

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2010**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		<u>2010</u> Current Quarter Ended 30 September (RM '000)	<u>2009</u> Comparative Quarter Ended 30 September (RM '000)	<u>2010</u> 9 months Cumulative to date (RM '000)	<u>2009</u> 9 months Cumulative to date (RM '000)
Revenue		51,435	42,549	123,643	104,695
Cost of sales		(21,094)	(12,829)	(48,713)	(37,764)
Gross profit		30,341	29,720	74,930	66,931
Other income		956	795	2,677	3,147
Administrative expenses		(18,673)	(19,239)	(55,191)	(53,059)
Selling and marketing expenses		(578)	(581)	(1,775)	(1,766)
Other expenses		(2,159)	(2,185)	(6,563)	(5,112)
Finance costs		(1,200)	(965)	(3,398)	(2,891)
Share of profit of associate		5	-	5	-
Profit before tax		8,692	7,545	10,685	7,250
Taxation		(3,619)	(4,573)	(5,266)	(5,366)
Net profit for the period		5,073	2,972	5,419	1,884
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		5,073	2,972	5,419	1,884
Profit/(loss) attributable to:					
Equity holders of the Company		3,471	(973)	3,045	(9,751)
Non-controlling interests		1,602	3,945	2,374	11,635
		5,073	2,972	5,419	1,884
Total comprehensive income/(expense) attributable to :					
Equity holders of the Company		3,471	(973)	3,045	(9,751)
Non-controlling interests		1,602	3,945	2,374	11,635
		5,073	2,972	5,419	1,884
Earning/(loss) per share attributable to equity holders of the Company					
- Basic (sen)	25	3.04	(0.85)	2.67	(8.55)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

**NILAI RESOURCES GROUP BERHAD (Company No. 17654-P)***(formerly known as PK Resources Berhad)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2010**

	<b>As at 30 Sep 2010 (RM '000)</b>	<b>(Audited) As at 31 Dec 2009 (RM '000)</b>
<b>ASSETS</b>		
<b>Non current assets</b>		
Property, plant and equipment	266,604	263,308
Land held for development	132,008	132,624
Investment properties	10,249	10,249
Investments in associates	805	800
Deferred tax assets	799	948
Goodwill	843	843
	<u>411,308</u>	<u>408,772</u>
<b>Current assets</b>		
Property development costs	192,155	204,228
Inventories	65,888	65,649
Trade and other receivables	75,267	57,259
Tax recoverable	1,552	2,887
Cash and bank balances	21,693	15,697
	<u>356,554</u>	<u>345,720</u>
<b>TOTAL ASSETS</b>	<u>767,862</u>	<u>754,492</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	114,036	114,036
Reserves	286,901	285,895
	<u>400,937</u>	<u>399,931</u>
<b>Non-controlling interests</b>	142,783	140,396
<b>Total equity</b>	<u>543,720</u>	<u>540,327</u>
<b>Non current liabilities</b>		
Deferred tax liabilities	40,446	38,795
Long term borrowings	60,747	56,367
	<u>101,193</u>	<u>95,162</u>
<b>Current liabilities</b>		
Trade and other payables	84,440	81,884
Bank overdraft	1,068	782
Short term borrowings	32,946	30,417
Provision for taxation	4,496	5,920
	<u>122,950</u>	<u>119,003</u>
<b>Total liabilities</b>	<u>224,143</u>	<u>214,165</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>767,862</u>	<u>754,492</u>
<b>Net assets per share (RM)</b>	<u>3.52</u>	<u>3.51</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2010**

**9 months ended 30 September 2010**

	← Equity attributable to owners of the parent, total →						Non-controlling interests	Total equity (RM'000)	
	← Non-distributable →			Distributable	Non-distributable	Total (RM'000)			
	Share capital (RM'000)	Share premium (RM'000)	Capital reserve (RM'000)						Capital redemption reserve (RM'000)
At 1 January 2010	114,036	113,538	17,128	2,972	151,865	392	399,931	140,396	540,327
<b>Total comprehensive income</b>	-	-	-	-	3,045	-	3,045	2,374	5,419
<b>Transactions with Owners</b>									
Grant of equity settled share options to employees	-	-	-	-	-	61	61	-	61
Premium on shares issued to non-participating non-controlling interests	-	-	38	-	-	-	38	13	51
Dividend paid for the year ended 31 December 2009	-	-	-	-	(2,138)	-	(2,138)	-	(2,138)
<b>Total transactions with owners</b>	-	-	38	-	(2,138)	61	(2,039)	13	(2,026)
At 30 September 2010	114,036	113,538	17,166	2,972	152,772	453	400,937	142,783	543,720

