



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)
INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE SECOND
FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

| | Individual quarter | | Cumulative quarter | |
|---|--|---|---|--|
| | Current year quarter 30.06.2011 RM'000 | Preceding year corresponding quarter 30.06.2010 RM'000 | Current year todate 30.06.2011 RM'000 | Preceding year corresponding period 30.06.2010 RM'000 |
| Revenue | 120,469 | 98,113 | 229,463 | 197,686 |
| Other income / (expense) | 6,338 | (722) | 6,343 | (998) |
| Operating expenses | (117,279) | (87,630) | (214,011) | (173,482) |
| Finance costs | (350) | (234) | (568) | (369) |
| Profit before taxation | 9,178 | 9,527 | 21,227 | 22,837 |
| Tax expense | (1,972) | (2,021) | (4,585) | (4,506) |
| Profit for the period | 7,206 | 7,506 | 16,642 | 18,331 |
| Profit attributable to: Owners of the parent | 7,206 | 7,506 | 16,642 | 18,331 |
| Earnings per share attributable to owners of the Company: | | | | |
| a) Basic (sen) | 6.61 | 7.15 | 15.26 | 17.45 |
| b) Diluted (sen) | N/A | N/A | N/A | N/A |

(The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements).



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| | Individual quarter | | Cumulative quarter | |
|---|--|---|---|--|
| | Current year quarter 30.06.2011 RM'000 | Preceding year corresponding quarter 30.06.2010 RM'000 | Current year todate 30.06.2011 RM'000 | Preceding year corresponding period 30.06.2010 RM'000 |
| Profit for the period | 7,206 | 7,506 | 16,642 | 18,331 |
| Other comprehensive income, net of tax | | | | |
| Fair value of short-term investment | - | 1 | - | 1 |
| Total comprehensive income for the period | 7,206 | 7,507 | 16,642 | 18,332 |
| Total comprehensive income attributable to: Owners of the parent | 7,206 | 7,507 | 16,642 | 18,332 |

(The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements).



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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

| | As at 30 June 2011 (Unaudited) RM'000 | As at 31 Dec 2010 (Audited) RM'000 |
|--|--|---|
| ASSETS | | |
| Non-current Assets | | |
| Property, plant and equipment | 119,194 | 120,201 |
| Land use rights | 3,374 | 3,439 |
| Investment properties | 2,280 | 2,280 |
| Goodwill on consolidation | 87 | 87 |
| | <u>124,935</u> | <u>126,007</u> |
| Current Assets | | |
| Inventories | 199,449 | 187,874 |
| Trade and other receivables | 136,680 | 114,617 |
| Current tax assets | 1,928 | 1,926 |
| Other assets | 511 | 280 |
| Cash and cash equivalents | 8,554 | 5,172 |
| | <u>347,122</u> | <u>309,869</u> |
| TOTAL ASSETS | <u>472,057</u> | <u>435,876</u> |
| Current Liabilities | | |
| Trade and other payables | 16,647 | 17,280 |
| Borrowings | 45,340 | 21,550 |
| Current tax liabilities | 794 | 77 |
| Derivative | 15 | 47 |
| | <u>62,796</u> | <u>38,954</u> |
| Non-current Liabilities | | |
| Deferred tax liabilities | 13,353 | 12,564 |
| | <u>13,353</u> | <u>12,564</u> |
| TOTAL LIABILITIES | <u>76,149</u> | <u>51,518</u> |
| Equity attributable to owners of the parent | | |
| Share capital | 109,903 | 109,903 |
| Treasury shares | (1,306) | (1,121) |
| Reserves | 18,951 | 18,951 |
| Retained earnings | 268,360 | 256,625 |
| | <u>395,908</u> | <u>384,358</u> |
| TOTAL EQUITY AND LIABILITIES | <u>472,057</u> | <u>435,876</u> |
| Net Tangible Assets Per Share (RM) | 3.63 | 3.52 |
| Net Assets Per Share (RM) | 3.63 | 3.52 |

(The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements).



