BENALEC HOLDINGS BERHAD
(702653-V)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2012

TABLE OF CONTENTS **PAGE**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2012

	Individual Quarter		Cumulative Quarter	
	(Unaudited) Current Year Quarter Ended 30-06-2012 RM'000	(Unaudited) Preceding Year Quarter Ended 30-06-2011 RM'000	(Unaudited) Current Year To Date 30-06-2012 RM'000	(Audited) Preceding Year To Date 30-06-2011 RM'000
Revenue	**24,896**	**62,431**	**155,280**	**210,963**
Cost of sales	(19,386)	(27,717)	(88,963)	(88,879)
Gross profit	**5,510**	**34,714**	**66,317**	**122,084**
Other operating income	20,953	[(2)](160)	68,561	28,594
Selling and administrative expenses	(13,789)	(6,301)	(28,763)	(20,701)
Profit from operations	**12,674**	**28,253**	**106,115**	**129,977**
Finance costs	(1,196)	(1,251)	(5,787)	(3,887)
Profit before tax ("PBT")	**11,478**	**27,002**	**100,328**	**126,090**
Income tax expense	(714)	(4,190)	(17,573)	(30,009)
Profit for the period	**10,764**	**22,812**	**82,755**	**96,081**
Other comprehensive income, net of tax:-				
• fair value (loss) / gain on available-for-sale financial assets	(2)	1	(4)	(5)
• foreign currency translations	5,590	1	6,652	(4,341)
Total comprehensive income for the period	**16,352**	**22,814**	**89,403**	**91,735**
Profit attributable to:-				
• equity holders of the Company	10,767	22,812	82,758	96,081
• Non-controlling interest	(3)	-	(3)	-
	10,764	**22,812**	**82,755**	**96,081**
Total comprehensive income attributable to:-				
• equity holders of the Company	16,355	22,814	89,406	91,735
• Non-controlling interest	(3)	-	(3)	-
	16,352	**22,814**	**89,403**	**91,735**
Earnings Per Share (sen)				
• basic earnings per RM0.25 share	**1.4**	3.4	**10.7**	14.4
• diluted earnings per RM0.25 share	[(1)]**1.4**	3.4	[(1)]**10.5**	14.4

Notes:-

*(1) The diluted earnings per share was computed based on the effect of the assumed exercise of options issued in relation to the Employee Share Option Scheme **("ESOS")**.*

(2) Deficit in other income was mainly due to adverse movement on average translation rate used, resulting lower unrealised gain in Q4'2011 as compared to Q3'2011.

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial reports.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	Unaudited As at 30-06-2012 RM'000	(Restated) As At 30-6-2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		240,059	245,314
Other investments		34	37
		240,093	245,351
Current assets			
Lands and properties held for sale		181,456	107,483
Inventories		2,460	7,457
Land reclamation work in progress		17,756	1,170
Trade and other receivables		199,615	206,957
Fixed deposit		26,346	48,271
Cash and bank balances		104,172	21,515
		531,805	392,853
TOTAL ASSETS		**771,898**	**638,204**
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Share capital		200,740	182,500
Non-distributable reserves		5,314	(79,455)
Distributable reserve		310,421	243,715
Total equity attributable to owners of the Company		**516,475**	**346,760**
Non-controlling interests		3	-
		516,478	**346,760**
Non-current liabilities			
Borrowings	**24**	17,311	43,701
Deferred tax liabilities		8,967	10,202
Trade and other payables		57,309	28,757
		83,587	**82,660**
Current liabilities			
Trade and other payables		139,308	169,961
Borrowings	**24**	30,865	19,211
Tax liabilities		1,660	19,612
		171,833	**208,784**
TOTAL LIABILITIES		**255,420**	**291,444**
TOTAL EQUITY AND LIABILITIES		**771,898**	**638,204**
Net assets per RM0.25 share attributable to ordinary equity holders of the company		**0.64**	**0.48**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial reports.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2012