**9 months ended 30 September 2009**

At 1 January 2009	114,036	113,538	17,076	2,972	166,484	260	414,366	133,531	547,897
<b>Total comprehensive income</b>	-	-	-	-	(9,751)	-	(9,751)	11,635	1,884
<b>Transactions with Owners</b>									
Grant of equity settled share options to employees	-	-	-	-	-	100	100	-	100
Premium on shares issued to non-participating non-controlling interests	-	-	44	-	-	-	44	14	58
Dividend paid for the year ended 31 December 2008	-	-	-	-	(1,711)	-	(1,711)	-	(1,711)
Dividend paid by subsidiaries to non-participating non-controlling interest	-	-	-	-	-	-	-	(7,190)	(7,190)
<b>Total transactions with owners</b>	-	-	44	-	(1,711)	100	(1,567)	(7,176)	(8,743)
At 30 September 2009	114,036	113,538	17,120	2,972	155,022	360	403,048	137,990	541,038

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER AND PERIOD ENDED 30 SEPTEMBER 2010**

	<b><u>2010</u></b> <b>9 months</b> <b>ended</b> <b>30 September</b> <b>(RM '000)</b>	<b><u>2009</u></b> <b>9 months</b> <b>ended</b> <b>30 September</b> <b>(RM '000)</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	10,685	7,250
<b>Adjustments for non-cash flow items :</b>		
Property, plant and equipment	6,431	5,625
Profit retained in associate	(5)	-
Other non-cash items	2,369	2,615
Operating profit before changes in working capital	19,480	15,490
<b>Changes in working capital</b>		
Net changes in property development expenditure	12,690	5,099
Net changes in current assets	(17,730)	15,988
Net changes in liabilities	(4,348)	13,921
Net cash flows generated from operating activities	10,092	50,498
<b>INVESTING ACTIVITIES</b>		
Property, plant and equipment	(9,728)	(56,445)
Other investing activities	546	382
Net cash flows used in investing activities	(9,182)	(56,063)
<b>FINANCING ACTIVITIES</b>		
Bank borrowings	6,887	14,937
Dividend paid to shareholders of the Company	(2,138)	(1,711)
Other financing activities	51	(7,132)
Net cash flows generated from financing activities	4,800	6,094
Net increase in cash and cash equivalents	5,710	529
Cash and cash equivalents at beginning of year	14,915	12,695
Cash and cash equivalents at end of period	20,625	13,224
<b>Cash and cash equivalents comprise the following:</b>		
Cash and bank balances	21,693	14,209
Bank overdraft	(1,068)	(985)
	20,625	13,224

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

---

**1. BASIS OF PREPARATION**

The interim financial statements has been prepared in accordance with FRS 134 Interim Financial Reporting and Chapter 9 part 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009.

The explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

The accounting policies and basis of measurement adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2009 except for the adoption and their effects of the following new/revised Financial Reporting Standards ("FRSs") effective 1 January 2010 as disclosed below:

FRS 7 : Financial Instruments: Disclosure

FRS 8 : Operating Segments

FRS 101 : Presentation of Financial Statements (Revised)

FRS 123 : Borrowing Costs

FRS 139 : Financial Instrument: Recognition and Measurement

Amendments to FRS 1: First-time Adoption of Financial Reporting and FRS 127 : Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2 : Share-based Payment: Vesting Conditions and Cancellations

Amendments to FRS 117 : Leases

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments Disclosures

Amendments to FRSs 'Improvements to FRSs (2009)'

IC Interpretation 10: Interim Financial Reporting and Impairment

(a) FRS 8: Operating Segments

The operating segments determined in accordance with FRS 8 are the same as the business segments previously adopted.

(b) FRS 101: Presentation of Financial Statements (Revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity include only details of transaction with owners, with all non-owner changes in equity presented as a single line. The standard also introduced the statement of comprehensive income, with all items of income and expense recognised in profit and loss, together with all other items of recognised income and expense recognised directly in equity. This FRS only entail revision in presentation aspects and does not have any impact on the financial position and results of the Group.