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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (UNAUDITED)

| | 6 months ended 30 June 2011 | 6 months ended 30 June 2010 |
|---|--------------------------------|--------------------------------|
| | RM'000 | RM'000 |
| Operating activities | | |
| Profit before taxation | 21,227 | 22,837 |
| Adjustments for non-cash flow:- | | |
| Allowance for doubtful debts | (13) | 281 |
| Allowance for doubtful debts no longer required | 6,482 | (78) |
| Amortisation of land use rights | 40 | 63 |
| Bad debts written off | (6,052) | - |
| Depreciation of property, plant and equipment | 2,951 | 2,939 |
| Finance costs | 568 | 369 |
| Fair value loss of financial instruments measured at fair value | (32) | 6 |
| Fair value adjustment of unquoted investment | - | (1) |
| Gain on disposal of unquoted investment | - | (1) |
| Interest income | (101) | (137) |
| Investment revenue | (66) | (73) |
| Net write down of inventories | 2,553 | 2,347 |
| Provision for retirement gratuity - nets | 45 | - |
| Gain on disposal of land use rights and property plant and equipment | (36) | (99) |
| Property, plant and equipment written off | 6 | - |
| Unrealised loss on foreign exchange | 149 | 133 |
| Total adjustments | <u>6,494</u> | <u>5,749</u> |
| Operating Profit Before Changes In Working Capital | 27,721 | 28,586 |
| <u>Changes In Working Capital :</u> | | |
| Inventories | (14,127) | (38,638) |
| Trade and other receivables | (22,628) | (8,203) |
| Other assets | (231) | (1,404) |
| Trade and other payables | (634) | (1,176) |
| Total changes in working capital | <u>(37,620)</u> | <u>(49,421)</u> |
| Cash flows from operations | (9,899) | (20,835) |
| Income tax paid | (3,544) | (1,229) |
| Income tax refund | 462 | - |
| Interest income | 101 | 137 |
| Retirement gratuity paid | (45) | - |
| Net Cash Flows Used In Operating Activities | <u>(12,925)</u> | <u>(21,927)</u> |



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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (UNAUDITED) (CONT'D)

| | 6 months ended 30 June 2011 | 6 months ended 30 June 2010 |
|---|--------------------------------|--------------------------------|
| | RM'000 | RM'000 |
| Investing Activities | | |
| Proceeds from disposal of land use rights and property plant and equipment | 166 | 260 |
| Proceeds from disposal of unquoted investment | - | 2,006 |
| Interest income received | 28 | 17 |
| Rental received | 38 | 56 |
| Purchase of property, plant and equipment | (2,055) | (4,827) |
| Purchase of unquoted investment | - | (1,500) |
| Net Cash Flows Used In Investing Activities | (1,823) | (3,988) |
| Financing Activities | | |
| Proceeds from short-term borrowings | 23,790 | 25,675 |
| Finance cost paid | (568) | (369) |
| Dividends paid | (4,907) | - |
| Repurchase of own shares | (185) | (322) |
| Net Cash Flows From Financing Activities | 18,130 | 24,984 |
| Net (decrease)/increase in cash and cash equivalents | 3,382 | (931) |
| Cash and Cash Equivalents at beginning of year | 5,172 | 7,258 |
| Cash and Cash Equivalents at end of period | <u>8,554</u> | <u>6,327</u> |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances | 8,554 | 6,358 |
| Bank Overdraft | - | (31) |
| Cash and Cash Equivalents at end of period | <u>8,554</u> | <u>6,327</u> |

(The condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements).