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY							
	Non-Distributable Reserve						Distributable Reserve	
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Reverse Acquisition Reserve RM'000	Available For-Sale Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 July 2010	**2,500**	**-**	**-**	**(1,564)**	**-**	**(20)**	**152,434**	**153,350**
Profit for the financial year	-	-	-	-	-	-	96,081	96,081
Fair value of the available-for-sale financial assets	-	-	-	-	-	(5)	-	(5)
Foreign currency translation	-	-	-	(4,341)	-	-	-	(4,341)
Total comprehensive income	**-**	**-**	**-**	**(4,341)**	**-**	**(5)**	**96,081**	**91,735**
Transactions with owners:-								
• issue of share capital arising from bonus issue	4,800	-	-	-	-	-	(4,800)	-
• acquisition of subsidiaries, which have been accounted for as reverse acquisition	150,200	-	-	-	(146,070)	-	-	4,130
• ordinary shares issued pursuant to public issue	25,000	-	75,000	-	-	-	-	100,000
• share issue expenses – public issue	-	-	(2,455)	-	-	-	-	(2,455)
As at 30 June 2011	**182,500**	**-**	**72,545**	**(5,905)**	**(146,070)**	**(25)**	**243,715**	**346,760**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2012 (*"CONT'D"*)

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY									
	Non-Distributable Reserve							Distributable Reserve		
	Share Capital RM'000	Treasury Share RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Reverse Acquisition Reserve RM'000	Share Option Reserve RM'000	Available For-Sale Reserve RM'000	Distributable Retained Earnings RM'000	Non Controlling interests Total RM'000	Total RM'000
As at 1 July 2011	**182,500**	**-**	**72,545**	**(5,905)**	**(146,070)**	**-**	**(25)**	**243,715**	**-**	**346,760**
Funding from non-controlling interests	-	-	-	-	-	-	-	-	6	6
Profit for the financial year	-	-	-	-	-	-	-	82,758	(3)	82,755
Fair value of the available-for-sale financial assets	-	-	-	-	-	-	(4)	-	-	(4)
Foreign currency translation	-	-	-	6,652	-	-	-	-	-	6,652
Total comprehensive income	**-**	**-**	**-**	**6,652**	**-**	**-**	**(4)**	**82,758**	**(3)**	**89,403**
Transactions with owners:-										
• issue of share capital pursuant to private placement	18,240	-	78,067	-	-	-	-	-	-	96,307
• share issue expenses – private placement	-	-	(513)	-	-	-	-	-	-	(513)
• Share-based payment transaction for ESOS	-	-	-	-	-	1,814	-	-	-	1,814
• buy back of shares	-	(1,247)	-	-	-	-	-	-	-	(1,247)
• Dividend paid	-	-	-	-	-	-	-	(16,052)	-	(16,052)
As at 30 June 2012	**200,740**	**(1,247)**	**150,099**	**747**	**(146,070)**	**1,814**	**(29)**	**310,421**	**3**	**516,478**

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial reports.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FOURTH (4TH) QUARTER ENDED 30 JUNE 2012

	Unaudited As at 30 June 2012 RM'000	As at 30 June 2011 (Restated) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
PBT	**100,328**	**126,090**
Adjustments for:-		
Depreciation	10,832	20,885
Gain on disposal of lands	(64,179)	(17,975)
Non-cash and operating items	7,346	2,350
Operating profit before working capital changes	**54,327**	**131,350**
Changes in working capital:-		
Inventories	4,996	(838)
Land reclamation work in progress	(16,586)	(1,170)
Land held for sale	(9,794)	(633)
Share-based payment transactions	1,814	-
Trade and other receivables	7,547	(141,985)
Trade and other payables	(10,017)	41,698
Cash generated from operations	**32,287**	**28,422**
Tax paid	(36,964)	(20,405)
Interest paid	(5,787)	(3,887)
Net cash (used in) / generated from operating activities	**(10,464)**	**4,130**
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	1,563	957
Placement of fixed deposits - pledged	(4,255)	(840)
Acquisition of other subsidiaries	-	2,228
Dividend received	299	6
Disposal of property, plant and equipment	10,616	3,578
Purchase of property, plant and equipment	(10,219)	(31,022)
Net cash used in investing activities	**(1,996)**	**(25,093)**
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/ Drawdown of borrowings and hire-purchase – net	(15,631)	3,855
Dividend paid	(16,052)	-
Related party balances	7,911	(37,907)
Funding from non-controlling interests	6	-
Issue of new shares pursuant to private placement (net)	95,794	-
Share buy back	(1,247)	-
Proceeds from public issue	-	100,000
Share issue and listing expenses	-	(6,248)
Net cash generated from financing activities	**70,781**	**59,700**
Net increase in cash and cash equivalents	**58,321**	**38,737**
Cash and cash equivalents at the beginning of period	54,315	15,309
Effects of exchange rate changes	(1,844)	269
Cash and cash equivalents at the end of period	**110,792**	**54,315**