(c) FRS 139: Financial Instrument: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value and re-measured subsequently at the balance sheet date. The Group determines the classification at initial recognition and re-evaluates this designation at each year end except for those financial instruments measured at fair value through profit and loss.

i) Financial Assets

Loan and Receivables

Prior to 1 January 2010, loans and receivables were stated at gross proceeds less provision for doubtful debts.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**1. BASIS OF PREPARATION (CONT'D)**

(c) FRS 139: Financial Instrument: Recognition and Measurement (Cont'd)

Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Gain and loss are recognised in the consolidated statement of comprehensive income when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non current.

ii) Financial Liabilities

Prior to 1 January 2010, borrowings were stated at the proceeds received less directly attributable transaction costs. Under FRS 139, borrowings are initially measured at fair value including directly attributable transaction costs and subsequently at amortised cost using the effective interest method. Gain and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised or through the amortisation process.

(d) Amendment to FRS 117: Leases

The amendment clarifies the classification of leases of land and requires entities with leases of land to reassess the classification of leasehold land as finance lease or operating lease based on the extend of risks and rewards associated with the land. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of this amendment has resulted in a change in accounting policy which is applied retrospectively in accordance with the transitional provisions.

The effects of the reclassification on the consolidated statement of financial position as at 31 December 2009 are as follows:-

	Consolidated Statement of Financial Position		Effects of adoption of amendment to FRS 117
	(as previously reported)	(as restated)	
	RM'000	RM'000	RM'000
Property, plant and equipment	258,310	263,308	4,998
Prepaid land lease payments	4,998	-	(4,998)

**1.1. Standards issued but not yet effective**

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
Revised FRSS	
FRS 1 : First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 : Business Combinations	1 July 2010
Amendments to FRS 2 : Share-based Payment	1 July 2010
Amendments to FRS : 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS : 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS : 138 Intangible Assets	1 July 2010
IC Intrepretation 15 : Agreement for The Construction of Real Estate	1 Janaury 2012
IC Intrepretation 17 : Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 132 : Classification of Right Issue	1 March 2010
Amendments to FRS 1 : Limitation Exemption from Comparative FRS 7 Disclosure for First-time Adopters	1 July 2010
Amendments to FRS 7 : Improving Disclosures about Financial Instruments	1 July 2010

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

---

**1.1. Standards issued but not yet effective (Cont'd)**

The Group plans to adopt the above revised FRSs and IC Interpretations when they become effective in the respective financial period. The adoption of the above revised FRSs, and IC Interpretations upon their initial application are not expected to have any significant impact on the financial statements of the Group.

IC Interpretation 15 : Agreement for The Construction of Real Estate ("IC 15")

IC 15 focuses on the criteria that revenue can only be recognised when the entity has transferred to the buyer control, and significant risks and rewards of the ownership.

The Group currently recognised revenue arising from property development projects using the stage of completion method. Upon the adoption of IC 15, the Group may be required to change its accounting policy to recognise such revenue at completion.

The Malaysian Accounting Standards Board had on 30 August 2010 announced that the effective date of IC 15 has been deferred to 1 January 2012.

**2. AUDIT QUALIFICATION OF PRECEDING AUDITED ANNUAL REPORT**

There were no audit qualifications in the Group's preceding audited annual report.

**3. SEASONAL OR CYCLICAL FACTORS**

The Group's operations are not materially affected by any seasonal or cyclical events.

**4. UNUSUAL ITEMS**

There were no unusual items that affect assets, liabilities, equity, net income or cashflows for the current interim quarter and financial period to date.

**5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS OR FINANCIAL YEARS**

There were no material changes in the estimates of amounts reported in prior interim periods that have material effect in the current interim period.

**6. CHANGES IN SHARE CAPITAL**

There has been no issuance or repayment of debts and equity securities, shares buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current interim quarter and period ended 30 September 2010.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**7. SEGMENTAL INFORMATION**

(a) Operating segment information for the current financial period to 30 September 2010 is as follow:

	<b>Property Development</b>	<b>Hotel &amp; Leisure</b>	<b>Education</b>	<b>Others</b>	<b>Total</b>
<u>At 30 September 2010</u>	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
External revenue	63,232	13,999	40,147	6,263	123,642
Inter-segment revenue	-	237	-	8,642	8,880
Segment profit	18,376	1,545	7,378	9,691	36,990
Segment assets	438,933	114,780	190,155	21,632	765,501
<u>At 30 September 2009</u>					
External revenue	52,889	8,041	37,880	5,885	104,695
Inter-segment revenue	13,215	108	-	24,843	38,166
Segment profit/(loss)	81,108	(2,300)	7,866	23,960	110,634
Segment assets	451,209	111,089	159,222	23,636	745,156

(b) Reconciliation of reportable segment profit or loss

	<u>30-9-2010</u>	<u>30-9-2009</u>
	RM' 000	RM' 000
Total profit for reportable segments	36,990	110,634
Share of Profit of Associate	5	-
Finance Cost	(3,398)	(2,891)
Elimination	(22,912)	(100,493)
<b>Consolidated profit before tax</b>	<b>10,685</b>	<b>7,250</b>

**8. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The property, plant and equipment have been brought forward from the financial statements for the year ended 31 December 2009 at cost.

