

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE YEAR ENDED 31 DECEMBER 2010 (4TH QUARTER)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>UNAUDITED AS AT 31.12.2010 RM'000</b>	<b>AUDITED AS AT 31.12.2009 RM'000</b>
<b>Assets</b>		<b>(RESTATED)</b>
Property, plant and equipment	637,203	545,016
Investment in associates	133,197	124,967
Goodwill and other intangible assets	14,400	21,600
Other non-current assets	29,879	26,969
<b>Total non-current assets</b>	<b>814,679</b>	<b>718,552</b>
Receivables, deposits and prepayments	941,408	919,081
Amount due from contract customers	560,979	353,857
Inventories	174,805	200,166
Current tax assets	2,833	1,168
Derivative assets	50,830	20,283
Cash and cash equivalents	197,377	249,309
<b>Total current assets</b>	<b>1,928,232</b>	<b>1,743,864</b>
<b>Total assets</b>	<b>2,742,911</b>	<b>2,462,416</b>
<b>Equity</b>		
Share capital	199,196	198,685
Reserves	308,916	176,773
<b>Total equity attributable to shareholders of the Company</b>	<b>508,112</b>	<b>375,458</b>
<b>Minority interests</b>	<b>108,029</b>	<b>96,527</b>
<b>Total equity</b>	<b>616,141</b>	<b>471,985</b>
<b>Liabilities</b>		
Payables and accruals	15,324	16,905
Loans and borrowings	262,201	170,015
Deferred tax liabilities	23,538	21,716
<b>Total non-current liabilities</b>	<b>301,063</b>	<b>208,636</b>
Provision, payables and accruals	667,151	858,307
Amount due to contract customers	417,402	351,635
Bills payables	540,596	466,356
Derivative liabilities	3,218	-
Loans and borrowings	180,397	86,050
Tax liabilities	16,943	19,447
<b>Total current liabilities</b>	<b>1,825,707</b>	<b>1,781,795</b>
<b>Total liabilities</b>	<b>2,126,770</b>	<b>1,990,431</b>
<b>Total equity and liabilities</b>	<b>2,742,911</b>	<b>2,462,416</b>
<b>Net assets per share attributable to shareholders of the Company (RM)</b>	<b>1.28</b>	<b>0.95</b>

(The unaudited 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)

**MUHIBBAH ENGINEERING (M) BHD**

(Company No : 12737-K)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE YEAR ENDED 31 DECEMBER 2010 (4TH QUARTER)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Revenue		415,957	679,306	1,578,948	2,252,049
Cost of sales and operating expenses		(413,253)	(668,353)	(1,533,719)	(2,212,977)
Other income		8,674	2,513	14,995	12,392
<b>Results from operating activities</b>		<b>11,378</b>	<b>13,466</b>	<b>60,224</b>	<b>51,464</b>
Interest income		(156)	1,912	2,088	2,966
Finance costs		(2,567)	(2,410)	(19,488)	(9,037)
<b>Operating profit</b>		<b>8,655</b>	<b>12,968</b>	<b>42,824</b>	<b>45,393</b>
Share of profit after tax and minority interest of equity accounted associates		8,596	2,203	24,006	22,789
<b>Profit before tax and exceptional items</b>		<b>17,251</b>	<b>15,171</b>	<b>66,830</b>	<b>68,182</b>
Exceptional items	5	-	-	-	-
<b>Profit before tax</b>		<b>17,251</b>	<b>15,171</b>	<b>66,830</b>	<b>68,182</b>
Tax expense	18	(3,599)	(13,947)	(19,787)	(39,297)
<b>Profit for the period</b>		<b>13,652</b>	<b>1,224</b>	<b>47,043</b>	<b>28,885</b>
<b>Other comprehensive income</b>					
Foreign currency translation differences for foreign operations		(1,408)	5,898	(17,511)	5,898
Revaluation of property, plant and equipment		118,319	(3,780)	118,319	(3,780)
<b>Other comprehensive income for the period</b>		<b>116,911</b>	<b>2,118</b>	<b>100,808</b>	<b>2,118</b>
<b>Total comprehensive income for the period</b>		<b>130,563</b>	<b>3,342</b>	<b>147,851</b>	<b>31,003</b>
<b>Profit attributable to:</b>					
Owners of the Company		9,082	(7,621)	33,800	12,680
Minority interests		4,570	8,845	13,243	16,205
<b>Profit for the period</b>		<b>13,652</b>	<b>1,224</b>	<b>47,043</b>	<b>28,885</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		125,693	(7,100)	137,178	13,201
Minority interests		4,870	10,442	10,673	17,802
<b>Total comprehensive income for the period</b>		<b>130,563</b>	<b>3,342</b>	<b>147,851</b>	<b>31,003</b>
<b>Earnings per ordinary share</b>					
Basic (Sen)	25	2.29	(1.94)	8.54	3.21
Diluted (Sen)	25	2.26	(1.90)	8.43	3.17

