MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
(Company No.: 178821-X)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 30 June 2012
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2012

	INDIVIDUAL QUARTER		CUMULATIVE	
	CURRENT YEAR QUARTER 30 JUN 2012 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 30 JUN 2011 RM '000	CURRENT YEAR TO DATE 30 JUN 2012 RM '000	PRECEDING YEAR TO DATE 30 JUN 2011 RM '000
Revenue	965,712	957,798	1,630,979	1,881,092
Other operating income	34,922	7,357	57,133	26,842
Operating profit	53,642	66,959	139,389	157,463
Finance costs	(876)	(738)	(1,614)	(742)
Share of profit of jointly controlled entities	7,737	30,180	9,480	53,760
Profit before taxation	60,503	96,401	147,255	210,481
Taxation	(4,969)	(17,112)	(13,648)	(2,679)
Profit after taxation	55,534	79,289	133,607	207,802
Other comprehensive income:				
Fair value gain/(loss) on cash flow hedges	419	(25)	3,637	(25)
Total comprehensive income for the period	55,953	79,264	137,244	207,777
Profit attributable to:				
Equity holders of the Company	55,321	79,021	133,588	207,930
Non-controlling interests	213	268	19	(128)
	55,534	79,289	133,607	207,802
Total comprehensive income attributable to:				
Equity holders of the Company	55,740	78,996	137,225	207,905
Non-controlling interests	213	268	19	(128)
	55,953	79,264	137,244	207,777
Earnings per share attributable to equity holders of the Company:				
(i) Basic (sen)	3.5	4.9	8.3	13.0
(ii) Dilutive (sen)	3.5	4.9	8.3	13.0

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the period ended 31 December 2011)

MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
(Company No.: 178821-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	AS AT END OF CURRENT QUARTER 30 JUN 2012 RM '000	AS AT PRECEDING FINANCIAL YEAR END 31 DEC 2011 RM '000
Non-Current Assets		
Property, Plant and Equipment	1,349,545	1,090,619
Prepaid Land Lease Payments	238,141	65,569
Investment in Jointly Controlled Entities	69,878	61,037
Other Investment	15	15
Goodwill	62,783	-
Deferred Tax Assets	-	57
	1,720,362	1,217,297
Current Assets		
Inventories	15,212	25,593
Trade & Other Receivables	3,537,247	1,131,267
Derivatives	305	-
Tax Recoverable	789	2,724
Cash and Bank Balances	1,268,001	2,085,585
	4,821,554	3,245,169
Current Liabilities		
Trade & Other Payables	3,863,807	1,926,504
Derivatives	-	2,328
Provisions	55,321	61,625
Provision for Taxation	28,137	21,122
	3,947,265	2,011,579
Net Current Assets	874,289	1,233,590
	2,594,651	2,450,887
Equity attributable to equity holders of the Company		
Share Capital	800,000	800,000
Share Premium	818,263	818,263
Cash Flow Hedge Reserve	230	(3,407)
Retained Earnings	939,316	805,728
	2,557,809	2,420,584
Non-controlling interests	3,647	3,628
Total equity	2,561,456	2,424,212
Non-Current Liabilities		
Deferred Tax Liabilities	33,195	26,675
	2,594,651	2,450,887

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the period ended 31 December 2011)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2012

	CUMULATIVE	
	CURRENT YEAR TO DATE 30 JUN 2012 RM '000	**PRECEDING YEAR TO DATE 30 JUN 2011 RM '000**
Profit before taxation	147,255	210,481
Adjustments for:		
Property, plant and equipment		
- depreciation	24,372	22,216
- write off	133	23
Amortisation of land use rights	2,176	1,030
Finance cost	1,614	742
Provision for liquidated ascertained damages	-	11,553
Impairment loss on trade receivables	-	2,950
Inventories written off	474	1,813
Net unrealised foreign exchange loss	27,519	26,104
Interest income	(24,155)	(28,730)
Gain on disposal of PPE	-	(291)
Share of profit of jointly controlled entities	(9,480)	(53,760)
Operating profit before working capital changes	169,908	194,131
Inventories	9,907	3,231
Trade and other receivables	(2,399,484)	900,998
Trade and other payables	1,880,534	(839,034)
Cash (used in)/ generated from operations	(339,135)	259,326
Interest paid	-	(4)
Tax paid	(8,987)	(2,117)
Net Cash Flow (used in)/generated from Operating Activities	(348,122)	257,205
Purchase of property, plant and equipment	(494,256)	(57,498)
Interest received	24,155	28,730
Dividend income	639	
Net Cash Flow used in Investing Activities	(469,462)	(28,768)
Share issuance expenses	-	(6,615)
Net repayment of borrowings	-	(650)
Net Cash Flow used in Financing Activities	-	(7,265)
Net Change in Cash & Cash Equivalents	(817,584)	221,172
Cash & Cash Equivalents at the beginning of the period	2,085,585	1,792,855
Cash & Cash Equivalents at the end of the period	1,268,001	2,014,027