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FOURTH (4th) QUARTER ENDED 30 JUNE 2012 ("CONT"D")

	Unaudited As at 30 June 2012 RM'000	As at 30June 2011 (Restated) RM'000
Cash and cash equivalents comprise the following:-		
Cash and bank balances	104,172	21,515
Fixed deposits		
• pledged	19,726	15,471
• not pledged	6,620	32,800
	130,518	69,786
Less: Fixed deposits pledged	(19,726)	(15,471)
	110,792	54,315

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial reports.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOUR (4^{TH}) QUARTER ENDED 30 JUNE 2012

NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards (**"FRS"**) 134 "Interim Financial Reporting" and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**).

The interim financial report should be read in conjunction with the audited financial statements of the Group for financial year ended 30 June 2011. The explanatory notes attached to the interim financial report 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 financial year ended 30 June 2011.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the annual financial statements for the financial year ended 30 June 2011.

The Group has not applied the following new/revised accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standard Board **("MASB")** but are not yet effective for the Group:-

i. FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

FRS 124	:	Related Party Disclosures
Amendments to FRS 1	:	First-time Adoption of Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	:	Financial Instrument: Disclosures - Transfers of Financial Assets
Amendments to FRS 112	:	Income Taxes - Deferred Tax : Recovery of Underlying Assets

ii. FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

Amendments to FRS 101	:	Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income

iii. FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

FRS 9	:	Financial Instruments (IFRS 9 issued by IASB in November 2009)
FRS 9	:	Financial Instruments (IFRS 9 issued by IASB in November 2010)
FRS 10	:	Consolidated Financial Statements
FRS 11	:	Joint Arrangements
FRS 12	:	Disclosure of Interests in Other Entities
FRS 13	:	Fair Value Measurement
FRS 119	:	Employee Benefits (2011)
FRS 127	:	Separate Financial Statements (2011)

iv. MFRS Framework ("Framework")

On 19 November 2011, the MASB issued a new MASB approved accounting framework. The 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 **("MFRS 141")** and IC Interpretation 15 Agreements for Construction of Real Estate **("IC 15")**, including its parent, significant investor and venture **("Transitioning Entities")**. The Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one (1) year.

On 30 June 2012, MASB has decided to allow Transitioning Entities to defer the adoption of MFRS Framework for another year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods on or after 1 January 2014.

The Group's financial statements for the annual period beginning on 1 July 2012 will be prepared in accordance with the Malaysia Financial Reporting Standards **("MFRSs")** issued by the MASB and International Financial Reporting Standards **("IFRSs")**. As a result, the Group will not be adopting the above FRSs, Interpretation and amendments (as stated in Section 2(i), (ii) and (iii)).

In presenting its first (1^{st}) MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively, against opening retained profits.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the quarter one (1) announcement of FYE 2013 to Bursa Securities.

3. QUALIFICATION OF AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report for the preceding annual financial statements was not subject to any qualification.

4. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

5. NATURE AND AMOUNT OF ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year ended 30 June 2012.

6. CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS OF THE CURRENT FINANCIAL YEAR OR IN PRIOR FINANCIAL YEARS

The Group revised its depreciation rates for barges and dredgers from 10 years to 25 years with effect from 1 July 2011 to reflect more realistically the estimated remaining economic useful lives of the assets. The effect of the change in depreciation rate in accounting estimate has reduced the depreciation charge by approximately RM4.03 million for the quarter and RM16.88 million for the year, and a corresponding increase in PBT for the quarter and for the year respectively.

Saved as disclosed above, there were no other changes in estimates that have had any material effect on current quarter under review.

7. DIVIDEND PAID

On 23 December 2011, the shareholders of the Company had approved a final tax exempt (single tier dividend) in respect of the financial year ended 30 June 2011. The dividend amounting to approximately RM16.052 million was paid on 19 March 2012.

8. COMPARATIVE FIGURES

During the current quarter, certain comparative figures have been re-presented and reclassified.

Prior to the current quarter and for FYE 2011, the Group has recognised the vessels work in progress as inventories. During this quarter, the Group has recognised the vessels work in progress as part of *"Property, Plant and Equipment – Under Construction"* as the constructions of these vessels are for internal use. Any unrealised profit (if any) will be eliminated in full.