(The unaudited 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)

**MUHIBBAH ENGINEERING (M) BHD**  
(Company No : 12737-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2010 (4TH QUARTER)**

	← Attributable to shareholders of the Company →							
	← Non-distributable →				Distributable			
	Share capital RM'000	Treasury shares RM'000	Reserves attributable to capital RM'000	Reserve attributable to revenue RM'000	Retained earnings RM'000	Total equity attributable to shareholders of the Company RM'000	Minority interest RM'000	Total equity RM'000
<b>At 1 January 2009</b>	196,469	(5,561)	39,121	11,735	199,654	441,418	87,629	529,047
Share option exercised	2,216	-	44	-	-	2,260	-	2,260
Share-based payments	-	-	706	-	-	706	139	845
Dividends to shareholders	-	-	-	-	(7,397)	(7,397)	-	(7,397)
Dividends to minority interests	-	-	-	-	-	-	(4,676)	(4,676)
Acquisition of minority interest	-	-	-	-	-	-	(411)	(411)
Dilution of interest in subsidiary	-	-	-	-	-	-	1,021	1,021
Total comprehensive income for the period	-	-	(2,149)	2,670	12,680	13,201	17,802	31,003
<b>At 31 December 2009</b>	<u>198,685</u>	<u>(5,561)</u>	<u>37,722</u>	<u>14,405</u>	<u>204,937</u>	<u>450,188</u>	<u>101,504</u>	<u>551,692</u>
<b>At 1 January 2010</b>								
As previously stated	198,685	(5,561)	37,722	14,405	204,937	450,188	101,504	551,692
Effect of adopting FRS 139	-	-	-	-	(74,730)	(74,730)	(4,977)	(79,707)
<b>At 1 January 2010, restated</b>	<b>198,685</b>	<b>(5,561)</b>	<b>37,722</b>	<b>14,405</b>	<b>130,207</b>	<b>375,458</b>	<b>96,527</b>	<b>471,985</b>
Share options exercised	511	-	10	-	-	521	2,644	3,165
Share-based payments	-	-	100	-	-	100	61	161
Issuance of warrants	-	-	2,280	-	-	2,280	-	2,280
Dividends to shareholders	-	-	-	-	(7,425)	(7,425)	-	(7,425)
Dividends to minority interests	-	-	-	-	-	-	(3,154)	(3,154)
Dilution of interest in subsidiary	-	-	-	-	-	-	1,278	1,278
Total comprehensive income for the period	-	-	118,319	(14,941)	33,800	137,178	10,673	147,851
<b>At 31 December 2010</b>	<u>199,196</u>	<u>(5,561)</u>	<u>158,431</u>	<u>(536)</u>	<u>156,582</u>	<u>508,112</u>	<u>108,029</u>	<u>616,141</u>

(The unaudited 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)

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010 (4TH QUARTER)**

	<b>Unaudited YTD 31.12.2010 RM'000</b>	<b>Audited YTD 31.12.2009 RM'000</b>
<b>Operating profit before interest, tax, depreciation and amortisation</b>	<b>146,308</b>	143,649
<b>Net changes in working capital</b>	<b>(381,073)</b>	161,749
<b>Net income taxes paid</b>	<b>(20,977)</b>	(11,395)
<b>Net cash (used in)/generated from operating activities</b>	<b>(255,742)</b>	294,003
<b>Net cash used in investing activities</b>	<b>(18,451)</b>	(34,465)
<b>Net cash generated from/(used in) financing activities</b>	<b>212,241</b>	(221,413)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(61,952)</b>	38,125
<b>Cash and cash equivalents at 1 January</b>	<b>247,242</b>	208,522
<b>Currency translation differences</b>	<b>7,053</b>	595
<b>Cash and cash equivalents at 31 December</b>	<b>192,343</b>	247,242

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	<b>31.12.2010 RM'000</b>	<b>31.12.2009 RM'000</b>
Cash and bank balances	<b>150,230</b>	196,860
Deposits placed with licensed banks	<b>47,147</b>	52,449
Cash and cash equivalents per balance sheet	<b>197,377</b>	249,309
Bank overdrafts	<b>(5,034)</b>	(2,067)
	<b>192,343</b>	247,242

**The Condensed Consolidated Cash Flow statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009**

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP  
FOR THE YEAR ENDED 31 DECEMBER 2010 (4TH QUARTER)**

**1. ACCOUNTING POLICIES AND METHODS OF COMPUTATION**

The interim financial statements are unaudited and have been prepared in accordance with the FRS 134 : Interim Financial Reporting and Chapter 9, part K of the Listing Requirements of the Bursa Malaysia Securities Berhad.