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

| | Attributable to Owners of the Parent | | | | | | Total Equity RM '000 |
|---|--------------------------------------|-------------------------------|-----------------------------|-------------------------------|---------------------------------|----------------------------|----------------------------|
| | Share Capital RM '000 | Non-distributable | | | Distributable | | |
| | | Treasury Shares RM '000 | Share Premium RM '000 | General Reserve RM '000 | Retained Earnings RM '000 | Total Equity RM '000 | |
| Balance as at 1 January 2011 | 109,903 | (1,121) | 17,765 | 1,186 | 256,625 | 384,358 | |
| Total comprehensive income for the period | - | - | - | - | 16,642 | 16,642 | |
| Proposed dividend | - | - | - | - | (4,907) | (4,907) | |
| Transactions with owners | | | | | | | |
| Purchase of treasury shares | - | (185) | - | - | - | (185) | |
| Total transactions with owners | - | (185) | - | - | - | (185) | |
| Balance as at 30 June 2011 | <u>109,903</u> | <u>(1,306)</u> | <u>17,765</u> | <u>1,186</u> | <u>268,360</u> | <u>395,908</u> | |
| Balance as at 1 January 2010 | 109,903 | (7,148) | 24,115 | 1,186 | 245,547 | 373,603 | |
| Effects of applying FRS 139 | - | - | - | - | 5 | 5 | |
| Restated balance | <u>109,903</u> | <u>(7,148)</u> | <u>24,115</u> | <u>1,186</u> | <u>245,552</u> | <u>373,608</u> | |
| Total comprehensive income for the period | - | - | - | - | 18,332 | 18,332 | |
| Proposed dividend | - | - | - | - | (4,724) | (4,724) | |
| Transactions with owners | | | | | | | |
| Purchase of treasury shares | - | (322) | - | - | - | (322) | |
| Total transactions with owners | - | (322) | - | - | - | (322) | |
| Balance as at 30 June 2010 | <u>109,903</u> | <u>(7,470)</u> | <u>24,115</u> | <u>1,186</u> | <u>259,160</u> | <u>386,894</u> | |

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim statements).



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EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”)
134: INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements, other than for financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to FRS 139 Financial Instruments: Recognition and Measurement.

The interim financial report has been prepared in accordance with FRS 134, “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia). The figures for the current period ended 30 June 2011 have not been audited.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 of the Group and the accompanying notes attached to the interim financial statements. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2010 except for the following:

(i) Adoption of New and Revised FRSs, IC Interpretations and Amendments

In the current period ended 30 June 2011, the Group adopted the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations which are applicable to its financial statements and are relevant to its operations:

| FRSs/IC Interpretations | Effective date |
|---|----------------|
| Amendments to FRS 132: <i>Classification of Rights Issues</i> | 1 March 2010 |
| FRS 1 <i>First-time Adoption of Financial Reporting Standards</i> | 1 July 2010 |
| FRS 3 <i>Business Combinations (revised)</i> | 1 July 2010 |
| Amendments to FRS 2 <i>Share-based Payment</i> | 1 July 2010 |
| Amendments to FRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> | 1 July 2010 |
| Amendments to FRS 127 <i>Consolidated and Separate Financial Statements</i> | 1 July 2010 |
| Amendments to FRS 138 <i>Intangible Assets</i> | 1 July 2010 |
| Amendments to IC Interpretation 9 <i>Reassessment of Embedded Derivatives</i> | 1 July 2010 |
| IC Interpretation 12 <i>Service Concession Arrangements</i> | 1 July 2010 |
| IC Interpretation 16 <i>Hedges of a Net Investment in a Foreign Operation</i> | 1 July 2010 |
| IC Interpretation 17 <i>Distributions of Non-cash Assets to Owners</i> | 1 July 2010 |
| Amendments to FRS 1: <i>Additional Exemptions for First-time Adopters</i> | 1 January 2011 |
| Amendments to FRS 1: <i>Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters</i> | 1 January 2011 |
| Amendments to FRS 7: <i>Improving Disclosures about Financial Instruments</i> | 1 January 2011 |
| Amendments to FRS 2: <i>Group Cash-settled Share-based Payment Transactions</i> | 1 January 2011 |



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| | |
|--|----------------|
| Amendments to FRS contained in the document entitled "Improvements to FRSs (2010)" | 1 January 2011 |
| IC Interpretation 4: <i>Determining whether an Arrangement contains a Lease</i> | 1 January 2011 |
| IC Interpretation 18 <i>Transfer of Assets from Customers</i> | 1 January 2011 |
| TRI – 3 <i>Guidance on Disclosure of Translation to IFRSs</i> | 1 January 2011 |
| TRI – 4 <i>Shariah Compliant sale Contracts</i> | 1 January 2011 |

The adoption of the above FRSs, IC interpretation and Amendment do not have any material impact on the Financial Statements of the Group.