The following are the effects to the consolidated statement of financial position and consolidated cash flow statements as at 30 June 2011 arising from the changes in reclassification:-

	As previously stated RM'000	Reclassification RM'000	As restated RM'000
Statements of Financial Position			
• Property, plant and equipment	241,731	3,583	245,314
• Inventories	11,040	(3,583)	7,457
Statements of Cash Flows			
• Net cash flow generated from operating activities	2,433	1,697	4,130
• Net cash flow used in investing activities	(23,396)	(1,697)	(25,093)

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9. SEGMENTAL REPORTING

The Group's segmental report for the current financial year ended 30 June 2012 as follows:-

	Marine Construction RM'000	Vessels Chartering RM'000	Ship Maintenance and Ship Building RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue						
External – Sales	150,532	4,748	-	-	-	155,280
Inter - segment sales	91,195	-	6,000		(97,195)	-
Total revenue	241,727	4,748	6,000	-	(97,195)	155,280
Results						
Segment results	127,492	(7,823)	(13,537)	(1,580)	-	104,552
Interest income	1,330	-	23	210	-	1,563
Finance costs	(5,701)	-	(86)	-	-	(5,787)
Profit /(loss) before tax	**123,121**	**(7,823)**	**(13,600)**	**(1,370)**	**-**	**100,328**
Income tax expense	(17,594)	-	27	(6)	-	(17,573)
Profit /(loss) for the period	**105,527**	**(7,823)**	**(13,573)**	**(1,376)**	**-**	**82,755**

Following are the major components included in the respective segmental results:-

	Marine Construction RM'000	Vessels Chartering RM'000	Ship Maintenance and Ship Building RM'000	Others RM'000	Elimination RM'000	Total RM'000
Depreciation:-						
• Over depreciation in prior period of FYE 2012	11,897	951	-	-	-	12,848
• Depreciation charge for FYE 2012	(21,582)	(1,733)	(365)	-	-	(23,680)
Gain on disposal of lands	64,179	-	-	-	-	64,179
Share-based payment transactions	1,699	-	115	-	-	1,814

10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment loss.

There were no valuations of the property, plant and equipment in the current financial quarter.

11. MATERIAL EVENTS NOT REFLECTED IN THE FINANCIAL STATEMENTS

There were no material events subsequent to the end of the financial year ended 30 June 2012 and up to 22 August 2012, being the latest practicable date (**"LPD"**) which is not earlier than seven (7) days from the date of issuance of this quarterly report, that have not been reflected in this quarterly report.

12. DEBT AND EQUITY SECURITIES

12.1 Current Financial Period

There were no issuance, cancellations, repurchases, resale nor repayments of debt and equity securities for the current financial period other than as disclosed below:-

Date	No. of share buy-back	Average price paid (RM)[(1)]	Total consideration paid (RM)
24 April 2012	20,000	1.1182	22,363
26 April 2012	30,000	1.1282	33,846
27 April 2012	446,600	1.1139	497,472
30 April 2012	51,300	1.1178	57,343
2 May 2012	120,000	1.1148	133,774
3 May 2012	55,000	1.1181	61,497
18 May 2012	15,300	1.1282	17,262
	738,200	1.1156	823,557

Note:-

(1) Include brokerage commission and other miscellaneous expenses related to share buyback.

12.2 End Of Financial Year Ended 30 JUNE 2012 And Up To LPD

There were no issuance, cancellations, repurchases, resale nor repayments of debt and equity securities subsequent to the end of the financial year ended 30 June 2012 and up to the LPD which is not earlier than seven (7) days from the date of issuance of this quarterly report, other than as disclosed below:-

12.2.1 Share Issuance Scheme

On 16 April 2012, the Company had announced that 15,132,000 options have been offered to the eligible employees, Directors and persons connected to a Director of the Benalec Group.

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Details of the Options as presented below:-

Description		No. of Options
Granted	:	15,132,000
Accepted	:	15,027,000
Forfeited	:	105,000

The fair value of share options granted during the year was estimated using Black Scholes model, after taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows:-

Fair value of share options on grant date i.e. 16 April 2012	*:*	*RM0.12*
Weighted average share price	*:*	*RM1.16*
Exercise price	*:*	*RM1.06*
Expected volatility	*:*	*10.0%*
Expected life	*:*	*5 years*
Risk free interest rate	*:*	*3.577%*
Expected dividend yield	*:*	*1.69%*

(For definitions and abbreviations, please refer to the By-Laws set out in Benalec's Prospectus dated 28 December 2010).

12.2.2 Share Buy Back

There were no issuances, cancellations, repurchases, resale nor repayments of debt and equity securities from the FYE 2012 up to the LPD.

13. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial period ended 30 June 2012, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations, other than as disclosed below:-

- On 6 June 2012, the Company announced that the Benalec Sdn. Bhd. (**"BSB"**), a wholly owned subsidiary of the Company has acquired a company namely Goldnet Synergy Sdn. Bhd. (Company No. 947383-W) (**"GSSB"**) with two (2) ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of GSSB for cash consideration of Ringgit Malaysia two only (RM2.00) (**"Acquisition"**). Arising from the Acquisition, GSSB becomes a subsidiary of BSB and the investment of GSSB in Neptune Paradise Sdn. Bhd. (Company No. 945160-M) ("NPSB") will become a sub-subsidiary of BSB.

  NPSB was incorporated in Malaysia on 19 May 2011 under the Companies Act, 1965. The authorised share capital of NPSB is RM100,000.00 divided into 100,000 Ordinary Shares of RM1.00 each, of which Ringgit Malaysia Two Only (RM2.00) divided into 2 Ordinary Shares of RM1.00 each have been fully issued and paid-up.

  For further details, please refer to announcement made by the Company on 6 June 2012.

14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material contingent liabilities or contingent assets as at 30 June 2012.

15. CAPITAL COMMITMENTS

There were no material capital commitments not provided for as at 30 June 2012.

16. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions during the financial year under review in which certain directors of the Company have substantial financial interest as presented below:-

Nature of transactions[(1)]	Transaction value based on billings RM'000	Balance outstanding as at 30-06-2012 RM'000
Provision of marine construction works (payment in kind) to companies in which certain directors of the company have substantial financial interest[(2)]	86,749	130,736
Provision of marine construction works (progress payment) to a company in which certain directors of the company have substantial financial interest	204	-
Purchase of vessels from companies in which certain directors of the company have substantial financial interest	-	(80,713)
Provision of marine construction work from a company in which certain directors of the company have substantial financial interest	-	(73)

Notes:-

(1) The related party transactions reflect transactions of all the subsidiaries with the respective group of companies; and

(2) This amount represents the value of the land portion pending land Alienation Process which the Group entities to receive as settlement for the marine construction contracts. It would subsequently reclassified as "land held for sale" following the alienation process.

17. REVIEW OF PERFORMANCE OF THE GROUP

17.1 CURRENT YEAR-TO-DATE VERSUS PREVIOUS YEAR-TO-DATE

	Current Year-To-Date 30 June 2012	Previous Year-To-Date 30 June 2011	Variance	
	RM'000	RM'000	RM'000	%
Revenue	155,280	210,963	(55,683)	(26.39)
PBT	100,328	126,090	(25,762)	(20.43)

For the Financial Year Ended (**"FYE"**) 30 June 2012, the Group registered revenue of RM155.28 million (FYE 2011: RM210.96 million), representing a decrease of approximately RM55.68 million or 26.39%. The decrease in revenue was mainly due to:-

- completion of certain projects located in Melaka, except for following on-going project i.e. Sentosacove, Glenmarie Cove, Port Klang and Boon Siew – Phase 1A;

- significant land reclamation works have been undertaken within the subsidiaries of the Group for a project located at Kawasan Kota Laksamana, Bandar Melaka (**"Project DMDI"**). The development costs of approximately RM17.76 million incurred as at to date in relation to the Project DMDI have been capitalised as land reclamation work in progress.

  Jayamas Cekap Sdn. Bhd., being a wholly owned subsidiary of Benalec Sdn. Bhd. is a concessionaire for the Project DMDI. Hence, any unrealised profit arising from the land reclamation works in relation to Project DMDI will be eliminated in full. The revenue and profit from Project DMDI will only be recognised upon the subsequent disposal of the land to the end buyer. For further details, please refer to the announcement made to Bursa Securities on 13 March 2011;

- the new Pulau Indah project has yet to contribute significant revenue as it is still at initial stage; and

- preliminary expenses for various studies have been incurred for our Tanjung Piai and Pengerang reclamation works in Johor. These projects have yet to contribute significant revenue as it is still at preliminary stage.

