

- 4,000,000 new ordinary shares of RM0.50 each to be offered to identified investors at an offer price of RM0.58 per ordinary share;
- 10,200,000 new ordinary shares of RM0.50 each to be offered to Bumiputera investors approved by the Ministry of International Trade & Industry at an offer price of RM0.58 per ordinary share; and
- RM10,000 nominal value of irredeemable convertible unsecured loan stock at an offer price of 100% of the nominal value to the Malaysian Public.

**A12. Events subsequent to the balance sheet date**

There were no material subsequent events that have not been reflected in the financial statements for the year at the date of issue the quarterly report.

**A13. Status of utilization of proceeds**

Subsequent to the listing of the Group on the Main Market of Bursa Malaysia, the gross proceeds from the public issue amounting to RM8.44 million is utilised in the following manner:

<u>Types of Payment</u>	<u>Proposed</u>	<u>Actual</u>	<u>Balance</u>	<u>Timeframe for utilization</u>
	RM'000	RM'000	RM'000	
Repayment of term Loan	5,945	6,460	(515)	Paid in September 2010
Payments of listing expenses	2,500	1,926	574	Paid in September 2010
Total proceeds	8,445	8,386	59	



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**A14. Changes in Group's composition**

a) In conjunction with, and as an integral part of the listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Market of Bursa Malaysia, the Company undertook the following restructuring exercises:

i) Acquisition of Tatt Giap Hardware Sdn Bhd (TGH)

The Company acquired the entire issued and paid-up share capital of TGH comprising of 20,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM73,299,998 satisfied by the issuance of 84,999,996 new TGG ordinary shares of RM0.50 each and 30,800,000 TGG ICULS at 100% of its nominal value; and

ii) Acquisition of TG Oriental Steel Sdn Bhd (TGO)

The Company acquired the entire issued and paid-up share capital of TGO comprising of 1,500,000 ordinary shares of RM1.00 each for a total purchase of RM1,220,000 fully satisfied by the issuance of 2,440,000 new TGG ordinary shares of RM0.50 each.

The Acquisitions were completed on 4 June 2010.

b) Dilution of investment in a subsidiary – Nippon Egalv Steel Sdn Bhd  
Refer to Note B6 for further details.

**A15. Changes in contingent liabilities and assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

**A16. Capital Commitments**

	<b>Current Quarter</b> <b>31-Dec-10</b> <b>RM'000</b>	<b>Cumulative</b> <b>Period to Date</b> <b>31-Dec-10</b> <b>RM'000</b>
Plant and equipments: Contracted but not provided for in the financial statements	<u>Nil</u>	<u>Nil</u>



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**A17. Significant related party transactions**

	<b>Current Quarter</b>	<b>Cumulative</b>
	<b>31-Dec-10</b>	<b>Period to Date</b>
	<b>RM'000</b>	<b>31-Dec-10</b>
		<b>RM'000</b>
a) Transactions with an associate:		
- Sales	-	354
- Purchase	6,599	8,464
b) Transactions with a related party:		
- Short-term loan*	4,636	18,513
- Interest	95	164
- Purchase	20,672	61,722
c) Transactions with ultimate holding:		
- Advances**	800	800
- Interest	9	9

\* Short-term loan from a related party is for the purpose of working capital with a repayment period of 1 year bearing interest at LIBOR + 1.125% per annum.

\*\* Advances from ultimate holding is for the purpose of working capital bearing interest at 4% p.a.



**TATT GIAP GROUP BERHAD**  
(732294-W)  
(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

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

**B1 Review of performance**

For the year ended 31 December 2010, the Group reported a revenue of RM315.07 million and a loss after taxation of RM4.298 million.

**B2 Variation of results against preceding quarter**

Revenue and profit after tax for the current quarter ended 31 December 2010 amount to RM74.89 million and RM0.175 million respectively. This represents a 13.0% decrease in revenue over the immediate preceding quarter due to lower demand. The increase in selling price toward the end of the year and lower raw material cost resulted in Group's profit after tax to increase significantly from loss after tax RM7.43 million in the preceding quarter to profit after tax RM0.175 million this quarter.

**B3 Current year prospects**

Increase in selling prices of steel started from end of 2010 with the buyers anticipated that steel prices would increase further due to higher raw materials costs. And with the recent floods in Australia has seriously disrupted the supply of coal and the mega projects announced by the government, further increase in steel prices of raw materials has become more obvious and definite. Barring any unforeseen circumstances, the Management is foresee that the first half of 2011 will be profitable.

**B4 Variance between actual profit and forecast profit**

The Group has not issued any profit forecast or profit guarantee.

**B5 Tax expense**

	<b>Current Quarter Ended 31-Dec-10 RM'000</b>	<b>Cumulative Period-to-date 31-Dec-10 RM'000</b>
Current tax expense	1,259	181
Deferred tax expense	(348)	14
	<u>911</u>	<u>195</u>

Although the Group is incurring losses, the Group are not qualified for Group relief for tax purpose, hence those subsidiaries making profit still required to pay tax.