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

**2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009 except for the adoption of the following new FRSs and Interpretations, and amendments to certain FRSs and Interpretations for financial period beginning 1 July 2009 and 1 January 2010:

***Effective for annual periods beginning on or after 1 July 2009***

FRS 8, *Operating Segments*

***Effective for annual periods beginning on or after 1 January 2010***

FRS 4, *Insurance Contracts*

FRS 7, *Financial Instruments: Disclosures*

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

FRS 123, *Borrowing Costs (revised)*

FRS 139, *Financial Instruments: Recognition and Measurement*

Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*

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

Amendments to FRS 7, *Financial Instruments: Disclosures*

Amendments to FRS 101, *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*

Amendments to FRS 127, *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*

Amendments to FRS 132, *Financial Instruments: Presentation*

Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*

Improvements to FRSs (2009)

IC Interpretation 10, *Interim Financial Reporting and Impairment*

IC Interpretation 11, *FRS 2 – Group and Treasury Share Transactions*

IC Interpretation 13, *Customer Loyalty Programmes*

IC Interpretation 14, *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction*

Other than the principal effects as discussed below, the adoption of the above FRSs, Amendments and Interpretations do not have any significant financial impact on the Group's result.

**a) FRS 8, *Operating Segments***

FRS 8 requires a 'management approach' under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on that used for internal reporting to the chief operating decision maker who makes decision on the allocation of resources and assesses the performance of the reportable segments.

**b) FRS 101: *Presentation of Financial Statements***

The revised FRS 101 separates owner and non-owner changes in equity. The components of interim financial statements presented now consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. The statement of comprehensive income consists of profit or loss for the period and other comprehensive income. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. The consolidated statement of changes in equity will now include only details of transactions with owners.

**c) *Improvements to FRSs (2009)***

Improvements to FRSs (2009) contain various amendments that result in accounting changes for presentation, recognition or measurement and disclosure purposes. Amendment that has a material impact is:

**FRS 117, *Leases***

The amendments clarify the classification of lease of land and require entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease is reclassified to property, plant and equipment. The adoption of these amendments is resulted a change in accounting policy which applied retrospectively in accordance with the transitional provisions.

**d) FRS 139, *Financial Instruments: Recognition and Measurement***

FRS 139 establishes principles for recognition and measurement of financial instruments. A financial asset or financial liability shall be recognised in its statements of financial position when the group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is recorded at fair value upon initial recognition.

**Financial assets**

Subsequent to initial recognition, financial assets are classified as 'financial assets at fair value through profit or loss', 'held-to-maturity investments', 'loans and receivables', 'available for sale financial assets' or 'derivative designated as hedging instruments', as appropriate.

Loans and receivables' prior to the adoption of FRS 139 were stated at cost less allowance for doubtful debts. Under FRS 139, financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest methods. Gains or losses arising from amortisation process, impairment, or derecognition of loans and receivables are recognised in profit or loss.

**Financial liabilities**

After initial recognition, financial liabilities are classified as 'fair value through profit or loss', 'loans and receivables' or 'derivatives designated as hedging instruments', as appropriate.

### 3. AUDIT REPORT OF THE PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2009

The Auditors' Report on the financial statements of the preceding financial year was not subject to audit qualification.

### 4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

### 5. EXCEPTIONAL OR UNUSUAL ITEMS

There were no exceptional or unusual items affecting financial statements of the Group for the current quarter under review other than as disclosed.

### 6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior interim periods and prior financial years that have a material effect in the current quarter under review.

### 7. DEBT AND EQUITY SECURITIES

- a. During the year ended 31 December 2010, a total of 1,021,000 new ordinary shares of RM0.50 each was issued at RM0.51, pursuant to the exercise of the Employees' Share Option Scheme.
- b. On 27 April 2010, Muhibbah successfully completed the Company's proposed RM130 million 3 to 5 years Islamic Bonds with 38 million detachable warrants and the proceeds raised were mainly utilised to finance the existing short-term bank borrowings of the Muhibbah Group.