The Group registered PBT of RM100.33 million (FYE 2011: RM126.09 million), representing a decrease of RM25.76 million or 20.43%. The decrease was mainly due:-

Description	**RM' million**	***Note***
Decrease in gross profit	(55.77)	*1*
Increase in other income	39.97	*2*
Increase in selling and administrative expenses	(8.06)	*3*
Increase in finance costs	(1.90)	*4*
Net decrease in PBT	**(25.76)**	

Notes:-

(1) *Decrease in gross profit was mainly due to completion of certain projects located in Melaka and lower gross profit margin for certain on-going projects. The GP decreased to 42.70% (for FYE 2012) from 57.86% (for FYE 2011).*

(2) *Higher gain on disposal of lands of RM64.18 million (for FYE 2012) as compared to RM17.98 million (for FYE 2011), representing an increase of RM46.2 million or 256.95% but the increase is offset with one (1) off gain on bargain purchase arising from acquisitions of subsidiaries of approximately RM6.02 million recognised in prior year.*

(3) *Increase in selling and administrative expenses was mainly due to one-off charge of staff cost in relation to ESOS of RM1.8 million and unrealised loss recognised of approximately RM2.36 million as compared to unrealised gain in prior FYE 2011 of RM0.75 million.*

(4) *Increase in finance cost was mainly due to additional borrowings to finance purchase of tugboats and barges.*

17.2 CURRENT YEAR FOURTH (4TH) QUARTER VERSUS PREVIOUS YEAR FOURTH (4TH) QUARTER

	Current Fourth (4TH) Quarter 30 June 2012	Previous Fourth (4TH) Quarter 30 June 2011	Variance	
	RM'000	RM'000	RM'000	%
Revenue	24,896	62,431	(37,535)	(60.12)
PBT	11,478	27,002	(15,524)	(57.49)

For the current quarter under review with comparison to last year corresponding quarter, the Group registered revenue of approximately RM24.96 million (Q4 FYE 2011: RM62.43 million), representing a decrease of RM37.54 million or 60.12%. The decrease was mainly due to factor as stated in Section 17.1 above.

The Group registered a lower PBT of approximately RM11.48 million (Q4 FYE 2011: RM27.0 million), representing a decrease of RM15.52 million. The decrease was mainly due to:-

Description	RM' million	*Note*
Decrease in gross profit	(29.20)	*1*
Increase in other operating income	21.11	*2*
Increase in selling and administrative expenses	(7.49)	*3*
Decrease in finance cost	0.06	*Negligible*
Net decrease in PBT	**(15.52)**	

Notes:-

(1) Decrease in gross profit was mainly due to factor as stated in Section 17.1 above and lower gross profit margin from the projects. The GP decreased to 22.13% (for FYE 2012) from 55.6% (for FYE 2011) mainly due to lower gross profit margin for certain on-going projects.

(2) Mainly due to gain on disposal of land of RM18.01 million.

(3) Included in the selling and administrative expenses was one-off expenses related to staff cost (ESOS) of RM1.8 million and increase in directors' remuneration and staff cost.

18. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

	Current Fourth (4TH) Quarter 30 June 2012	Preceding Third (3RD) Quarter 31 March 2012	Variance	
	RM'000	RM'000	RM'000	%
Revenue	24,896	28,911	(4,015)	(13.88)
PBT	11,478	19,428	(7,950)	(40.92)
Profit after tax	10,764	14,222	(3,458)	(24.31)

The current revenue of approximately RM24.9 million reflected a marginal decrease of approximately RM4.02 million or 13.88% against preceding quarter revenue of RM28.91 million. A marginal decrease in revenue for the current quarter as compared to preceding quarter was mainly due to decrease in revenue contribution from Phase 1A of RM3.5 million during this quarter as this project is at near completion stage.

The Group's current quarter PBT of approximately RM11.48 million reflected a decrease of RM7.95 million. The decrease was mainly due to:-

Description	RM' million	Note
Decrease in gross profit	(9.61)	1
Increase in other operating income	8.64	2
Increase in selling and administrative expenses	(7.16)	3
Decrease in finance cost	0.18	Negligible
	(7.95)	

Notes:-

(1) Mainly due to factor as stated in Section 17.1 above.

(2) *Higher gain on disposal of lands of RM5.46 million to RM18.01 million.*

(3) Increase in selling and administrative expenses was mainly due to one-off charge of staff cost in relation to ESOS of RM1.8 million and increase in unrealised loss of RM2.32 million (from RM0.52 million in Q3'2012 to RM2.84 million in Q4'2012).

19. PROSPECTS

The prospects for growth are bright based on the future projects in the pipeline that exists particularly in Penang, Melaka, Iskandar, Port Klang and the Sarawak Corridor of Renewable Energy (**"SCORE"**).