(ii) *The following FRSs were issued but not yet effective and have not been applied by the Group*

At the date of issuance of this quarterly report, the revised FRS, new IC Int. and amendment to IC Int. which were in issue but not yet effective are as listed below:

| FRSs/IC Interpretations | Effective date |
|---|----------------|
| IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments | 1 July 2011 |
| Amendments to IC Interpretation 14 The Limit on Defined Benefit Asset, Minimum Funding Requirements and their Interaction | 1 July 2011 |
| FRS 124: Related Party Disclosures (Revised) | 1 January 2012 |
| IC Interpretation 15 Agreements for the Construction of Real Estate | 1 January 2012 |
| Amendment to IC Interpretation 15 Agreements for the Construction of Real Estate | 1 January 2012 |

The above revised FRS, new IC Interpretation and amendments to IC Interpretation will be adopted in the financial statements of the Group and the Company when they become effective and the adoption of these FRSs and Interpretation will have no significant impact on the financial statements of the Group and the Company in the period of initial application.

A2 Auditor's report on preceding annual financial statements

The preceding year's audit report for the year ended 31 December 2010 was unqualified.

A3 Seasonality or Cyclicity of Operations

The level of business activities usually varies with the festivals at the end and beginning of each year subject to the level of underlying demand and prevailing prices.

A4 Unusual items

There were no material items of an unusual nature and amount for the current quarter and financial year to date.

A5 Material Changes in Estimates of Amounts Reported

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter or the financial year to date.



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A6 Capital Management, Issuances, Repurchases, and Repayments of Debts and Equity Instruments

During the current quarter, the Company had repurchased a total of 111,100 ordinary shares of RM1.00 each of its issued share capital from the open market at an average cost of RM1.6575 per share. The total consideration paid for the share buy-back was RM184,143.50 and was financed by internally generated funds. As at 30 June 2011, a total of 852,625 treasury shares were held by the Company. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

There were no issues of debt or equity securities for the current financial year to date.

The Group's objectives of managing capital are to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

For capital management purposes, the Group considers shareholders' equity, non-controlling interests and long-term liabilities to be the key components in the Group's capital structure. The Group monitors capital on the basis of gearing ratio, which is net debt divided by total capital plus net debts. The Group includes within net debt, loan and borrowings, trade and other payables, less cash and bank balances. Capital includes equity attributable to the equity holders of the Group less the fair value adjustment reserve. The Group's strategy is to maintain a low gearing ratio.

The gearing ratios as at 30 June 2011 and 30 June 2010, which are within the Group's objectives for capital management, are as follows:

| | 30 June 2011 (RM'000) | 30 June 2010 (RM'000) |
|---|--------------------------|--------------------------|
| Borrowings | 45,340 | 49,286 |
| Trade and other payables | 16,647 | 11,906 |
| Less : Cash and bank balances | (8,554) | (6,358) |
| Net debts | 53,433 | 54,834 |
| Equity attributable to the owners of the parent | 395,908 | 386,894 |
| Capital and net debts | 449,342 | 441,728 |
| Gearing ratio (%) | 12 | 12 |

A7 Dividends Paid

No dividend has been paid for the current financial year to date.

Please see B12 for proposed dividend.



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A8 Operating Segment Information

Segment information is presented in respect of the Group's operating segments.