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statementsfor the period ended 31 December 2011)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012

	<-----Equity attributable to equity holders of the Company----->						
	Share Capital RM '000	**Share Premium RM '000**	**Distributable Retained Earnings RM '000**	**Cash flow hedge reserve RM '000**	**Total RM '000**	**Non-controlling interests RM '000**	**Total Equity RM '000**
6 MONTHS ENDED 30 JUNE 2012							
At 1 January 2012	800,000	818,263	805,728	(3,407)	2,420,584	3,628	2,424,212
Total comprehensive income	-	-	133,588	3,637	137,225	19	137,244
At 30 June 2012	800,000	818,263	939,316	230	2,557,809	3,647	2,561,456
6 MONTHS ENDED 31 JUNE 2011							
At 1 January 2011	800,000	824,878	551,486	-	2,176,364	3,430	2,179,794
Total comprehensive income	-	-	207,930	(25)	207,905	(128)	207,777
Transaction with equity holders of the Company							
Issuance of ordinary shares	-	24,902	-	-	24,902	-	24,902
Share issuance expenses	-	(31,517)	-	-	(31,517)	-	(31,517)
Total transactions with equity holders of the Company	-	(6,615)	-	-	(6,615)	-	(6,615)
At 30 June 2011	800,000	818,263	759,416	(25)	2,377,654	3,302	2,380,956

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the period ended 31 December 2011)

NOTES TO THE CONDENSED FINANCIAL REPORT
The figures have not been audited.

A1. CORPORATE INFORMATION

Malaysia Marine and Heavy Engineering Holdings Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 1 August 2012.

A2. FIRST-TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ('MFRS")

A2.1 Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 June 2012 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirement of Bursa Malaysia Securities Berhad. These condensed consolidated 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 period ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The consolidated financial statements of the Group for the period ended 31 December 2011 which were prepared under FRS are available upon request from the Company's registered office at Level 31, Menara Dayabumi, Jalan Sultan Hishamuddin, 50050 Kuala Lumpur.

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statement for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The explanatory notes attached to these condensed consolidated 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 period ended 31 December 2011.

In preparing its opening MFRS Statement of Financial Position as at 1 April 2011 (which is also the date of transition), the Group has considered the transition from FRS to MFRS and no adjustments were required to be made to the amounts previously reported in financial statements prepared in accordance with FRS. The transition from FRS to MFRS also, has not resulted in a material impact on the condensed consolidated statement of financial position, condensed consolidated statement of comprehensive income and condensed consolidated statement of cash flows.

A2.2 Comparative Information

During the financial period ended 31 December 2011, the Group changed its year end from 31 March to 31 December so as to be coterminous with the year end of its holding company. The date of transition to MFRS is 1 April 2011. Comparative amounts (i.e. for the six months period ended 30 June 2011) presented for the statement of comprehensive income, statement of changes in equity, statement of cash flows and the related notes:

(i) are not for the comparable interim periods (current and year-to-date) of the immediately preceding financial year as required by MFRS 134; and

(ii) represents amounts prepared under FRS, prior to the date of transition to MFRS.

Accordingly, these comparative amounts are not comparable to the amounts presented in MFRS for the six months period ended 30 June 2012. The above departure from the requirement of MFRS 134 is unavoidable due to the fact that the Group has changed its year end.

A2. FIRST-TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS ('MFRS") (cont'd)

A2.2 Comparative Information (cont'd)

The comparative amounts for these six months period ended 30 June 2011 were used to provide the relevant unambiguous comparative information to enable fair assessment of the Group's performance given the nature of the Group's business.

The above departure from the requirements of MFRS 134 is primarily due to the Group's change of its year end. However, the impact on the comparatives is temporary and would be resolved by the quarter ended 31 March 2013.

A3. SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

The audited financial statements of the Group for the period 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 condensed consolidated interim financial statements are consistent with those of the audited financial statements for the period ended 31 December 2011 except as discussed below:

(a) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

(i) The classification of former business combination under FRS is maintained;
(ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
(iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Estimates

The estimates at 1 April 2011 and at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at 1 April 2011, the date of transition to MFRS and as of 31 December 2011.