Other than as mentioned above, there were no cancellation, repurchase, resale and repayment of debts and equity securities during the period under review.

### 8. DIVIDEND PAYMENT

A first and final dividend of 5% less 25% tax per ordinary share of RM0.50 each totaling RM7.4 million in respect of the year ended 31 December 2009 was paid on 27 July 2010.

The first and final dividend recommended by the Directors in respect of the year ended 31 December 2010 is 7% per ordinary share of RM0.50 each less tax at 25% totaling RM10.41 million subject to approval of the shareholders at the forthcoming Annual General Meeting.

### 9. SEGMENT REVENUE AND RESULTS

Financial data by business segment for the Group:

	Year ended 31.12.2010	
	Revenue RM'000	Profit before tax RM'000
Infrastructure construction	1,132,411	5,172
Cranes	385,187	34,424
Marine ship repair and ship building	353,188	44,473
Concession	1,077	23,000
	<hr/>	<hr/>
	1,871,863	107,069
Less: Group eliminations	(292,915)	(40,239)
	<hr/>	<hr/>
	<u>1,578,948</u>	<u>66,830</u>

## 10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

In accordance to Amendment to FRS 117, Lease, the Group has revalued upwards its leasehold lands as at 31 December 2010 by RM118.3 million based on fair value determined by independent valuer.

## 11. MATERIAL SUBSEQUENT EVENTS

There is no material subsequent event from the end of the period to 22 February 2011.

## 12. MATERIAL CHANGES IN THE GROUP'S COMPOSITION

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

## 13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

Since the last annual balance sheet as at 31 December 2009, there were no material changes in the contingent liabilities of the Company except for the following:

	<b>RM'000</b>
Corporate guarantees for credit facilities granted to subsidiary companies	<u>156,064</u>

## 14. COMPARISON WITH PRECEDING QUARTER RESULTS (Q4 2010 vs. Q3 2010)

The Group reported a higher consolidated profit after tax for the current quarter of RM13.65 million as compared to RM12.6 million reported in the previous quarter was mainly due to improved results from the Infrastructure Construction Division and Cranes Division.

## 15. REVIEW OF GROUP PERFORMANCE (YTD Q4 2010 vs. YTD Q4 2009)

The Group reported an increase of 63% consolidated profit after tax to RM47.0 million for the current year ended 31 December 2010 under review as compared to RM28.9 million for the last corresponding period ended 31 December 2009 mainly due to better results from the Infrastructure Construction Division and Concession Division has also registered higher contribution from the Cambodia Airports with increasing airport passenger arrivals.

## 16. GROUP'S CURRENT YEAR PROSPECT

### a) Secured Order Book

As at 22 February 2011, the total outstanding secured order book in hand of the Group is RM3.10 billion, comprises of RM2.29 billion from Infrastructure Construction Division, RM453 million from Cranes Division and RM360 million from Shipyard Division. These outstanding secured order books will take us into 2013.

### b) Current Year Prospect

With the launching of Economic Transformation Programme by Malaysian Government as well as the improving sentiment in the global oil and gas industries, the Group is on track to achieve satisfactory performance for the year onwards.

## 17. PROFIT FORECAST

The Group has not issued any profit forecast or profit guarantee during the current quarter under review.

## 18. TAXATION

	<b>Current Quarter 31.12.2010 RM'000</b>	<b>Cumulative Qtr To date 31.12.2010 RM'000</b>
Corporate tax expense		
Malaysia - current	(3,337)	(13,443)
Overseas - current	(1,297)	(4,079)
	(4,634)	(17,522)
Deferred tax expense		
Malaysia - current	1,035	(2,265)
Overseas - current	-	-
	1,035	(2,265)
Total tax expense	<u>(3,599)</u>	<u>(19,787)</u>

The Group's effective tax rate for the current period is higher than the statutory tax rate mainly due to no tax loss set off available for projects and operational units among different countries.

## 19. SALE OF UNQUOTED INVESTMENT AND / OR PROPERTIES

There was no sale of unquoted investment and/or properties during the current quarter under review.

## 20. SALE/ PURCHASE OF QUOTED SECURITIES

The Group did not sell or purchase any quoted securities during the quarter under review.

## 21. CORPORATE PROPOSALS

The were no outstanding corporate proposals during the quarter under review.