The Group comprises the following main operating segments:

- (i) Manufacturing Processing of steel coils into steel products and fabrication of steel products
- (ii) Trading Dealing in hardware and construction materials

Segment information for the current financial period ended 30 June 2011 is as follows:-

| | Trading RM'000 | Manufacturing RM'000 | Total RM'000 |
|--------------------------------|-------------------|-------------------------|-----------------|
| Revenue - external customers | 137,257 | 92,206 | 229,463 |
| Intersegment revenue | 13,682 | 20,231 | 33,913 |
| Reportable segment profit | 9,590 | 12,644 | 22,234 |
| Unallocated corporate expenses | | | (438) |
| Finance costs | | | (569) |
| Profit before taxation | | | 21,227 |

Segment information for the previous financial period ended 30 June 2010 is as follows:-

| | Trading RM'000 | Manufacturing RM'000 | Total RM'000 |
|--------------------------------|-------------------|-------------------------|-----------------|
| Revenue - external customers | 117,137 | 80,549 | 197,686 |
| Intersegment revenue | 6,884 | 18,279 | 25,163 |
| Reportable segment profit | 10,257 | 13,144 | 23,401 |
| Unallocated corporate expenses | | | (195) |
| Finance costs | | | (369) |
| Profit before taxation | | | 22,837 |

A9 Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment in the financial year to date and the value of property, plant and equipment has been brought forward, without amendment from the previous annual financial statements.

A10 Material Events Subsequent to the End of the Interim Period

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



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A11 Effects of Changes in Composition of the Group

There were no changes in composition of the Group for the current financial year to date.

A12 Changes in Contingent Liabilities or Contingent Assets since the last annual statement of financial position date

There were no contingent liabilities or contingent assets at the date of issue of the quarterly report.

A13 Capital Commitments

Authorised capital commitments not recognized in the interim financial statements as at 30 June 2011 are as follows:

| | RM'000 |
|---------------------------------|---------------|
| Capital expenditure : | |
| Contracted but not provided for | 3,344 |
| Approved but not contracted for | 12,490 |
| | <u>15,834</u> |

A14 Write back of Inventories to Net Realizable Values

Total net inventories write down to either net realizable value or replacement cost for the year ended 30 June 2011 was RM2,552,824.



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EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B)

B1 Review of the Performance of the Company and its Principal Subsidiaries

The Group's revenue for 3 months ended 30.06.2011 ("2Q 2011") was RM120.5 million, up RM22.4 million (22.8%) compared with 3 months ended 30.06.2010 ("2Q 2010") of RM98.1 million.

For the 6 months ended 30.06.2011 ("YTD 2Q 2011"), the Group's revenue was RM229.5 million representing an increase of RM31.8 million as compared with RM197.7 million recorded in the 6 months ended 30.06.2010 ("YTD 2Q 2010").

The increases were mainly attributed by higher metric tonne sales despite the reduction in selling price.

B2 Comparison with preceding quarter's results

While the Group's revenue for 2Q 2011 of RM120.5 million was an increase of RM11.5 million or 11% as compared to 3 months ended 31.03.2011 ("1Q 2011") of RM109.0 million, profit before taxation of RM9.2 million was recorded for 2Q 2011 (1Q 2011 : RM12.0 million). The decrease in profit before taxation is mainly due to reduced selling price.

B3 Prospects for the remaining period of the current financial year

Steel prices remain soft as the quiet market is dampening demand in the steel sector resulting in most producers curbing their production. The recent conclusion to raise US debt ceiling and the continuing efforts to contain the contagion effects of the EU debts crisis is having an adverse impact on market sentiments.

We also expect the domestic infrastructural projects to give a much needed impetus to economic activities and boost domestic steel consumption significantly.

However, barring any further deterioration in market conditions, the Group is cautiously optimistic of improved performance for the rest of 2011.

B4 Variance of Actual Profit from Forecast Profit or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.



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B5 Taxation

Tax charges comprise:

| | Current Quarter RM'000 | Financial Year to date RM'000 |
|----------------------------|------------------------------|-------------------------------------|
| Income tax | | |
| - current year | 1,719 | 3,796 |
| Deferred tax | | |
| - current year | 254 | 789 |
| Net provision for taxation | <u>1,973</u> | <u>4,585</u> |

The effective tax rate for the year to date under review lower than statutory tax rate due to the utilization of unabsorbed reinvestment allowances offset against non-deductible expenses.