The 10th Malaysia Plan has ports and harbour industry as a key economic sector for targeted growth in Malaysia and has allocated a substantial amount of funding in support of the industry.

The Government is committing resources towards making Malaysia a high income, high Gross Domestic Product (**"GDP"**) nation by the announcement of the five (5) economic regions during the 9th Malaysia Plan, by which the development of these regions encompasses coastal, rivals and waterfront development as well as the upgrade of infrastructure such as the construction of power plants and energy stations, better drainage control and flood mitigation systems.

On the regional front, the opportunities that exist in Asia Pacific with future projects estimated at over RM170 billion, are a compelling incentive for the Company to invest and expand its operations beyond domestic borders.

The recent land reclamation concession rights secured from UPENJ for a proposed petroleum and petrochemical hubs and maritime industrial parks, which is strategically situated at the coasts of Tanjung Piai and Pengerang with an area measuring 5,245 acres which is adjacent to the vibrant petrochemical hub in Jurong is expected to provide the Group a sustainable order-book for the next 10 to 15 years.

In addition, the Benalec Sdn. Bhd., being a wholly owned subsidiary of Company was awarded a contract of affreightment from TNB Fuel Services for the carriage of bulk coal for a principal period of three (3) years with an option for extension of another two (2) years. The estimated contract value was US$22.41 million for the three (3) years principal contract period.

The Board and Management are confident on the future prospect of the Group but remain cautious as the global economy especially the major markets emerge from the recessionary pressures, as signs of recovery remain unclear. The Group continues to focus on minimizing risk exposure by exercising prudent control measures.

Barring unforeseen external shocks, the Board is optimistic that the Group's strong performance will continue in FY 2013.

20. PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee in any public document.

21. PROFIT FOR THE PERIOD

Included in the PBT for the period are as presented below:-

	Current Quarter RM'000	Year-To-Date RM'000
Depreciation:-		
• For the FYE 2012	4,191	23,680
• Over depreciation	(12,848)	(12,848)
Other income including investment income	265	299
Gain on disposal of lands	18,013	64,179
Interest expense	(1,196)	(5,787)
Interest income	793	1,563
Realised exchange (loss)/gain – net	(82)	(76)
Unrealised exchange (loss)/gain – net	(2,841)	(2,364)
Share based payment	(1,814)	(1,814)
Amortisation	N/A	N/A
Provision for and write off of receivables	N/A	N/A
Gain or loss on disposal of quoted or unquoted investment properties	N/A	N/A
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

Note:

N/A = Not applicable.

22. TAXATION

	Current Quarter RM'000	Year-To-Date RM'000
Current year tax	1,849	18,837
(Over) / Under provision of tax in prior year	(478)	408
Deferred tax	(657)	(1,672)
	714	17,573
Effective tax rate (%)	(1)6.22	(2)17.51

Notes:-

(1) Lower effective tax rate than the statutory tax rate of 25% was mainly due to overprovision of depreciation due to change of depreciation rate. For further information, please refer to Note 6 and Note 9 of this Announcement.

(2) The lower effective tax rates of the Group than the prevailing statutory tax rate is mainly due to lower tax rate in accordance with Labuan Offshore Business Activity Act 1990 for vessel chartering division.

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23. STATUS OF CORPORATE PROPOSALS AND UTILISATION OF PROCEEDS

23.1 Utilisation of Proceeds from Private Placement

On 7 December 2011, the Company announced the completion of the Private Placement upon the listing and quotation of the first and final tranche, comprising 72,960,000 new Benalec shares on the Main Market of the Bursa Securities.

The utilisation of gross proceeds of RM96,307,200 raised from the Private Placement by the Company as at the LPD as presented below:-

Description	Proposed utilisation	Actual utilisation	Balance/ Deviation		[(3)]Estimated timeframe for utilisation upon Listing	*Note*
	RM'000	RM'000	RM'000	%		
Working capital	95,607	14,777	80,830	84.54	Within 12 months	*1*
Estimated expenses	700	576	124	17.71	Within 6 months	*2*
Total	**96,307**	**15,353**	**80,954**	**84.05**		

Notes:-

(1) Working capital mainly utilised for the following:-

(i) land reclamation projects, purchase of vessels, purchase of materials such as diesel, spare parts for the repairs of vessels as well as plant and machinery, sand, rocks, materials such as brick, cement, culverts, hardware, piles and other materials utilised in the Group's operations, transport and consumables;