**TATT GIAP GROUP BERHAD**  
(732294-W)  
(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**B6 Gain on Disposal of unquoted investment**

The subsidiaries namely, Tatt Giap Hardware Sdn. Bhd. ("TGH") and Tatt Giap Steel Centre Sdn. Bhd. ("TGSC") and Nippon Egalv Steel Sdn. Bhd. ("NE") together with a shareholder of NE had on 9 December 2009 entered into a Share Sales Agreement ("the Agreement") with Nippon Steel Corporation ("NSC") and Hanwa Co. Ltd. ("Hanwa") for the disposal of 2,250,000 ordinary shares of RM1.00 each (equivalent to 10% equity interest) and 3,375,000 ordinary shares of RM1.00 each (equivalent to 15% equity interest) in NE by TGSC to NSC and Hanwa respectively for a total cash consideration of RM16.5 millions.

The disposal was completed in February 2010 upon the full consideration from NSC and Hanwa being received. The Group recorded a gain on the said disposal of RM3.6 million which was recognized and adjusted to Group reserve

**B7 Quoted investments**

	Carrying Amount RM'000	Fair value as at 31 Dec 2010 RM'000
Quoted Shares in Malaysia	197	197

**B8 Borrowing**

The Group borrowing as at 31 December 2010 is as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Current:</b>			
- Bank overdraft	2,007	949	2,956
- Bank acceptance	87,677	28,423	116,100
- Trust receipts	13,761	4,945	18,706
- Term loans	18,662	-	18,662
- Hire purchase obligations	2,329	-	2,329
	124,436	34,317	158,753
<b>Non-Current</b>			
- Term loans	28,366	-	28,366
- ICULS	-	2,806	2,806
- Hire purchase obligations	3,281	-	3,281
	31,647	2,806	34,453
<b>Total</b>	156,083	37,123	193,206

The above borrowings are denominated in Ringgit Malaysia.



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**B9 Off balance sheet financial instruments**

During the financial period to date, the Group did not enter into any contracts involving off balance sheet financial instruments.

**B10 Material litigation**

Save as disclosed below, the Group is not engaged in any material litigation for the current financial period: Nippon EGalv had filed a civil suit (Suit No. 22-538-2009) on 17 August 2009, against Gana Jaan Machinery Co Ltd ("Defendant") claiming for the Defendant's breach of implied conditions of a contract to supply and provide plant, machineries and equipment, to provide certain services to procure the establishment and setup of Nippon EGalv's commercial manufacturing electro galvanising line, of short supply of several parts of equipment and the subsequent refusal by the Defendant to reimburse Nippon EGalv for costs and expenses incurred. The claim is for an amount of RM4.22 million, further damages to be assessed and interest thereon. The solicitors acting on behalf of Nippon EGalv informed that they are in the process of effecting service of the Writ out of jurisdiction through judicial assistance. On 8 October 2010, the solicitors informed in their letter that "the Draft Order has been approved and they are in the midst of filing for the sealed copy of the said Order with the Court and they are still awaiting for outcome of the service of the writ summons from the Ministry of Foreign Affairs." Based on the confirmation letter from the lawyer on 7 Jan 2011, Judgement in Default has been entered on 1 December 2010.

**B11 Proposed dividend**

The Board does not recommend any dividend for the current quarter ended 31 December 2010.

**B12 Earnings per share**

a) Basic Earnings per share	3 months period ended 31-Dec-10	12 months period ended 31-Dec-10
Loss attributable to shareholders of the Company (RM'000)	<u>981</u>	<u>(1,252)</u>
Weighted average number of ordinary shares in issue ('000)		
- Period 1 January 2010 - 3 June 2010	20,000	20,000
- Period 4 June 2010 - 31 December 2010	<u>102,000</u>	<u>102,000</u>
- Weighted Average	<u>67,403</u>	<u>67,403</u>
Basic earnings per share (sen)	<u>1.46</u>	<u>(1.86)</u>



**TATT GIAP GROUP BERHAD**  
(732294-W)  
(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

b) <b>Diluted Earnings per share</b> After TGG ICULS conversion	<b>3 months period ended 31-Dec-10</b>	<b>12 months period ended 31-Dec-10</b>
Profit attributable to shareholders of the Company (RM'000)	<u>981</u>	<u>(1,252)</u>
Weighted average number of ordinary shares in issue ('000)		
Weighted average	67,403	67,403
Effect of ICULS conversion	<u>53,103</u>	<u>53,103</u>
Weighted average	<u>120,506</u>	<u>120,506</u>
Basic earnings per share (sen)	<u>0.81</u>	<u>N/A</u>

**B13 Realised and Unrealised Profits/(Losses)**

The breakdown of accumulated gain of the Group as at the reporting date, into realised and unrealised profit / (loss), pursuant to directive, is as follows:

	Current financial year RM'000	As at the end of last financial year RM'000	
Total retained profits/(accumulated losses) of the Group and its subsidiaries:			<b>Note :</b> Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profit/Loss Disclosure
Realised	49,742		
Unrealised in respect of:			
deferred tax	(18,352)		
other items of income and expenses	460		
	<u>(17,892)</u>		
	<u>31,850</u>		
Total share of retained profits/(accumulated losses) from associates company			
Realised	2,819		
Unrealised in respect of deferred tax			
deferred tax	(136)		
other items of income and expenses	-		
	<u>(136)</u>		
	<u>2,683</u>		
Group adjustments	34,533		
Total Group retained profit	<u>48,206</u>		



**TATT GIAP GROUP BERHAD**

(732294-W)

(Incorporated in Malaysia)

**Notes to the condensed consolidated interim financial statements**

**B14 Authorization for issue**

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.