A4. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the period ended 31 December 2011 was not qualified.

A5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are subject to fluctuations in level of activities in the oil and gas and shipping industries.

A6. EXCEPTIONAL ITEMS

There were no exceptional items during the quarter ended 30 June 2012.

A7. CHANGES IN ESTIMATES

There were no material changes in estimates reported in the current period or prior financial period.

A8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities, share buy-backs, share cancellation or shares held as treasury shares and resale of treasury shares during the quarter ended 30 June 2012.

A9. DIVIDEND PAID

There were no dividend payments in the current financial period to date.

A10. SEGMENT REPORT

Segmental analysis for the current financial period to date is as follows:

REVENUE AND RESULT	Offshore RM '000	Marine RM '000	Others RM '000	Eliminations RM '000	Total RM '000
Revenue					
Total Revenue - External	1,457,710	173,173	96	-	1,630,979
Inter-Segment	-	32,602	-	(32,602) *	-
	1,457,710	205,775	96	(32,602)	1,630,979
Result					
Operating profit	112,142	27,097	150 **	- *	139,389
Finance cost					(1,614)
Share of profit of jointly controlled entities					9,480
Profit before taxation					147,255

* Inter-segment revenue and transactions are eliminated on consolidation.
** Comprise of net foreign exchange gains and interest income.

There has been no material change in total assets. However there are differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements. The business segments have been reclassified from Engineering and Construction, and Marine Repair and Conversion to Offshore and Marine respectively.Offshore is made up of Engineering and Construction and Marine Conversion; and Marine represent Marine Repair business.

As a result of the above, the comparative figure has been reclassified to conform with the latest presentation and this is reflected in note B1.

A11. VALUATION OF PROPERTY

The valuations of land and buildings have been brought forward without any amendments from the most recent annual audited financial statements as no revaluation has been carried out since 31 December 2011.

A12. GOODWILL

	Cost RM'000	Accumulated Amortisation and impairment RM'000	Net Carrying Amount RM'000
As at 1 January 2012	-	-	-
Acquisition of yard	62,783		62,783
As at 30 June 2012	62,783	-	62,783

Goodwill during the period derived from the acquisition of Pasir Gudang Yard ("PG Yard") from Sime Darby Engineering Sdn Bhd.

Goodwill is tested for impairment on annual basis (31 December) or when circumstances indicate that the carrying value may be impaired. The Group's impairment test is a comparison of the goodwill's carrying value against its value-in-use (calculated using cash flow projections).

Goodwill was not tested for impairment in the quarter as there were no indications of impairment as at 30 June 2012.

A13. SUBSEQUENT MATERIAL EVENT

There was no material event subsequent to the current financial quarter to date.

A14. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group.

A15. CONTINGENT LIABILITIES

Contingent liabilities of the Group comprise the following :-

	30 Jun 2012 RM '000	31 Dec 2011 RM '000
Unsecured		
Bank guarantees extended to third parties	101,105	8,073

A16. CAPITAL COMMITMENTS

	30 Jun 2012 RM '000	31 Dec 2011 RM '000
Approved and contracted for	160,073	143,658
Approved but not contracted for	173,143	162,783
	333,216	306,441

The outstanding capital commitments relate to the infrastructure upgrading works under the Yard Optimisation Programme and other investment projects.

A17. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - Input that are based on observable market data, either directly or indirectly
Level 3 - Input that are not based on observable market data

The derivatives of the Group amounting to RM305,000 (31.12.2011: RM2,328,000 in credit) are measured at Level 2 hierarchy.

B1. REVIEW OF PERFORMANCE

	Individual Quarter Ended		Cumulative Period Ended	
	30 Jun 2012	**30 Jun 2011**	**30 Jun 2012**	**30 Jun 2011**
	RM '000	**RM '000**	**RM '000**	**RM '000**
Revenue				
Offshore	893,163	897,981	1,457,710	1,785,904
Marine	101,847	86,593	205,775	134,403
Others	77	611	96	935
Eliminations/Adjustments	(29,375) *	(27,387) *	(32,602) *	(40,150) *
	965,712	957,798	1,630,979	1,881,092
Operating Profit				
Offshore	45,243	50,877	112,142	146,832
Marine	17,954	6,695	27,097	(5,161)
Others	(9,555)	8,997	150	14,484
Eliminations/Adjustments	- *	390 *	- *	1,308 *
	53,642	66,959	139,389	157,463

* Inter-segment revenue and transactions are eliminated on consolidation.

a. Performance of current quarter against the corresponding quarter

The Group's operating profit of RM53.6 million was lower against the corresponding quarter's operating profit of RM66.9 million. Detailed analysis by each segment is as follows:

Offshore

Revenue and operating profit for the quarter were mainly contributed by existing projects in hand and a newly secured Kebabangan project. In the corresponding quarter, higher revenue and operating profit was mainly attributed to the already completed EPCIC Turkmenistan Block 1, Phase 1 project.