(ii) the payment for sub-contracted services for loading, unloading and levelling sea sand, rock revetment/replacement works, electrical infrastructure, earthwork, dredging and land reclamation and lorry hire;

(2) The estimated expenses consist of professional fees, fees payable to authorities and other miscellaneous expenses. Any variation in the actual amount of the estimated expenses will be adjusted in the portion of the proceeds to be utilised for working capital and vice versa. The total private placement expenses were RM0.576 million, approximately RM0.511 million and RM0.065 million was written off against share premium account and expensed off respectively in the current period. The excess of approximately RM0.124 million will be re-allocated for working capital purposes; and

(3) From the date of full receipt of the gross proceeds on 8 December 2011 pursuant to the completion of the Private Placement.

24. BORROWINGS

The Group's borrowings as at 30 June 2012 presented as follows:-

	RM'000
Long Term Borrowings	
Secured:-	
• hire purchase and lease creditors	567
• term loans	16,744
	17,311
Short Term Borrowings	
Secured:-	
• hire purchase and lease creditors	865
• term loans	30,000
	30,865
Total	**48,176**

The total borrowings denominated in foreign and local currency as at 30 June 2012 as presented below: -

	RM'000
Foreign currency – SGD 376,785 @ RM2.5001/SGD1	942
Local currency	47,234
	48,176

25. MATERIAL LITIGATION

There were no pending material litigations as at the date of issuance of this quarterly report that have a material effect on the financial position of the Group. The Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings, which might materially affect the position or business of the Group.

26. DIVIDEND

The Board does not recommend any interim dividend for the current period ended 30 June 2012.

27. EARNINGS PER SHARE ("EPS")

27.1 Basic EPS

The basic earnings per share are calculated based on the net profit attributable to ordinary shareholders for the period divided by the weighted average number of ordinary shares and as presented below:-

	Three (3) Months		Twelve (12) Months	
	Ended 30-06-2012	Ended 30-06-2011	Ended 30-06-2012	Ended 30-06-2011
Net profit attributable ordinary shareholders for the period (RM'000)	10,764	22,812	82,755	96,081
Weighted average number of ordinary shares ('000)	770,825	668,949	770,825	668,949
Basic EPS (sen)	1.4	(1)3.4	10.7	(1)14.4

Note:-

(1) Based on the weighted average of 613,478,236 ordinary shares issued by the Company to the owner of the legal subsidiary (i.e. BSB) for the reverse acquisition for five (5) months up to 2 December 2010, 630,000,000 ordinary shares in issue of the Company after the acquisitions of subsidiaries on 2December 2010 for one and a half (1.5) months and 730,000,000 ordinary shares in issue of the Company after the Public Issue on 17 January 2011 for five and a half (5.5) months.

27.2 Diluted EPS

The diluted earnings per share has been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares that would have been issue upon full exercise of the remaining options under the ESOS granted, adjusted for the number of such shares that would have been issued at fair value, calculated as presented in next page:-

	Three (3) Months Ended 30-06-2012	Three (3) Months Ended 30-06-2011	Twelve (12) Months Ended 30-06-2012	Twelve (12) Months Ended 30-06-2011
Net profit attributable ordinary shareholders for the period (RM'000)	10,764	22,812	82,755	96,081
Weighted average number of ordinary shares as per basic EPS ('000)	770,825	668,949	770,825	668,949
Effect of potential exercise of ESOS	15,027	-	15,027	-
Weighted average number of ordinary shares	785,852	668,949	785,852	668,949
Diluted EPS (sen)	1.4	(1)3.4	10.5	(1)14.4

Note:-

(1) Based on the weighted average of 613,478,236 ordinary shares issued by the Company to the owner of the legal subsidiary (i.e. BSB) for the reverse acquisition for five (5) months up to 2 December 2010, 630,000,000 ordinary shares in issue of the Company after the acquisitions of subsidiaries on 2December 2010 for one and a half (1.5) months and 730,000,000 ordinary shares in issue of the Company after the Public Issue on 17 January 2011 for five and a half (5.5) months.

28. REALISED AND UNREALISED PROFIT / LOSSES DISCLOSURE

The breakdown of the retained profits of the Group is presented below:-

	As at 30-06-2012 RM'000	As at 30-06-2011 RM'000
Total retained profits of the Company and its subsidiaries:-		
• realised	325,265	258,324
• unrealised	(6,603)	(9,119)
	318,662	249,205
Add: Consolidation adjustments	(8,241)	(5,490)
	310,421	243,715

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

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

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