**9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

In the opinion of the Board, there were no material events or transactions which have arisen during the period from the end of the interim quarter to the date of this announcement that would materially affect the results or operations of the Group.



**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**10. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes to the composition of the Group during the interim period including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring or discontinuing operations except the following:

On 16 August 2010, Nilai Resources Properties Sdn Bhd (formerly known as PK Properties Sdn Bhd), a wholly-owned subsidiary, had entered into an Agreement with Sin Hua Chuan Development Sdn Bhd (332974-H) and Zhang Shaotang (G20913197,China) to dispose of its entire equity interest comprising 1,089,000 ordinary shares of RM1.00 each in Golden Plateau Sdn Bhd (GP) free from all encumbrances, claims, charges, liens and equities and with all rights and advantageous attaching thereto or accruing thereon for RM4,827,872.80. Upon completion of the Disposal, GP shall cease to be an associate company of Nilai Resources Group Berhad. The above transaction was completed on 1 October 2010 and the estimated gain on disposal is RM3,998,733.

**11. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

	<b>As At</b> <b>30.09.10</b> <b>RM'000</b>	<b>Audited</b> <b>As At</b> <b>31.12.2009</b> <b>RM'000</b>
Corporate guarantee for facilities granted to subsidiaries	104,653	104,653

**12. CAPITAL COMMITMENTS**

The changes in capital commitments not provided for since the last annual report are as follows :

	<b>As At</b> <b>30.09.10</b> <b>RM'000</b>	<b>Audited</b> <b>As At</b> <b>31.12.2009</b> <b>RM'000</b>
Approved and contracted for	3,140	8,016
Approved but not contracted for	479	-
	<u>3,619</u>	<u>8,016</u>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
 - 30 SEPTEMBER 2010

**13. RELATED PARTY TRANSACTIONS**

(a) Within Nilai Resources Group Bhd

(i) Disclosure of Transactions

	Transaction value	
	30/9/2010	30/9/2009
	RM' 000	RM' 000
<b>Sales</b>		
Subsidiary companies	2,091	14,979
<b>Purchases</b>		
Subsidiary companies	322	4,414
<b>Management fees received from subsidiaries</b>		
Holding company	838	817
<b>Leases</b>		
Subsidiary companies	3,992	1,400
<b>Interest income</b>		
Holding company	3,314	290
Subsidiary companies	6,562	4,180

(ii) Disclosure of Balances

Relationship	Terms and conditions	Transaction Balances	
		30/9/2010	30/9/2009
		RM' 000	RM' 000
Subsidiaries	- Unsecured, loan tenure of 12 years @ 5 % per annum	21,079	17,116
	- Unsecured, loan tenure of 10 years @ 3.75 % per annum	15,270	9,602
Related companies	- Unsecured, loan tenure of 12 years @ 5 % per annum	28,364	29,631
	- Unsecured, loan tenure of 10 years @ 3.75 % per annum	16,330	-

(b) Other related party transactions

	As At	Audited
	30.09.10	As At
	RM'000	31.12.2009
		RM'000
Rental paid to companies in which certain directors have financial interests		
- G.O. Construction Sdn Bhd	102	135
- Lapangan Kota Sdn Bhd	234	-

**14. REVIEW OF PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES FOR THE CURRENT QUARTER.**

The Group achieved a revenue of RM51.43 million for the current quarter as compared to the preceding year's corresponding quarter of RM42.55 million. The improvement was largely attributed to the completion of a land sale of RM16.74 million.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**15. MATERIAL CHANGES IN THE PROFIT BEFORE TAXATION FOR THE QUARTER COMPARED TO THE IMMEDIATE PRECEDING QUARTER**

Consequent to the completion of the land sale as mention in Note 14, the revenue for the current quarter improved againsts the preceding quarter by RM22.44 million resulting in the Group's pre-tax profit of RM8.69 million as compared to the pre-tax loss of RM1.88 million for the immediate preceding quarter.

**16. CURRENT YEAR PROSPECTS**

As the property market remains soft in 2010, the Group's performance is expected to remain challenging.