Marine

Revenue and operating profit of Marine has improved resulting from the progress achieved for FSU Lekas, and higher LNG vessel repair works secured during the quarter as compared to the corresponding quarter. The FSU Lekas has been completed and delivered to client during the quarter.

Group

The Group profit before tax for the quarter was RM60.5 million, relatively lower against the corresponding quarter of RM96.4 million. This was mainly due to the lower operating profit of the Offshore segment.

b. Performance of current period against the corresponding period

The Group's operating profit of RM139.4 million was lower against the corresponding period operating profit of RM157.5 million. Detailed analysis by each segment is as follows:

Offshore

Revenue and operating profit for the current period has decreased compared to the corresponding period. Higher revenue in corresponding period was mainly attributed to the EPCIC Turkmenistan Block 1, Phase 1 project. The project contract was novated to a jointly controlled entity, MMHE-TPGM Sdn Bhd with effect from 1 January 2011 and has been completed.

Marine

Revenue and operating profit of Marine has improved in the corresponding period. This was mainly attributed to the progress achieved for FSU Lekas contract and repair works for Rigs & Support vessel.

Group

The Group profit before tax for the period was RM147.2 million, relatively lower against the corresponding period of RM210.5 million. This was mainly due to the lower operating profit of the Offshore segment.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group's profit before taxation of RM60.5 million was lower against the preceding quarter of RM86.8 million. This is due to the ongoing Offshore projects having past the preliminary stage to allow profit recognition on the progress made in the preceding quarter. The profit recognition in current quarter is based on the gradual increase since thereafter.

B3. CURRENT YEAR PROSPECTS

The renewed focus on domestic Exploration and Production ("E&P") development and enhance oil recovery initiatives, has created buoyant E&P activities as more projects are expected to move into development phase. Our Offshore segment is expected to benefit from this through the replenishment of our order book.

With the acquisition of Pasir Gudang fabrication yard as mentioned in Note B6, coupled with the novation of Kebabangan project from Sime Darby Engineering Sdn Bhd and successful award of F14/F29 Topside contracts, Offshore is expected to contribute positively to the Group's earnings although cost pressures remain a challenge. The performance for Marine segment is expected to remain satisfactory.

B4. VARIANCE OF ACTUAL RESULTS COMPARED WITH FORECASTED AND SHORTFALL IN PROFIT GUARANTEE

The Company did not provide any profit forecast or profit guarantee in any public document.

B5. TAXATION

	30 Jun 2012 RM '000	30 Jun 2011 RM '000
Taxation for the period comprises the following charge:		
Income tax charge		
- current period	(8,988)	(28,024)
- prior year	-	1,382
Deferred taxation	(4,660)	23,963
	(13,648)	(2,679)

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B6. STATUS OF CORPORATE PROPOSALS

a) The status of utilisation of proceeds raised from corporate proposals as at 30 July 2012 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Purpose	Proposed Utilisation RM '000	Revised Utilisation of Proceeds RM '000	Actual Utilisation To Date RM '000	Intended Timeframe for Utilisation	Deviation Amount RM '000
Yard Optimisation Programme	833,780	445,830	-	Within 48 months upon listing	-
Capital expenditure in Turkmenistan	110,000	110,000	-	Within 48 months upon listing	-
Acquisition of PG Yard from SDE	-	393,433	393,433	Immediate	-
Listing expenses	37,000	31,517	31,517	Within 3 months upon listing	-
Total	980,780	980,780	424,950		-

The actual utilisation amount for the listing expenses was lower than the budgeted amount. Hence, the unutilised balance of RM5.483 million will be utilised for the Yard Optimisation Programme as per disclosure in the Company's Prospectus dated 6 October 2010.

The acquisition of the Pasir Gudang fabrication yard ("PG Yard") from Sime Darby Engineering Sdn Bhd has been completed, utilising RM393.4 million from the proceeds which forms part and parcel of the Yard Optimisation Programme as announced to Bursa on 4 April 2012.