## 22. GROUP BORROWINGS AND DEBT SECURITIES

	Foreign Currency		RM'000
	Currency	Amount	
a) Short term borrowings			
Secured	RM	19,272	19,272
	AUD	1,000	3,152
	Sub- total		22,424
Unsecured	RM	142,105	142,105
	USD	5,011	15,488
	Sub- total		157,593
b) Hire purchase and finance lease	RM	154	154
	DKK	412	226
	Sub- total		380
<b>Total Short Term Borrowings</b>			<b>180,397</b>
a) Long term borrowings			
Secured	RM	222,127	222,127
	Sub-total		222,127
Unsecured	RM	36,590	36,590
	USD	848	2,929
	Sub-total		39,519
b) Hire purchase and finance lease	DKK	1,011	555
	Sub-total		555
<b>Total Long Term Borrowings</b>			<b>262,201</b>
<b>Total borrowings</b>			<b>442,598</b>

## 23. DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 December 2010, the Group had the following outstanding derivative financial instruments:

Derivatives	Contract value	Market value as at 31 December 2010
	RM'000	RM'000
Forward foreign exchange contracts		
- Purchase USD, sell RM	(45,016)	(44,720)
- Purchase Euro, sell RM	(32,114)	(28,606)
- Purchase NOK, sell RM	(18,314)	(18,605)
- Sell USD, buy RM	386,826	358,218
- Sell USD, buy AUD	18,322	17,952
- Sell SGD, buy RM	72,153	71,878
- Sell Euro, buy RM	127,424	105,529
- Sell Euro, buy USD	2,289	2,309

Forward foreign exchange contract is used as a hedging tool to minimise the Group's exposure to exchanges in fair value of its commitment, conducted in the ordinary course of business, as a result of fluctuation in exchange rate. There is minimal credit and market risk because the contracts are hedged with reputable banks.

## 24. CHANGES IN MATERIAL LITIGATION

There are no material litigations that have material effect to the Group as at 22 February 2011 except for the following

### i. Litigation against the Company, Favelle Favco Berhad ("FFB") and Favelle Favco Cranes (USA) Inc ("FFU")

#### Supreme Court of the State of New York

The status of the above case against the Company, FFB and FFU as previously reported remain unchanged.

### ii. Litigation against the Company's subsidiary, Favelle Favco Berhad ("FFB") and FFB's wholly owned subsidiary, Favelle Favco Cranes (USA) Inc ("FFU")

#### District Court of Bexar County, Texas

A suit has been instituted by Zachry Industrial, Inc. ("ZII") against, inter alia, FFB and FFU in the District Court of Bexar County, Texas ("the Suit"). The Suit relates to a claim in respect of alleged defects to parts sold. FFB intends to have the Suit dismissed against itself at the appropriate juncture. In any case, FFB and FFU intend to vigorously defend the Suit.

### iii. Litigation against Gerbang Perdana Sdn Bhd Kuala Lumpur Regional Center for Arbitration

During the quarter under review, the Company has entered into a Settlement Agreement with Gerbang Perdana Sdn Bhd ("GPSB") after taking into consideration the settlement sum proposed by GPSB to resolve the case accordingly.

## 25. EARNINGS PER SHARE ("EPS")

### a) Basic EPS

	Basic EPS		Diluted EPS	
	Current	Cumulative	Current	Cumulative
	31.12.2010		31.12.2010	
Net profit attributable to the shareholders of the Company (RM'000)	9,082	33,800	9,082	33,800
Weighted average number of ordinary shares in issue ('000)	396,379	396,002	396,379	396,002
Effect of dilution: Share options ('000)	-	-	4,979	4,978
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	396,379	396,002	401,358	400,980
EPS (Sen)	2.29	8.54	2.26	8.43

## 26. REALISED AND UNREALISED PROFITS/LOSSES

	<b>As at 31.12.2010</b> <b>RM'000</b>	<b>As at 31.12.2009</b> <b>RM'000</b>
Total retained profits/ (accumulated losses) of Muhibbah Engineering (M) Bhd and its subsidiaries:		
- Realised	<b>161,079</b>	
- Unrealised	<b>(59,497)</b>	
	<b>101,582</b>	
Total retained profits/ (accumulated losses) from associated companies:		
- Realised	<b>75,460</b>	
- Unrealised	<b>(1,982)</b>	
	<b>73,478</b>	
Less: Consolidation adjustments	<b>(18,478)</b>	
Total Group retained profits	<b>156,582</b>	

Note: Comparative figures are not required in the first financial year of complying.

## 27. COMPARATIVE FIGURES

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.

## 28. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 February 2011.

**By order of the Board of Directors**  
**Company Secretary**  
**Date : 25 February 2011**