**17. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT**

The Group did not issue any profit forecast or profit guarantee in a public document during the financial period.

**18. TAXATION**

Taxation is made up as follows:

	3 months ended		9 months ended	
	30.09.2010 RM'000	30.09.2009 RM'000	30.09.2010 RM'000	30.09.2009 RM'000
Current taxation	2,891	3,881	3,545	3,823
Deferred tax	559	692	1,818	1,533
(Over)/under provision for prior year				
- current taxation	141	-	(79)	10
- deferred taxation	28	-	(18)	-
Income tax expense recognised in profit and loss	<u>3,619</u>	<u>4,573</u>	<u>5,266</u>	<u>5,366</u>

The effective tax rate for the quarter and period ended 30 September 2010 which was higher than the statutory tax rate, is reconciled as follows :

	9 months ended 30.09.2010 RM'000	9 months ended 30.09.2009 RM'000
Profit before tax	<u>10,685</u>	<u>7,250</u>
Taxation at Malaysian statutory tax rate of 25% (2009:25%)	2,671	1,813
Adjustments :		
Effect of expenses not deductible	2,195	3,028
Tax benefit not recognised during the year	2,383	515
Utilisation of previously unrecognised tax benefit	(1,886)	-
(Over)/under provision in prior year		
- current taxation	(79)	10
- deferred taxation	(18)	-
Income tax expense recognised in profit and loss	<u>5,266</u>	<u>5,366</u>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**19. SALE OF INVESTMENTS AND PROPERTIES**

There were no sale of investments and/or assets for the current quarter and financial period to date.

**20. STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at 24 November 2010.

**21. GROUP BORROWINGS**

The Group's borrowings as at the end of the reporting period are as follows:

(a) Secured and unsecured :

	<b>As At 30.09.2010 RM'000</b>	<b>Audited As At 31.12.2009 RM'000</b>
Total secured borrowings	93,693	86,784
Total unsecured borrowings	1,068	782
	<hr/>	<hr/>
Total borrowings	94,761	87,566
	<hr/>	<hr/>

(b) Short-term and long-term

	<b>As At 30.09.2010 RM'000</b>	<b>Audited As At 31.12.2009 RM'000</b>
Total short-term borrowings	34,014	31,199
Total long-term borrowings	60,747	56,367
	<hr/>	<hr/>
Total short-term and long-term borrowings	94,761	87,566
	<hr/>	<hr/>

(c) All the debts/borrowings are denominated in Ringgit Malaysia.

**22. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at 24 November 2010.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**- 30 SEPTEMBER 2010**

**23. MATERIAL LITIGATION**

As at 24 November 2010, there were no changes in material litigation, including the status of pending material litigation since the last annual balance sheet date of 31 December 2009, except for the pending claim of RM10.00 million against a subsidiary, Nilai Springs Berhad (NSB) as disclosed in the preceding quarter.

The trial was completed on 4 November 2010 and the court has dismissed the plaintiff's claim with cost. However, the court has awarded a total of RM40,804 together with interest at 8% per annum from the date of termination of the agreement and cost to the plaintiff as it was held that NSB had breached the agreement.

This would not significantly impact the financial performance and position of the group for the financial year ended 31 December 2010.

**24. DIVIDENDS**

(a) On 30 July 2010, the Company paid a first and final dividend of 2.5 sen per share less income tax of 25% in respect of the financial year ended 31 December 2009, amounting to RM2,138,166. The first and final dividend had been approved for payment to shareholders at the Company's 36th Annual General Meeting held on 25 June 2010.

(b) No interim dividend has been declared for the current quarter ended 30 September 2010.

**25. EARNINGS PER SHARE**

(a) Basic

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter <b>30/9/2010</b> RM' 000	Preceding year corresponding quarter <b>30/9/2009</b> RM' 000	Nine months to <b>30/9/2010</b> RM' 000	Nine months to <b>30/9/2009</b> RM' 000
Profit/(loss) for the period	3,471	(973)	3,045	(9,751)
Weighted average number of ordinary shares in issue ('000)	114,036	114,036	114,036	114,036
Basic earnings/(loss) per share (sen)	3.04	(0.85)	2.67	(8.55)

(b) Diluted

The outstanding Employee Share Option Scheme (ESOS) have been excluded from the computation of fully diluted (loss)/earnings per share as their conversion to ordinary shares would be anti-dilutive in nature. Accordingly, the basic and fully diluted loss per share are the same.

**BY ORDER OF THE BOARD**

**PAUL YONG POW CHOY**

Company Secretary  
24 November 2010