B6. STATUS OF CORPORATE PROPOSALS (CONT'D)

b) With reference to the condition imposed by the Securities Commission ("SC") for MHB to obtain the Certificates of Completion and Compliance for structures with temporary permits as disclosed in the listing prospectus ("Subject Properties") within 12 months from the date of the SC's approval on 30 August 2010 ("Outstanding Condition") and SC's subsequent approval for the extension of time until 31 December 2012 for MHB to comply with the Outstanding Condition, the status of compliance and remedial actions taken by MHB as of 30 June 2012 are as follows:

(i) The Certificates of Fitness for Occupation ("CF") were issued for 58 out of 71 Subject Properties. MHB's management is in the process of obtaining the CF for the remaining 13 Subject Properties ("Outstanding Subject Properties").

(ii) The management has received 2 out of 13 letter of support for the remaining 13 Outstanding Subject Properties from Jabatan Bomba dan Penyelamat Malaysia, Negeri Johor ("BOMBA") pending inspection and issuance of CF. The process of obtaining the remaining 11 letter of support is still in progress. Application for the CF will be made accordingly once the letter of support has been issued.

B7. GROUP BORROWINGS

There were no borrowings as at 30 June 2012.

B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments for the quarter ended 30 June 2012.

B9. CHANGES IN MATERIAL LITIGATION

There were no material litigation involving the Group as at 30 June 2012.

B10. DIVIDEND PROPOSED

No dividends had been proposed for the quarter ended 30 June 2012.

B11. DERIVATIVES

The Group entered into forward foreign currency contracts to manage the exposure to foreign exchange risk when it enters into transactions that are not denominated in their functional currencies.

Details of the Group's derivative financial instruments outstanding as at 30 June 2012 are as follows:

	Contract/ Notional Amount as at 30 Jun 2012 (in RM '000)	**Fair Value (in RM '000)**
Forward foreign currency contracts		
- Less than 1 year	(17,057)	305

During the period, the Group has recognised a net loss of RM3,637,000 in its statement of comprehensive income mainly due to settlement of the forward foreign currency contracts in the current quarter and period, and a net unrealised loss of RM230,000 in its equity in relation to fair value of the spot component of the hedged instrument.

B12. EARNINGS PER SHARE

In respect of earnings per share :-

i) The amount used as numerator for the calculation of basic earnings per share is RM55.5 million for the second quarter ended 30 June 2012 which is the same as the profit attributable to the equity holders of the Company as shown in the condensed consolidated statement of comprehensive income.

ii) The weighted average number of ordinary shares used as the denominator in calculating the basic earnings per share and dilutive earnings per share for the second quarter ended 30 June 2012 is 1,600.0 million.

The Group does not have any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

B13. REALISED AND UNREALISED PROFITS

The breakdown of the retained profits of the Group as at 30 June 2012 and 31 December 2011 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, prepared in accordance with *Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits and Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by Malaysian Institute of Accountants.

	30 Jun 2012 RM '000	**31 Dec 2011 RM '000**
Total retained profits of the Company and its subsidiaries:		
- Realised	763,844	662,921
- Unrealised	(51,019)	(67,207)
	712,825	595,714
Total share of retained profits from jointly controlled entities:		
- Realised	60,739	44,751
- Unrealised	(421)	1,914
	773,143	642,379
Add: Consolidation adjustments	166,173	163,349
Total Group retained profits as per consolidated accounts	939,316	805,728

All retained profits for the Company level are realised profits.

B14. PROFIT FOR THE PERIOD

	Individual Quarter Ended		**Cumulative Period Ended**	
	30 Jun 2012 RM '000	**30 Jun 2011 RM '000**	**30 Jun 2012 RM '000**	**30 Jun 2011 RM '000**
Profit for the period is arrived at after charging:				
Property, plant and equipment				
- Depreciation and amortisation	15,002	11,440	26,548	23,246
- written off	-	13	133	23
Impairment loss of receivables	-	13,629	-	14,503
Finance costs	876	738	1,614	742
Net foreign exchange loss	87	-	-	-
Provision for and write off of inventories	474	-	474	1,813
and after crediting:				
Interest income	9,366	11,643	24,155	28,730
Rental income	21,108	-	21,215	217
Net foreign exchange gain	-	4,693	3,797	2,723
Other income	7,630	1,084	10,149	3,099
Gain on disposal of property, plant and equipment	-	-	-	291