B6 Profits/(Losses) On Sale of Unquoted Investments and/or Properties

The were no sale of unquoted investments during the current financial quarter and the financial year to date. The sale of properties (leasehold land) for the current quarter resulted in a gain on sale of RM12,709 which was recognized in other income.

B7 Purchase or Disposals of Quoted Securities

There were no purchases or disposals of quoted securities by the Group.

B8 (a) Status of Corporate Proposals announced but not completed

There were no corporate proposals at the date of issue of the quarterly report.

(b) Status of utilization of proceeds raised from any corporate proposal

Not applicable.

B9 Group Borrowings and Debt Securities

Details of Group's borrowings as at 30 June 2011 are as follows:-

Short-term borrowings

| | RM'000 |
|----------------------|------------------|
| Bankers' acceptances | 45,340 Unsecured |
| | <u>45,340</u> |

The Group has no debt securities as at 30 June 2011.



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B10 Financial Instruments

With the adoption of FRS 139, financial instruments are recognized on their respective contract dates.

Details of forward contracts which have not matured for the Group as at 30 June 2011 are as follows:

| Type of instruments | Contract/Notional amount RM'000 | Fair value RM'000 | Fair value loss RM'000 | Purpose |
|--|------------------------------------|----------------------|---------------------------|---------------|
| Foreign currency forward sale contract (SGD) | | | | For hedging |
| - Less than 1 year | 2,649 | 2,664 | 15 | currency risk |

The Group's trade suppliers denominated in foreign currencies are exposed to currency risks with respect to USD Dollar. The Group enters into forward purchase contracts as a hedge against fluctuation in its foreign currency payment transactions.

The Group's trade receivables denominated in foreign currencies are exposed to currency risk. The Group's strategy for minimizing this risk is to hedge each foreign trade receivable by a forward sale contract.

The foreign currency forward contracts are transacted with the Group's bankers. Credit risk for non-performance by the financial institutions in these instruments is minimal.

B11 Changes in Material Litigation (including status of any pending material litigation)

There was no material litigation against the Group as at the date of this report.

B12 Dividends Proposed

The Board of Directors has proposed a final dividend 6% less 25% taxation (2009: 6% less 25% taxation) amounting to RM4.9 million in respect of financial year ended 31 December 2010. The proposed final dividend has been approved by the shareholders at the Annual General Meeting on 24 June 2011 and will be paid on 18 August 2011 to shareholders registered at the close business on 22 July 2011.



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B13 Earnings per share (EPS)

(a) Basic earnings per share

| | | 3 months ended | | 6 months ended | |
|---|----------|----------------|------------|----------------|------------|
| | | 30.06.2011 | 30.06.2010 | 30.06.2011 | 30.06.2010 |
| Profit for the quarter attributable to owners of the parent | (RM'000) | 7,206 | 7,506 | 16,642 | 18,331 |
| Weighted average number of ordinary shares in issue | ('000) | 108,949 | 104,938 | 109,042 | 105,024 |
| Basic earnings per share | (sen) | 6.61 | 7.15 | 15.26 | 17.45 |

(b) Diluted earnings per share

Not applicable.

B14 Realised and Unrealised Profit or (Losses) Disclosure

The breakdown of the retained profits of the Group as at the end of the reporting period, into realised and unrealised profit or (losses), is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010. Total retained profits/(accumulated losses) of the Company and its subsidiary companies:-

| | As at 30-06-11 RM'000 | As at 31-12-10 RM'000 |
|----------------------------------|-----------------------------|-----------------------------|
| - Realised | 291,429 | 273,307 |
| - Unrealised | (2,429) | 3,220 |
| | <u>289,000</u> | <u>276,527</u> |
| Less : Consolidation adjustments | (20,640) | (19,902) |
| Total group retained earnings | <u>268,360</u> | <u>256,625</u> |

B15 Authorisation for Issue

The interim financial statements were authorised for issue on 26 August 2011 by the Board of Directors.