

**DKSH HOLDINGS (MALAYSIA) BERHAD** (231378-A)

(Incorporated in Malaysia)

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 31 December 2011

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2010 RM'000	CURRENT YEAR TO DATE 31/12/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD (Audited) 31/12/2010 RM'000
1 Revenue	1,042,787	987,895	4,260,749	3,867,610
2 Operating Expenses	(1,024,895)	(971,583)	(4,192,287)	(3,825,564)
3 Other Operating Income	1,345	2,659	6,530	10,363
4 Profit from Operations	19,237	18,971	74,992	52,409
5 Finance cost	(1,993)	(1,560)	(7,305)	(6,853)
6 Profit before taxation	17,244	17,411	67,687	45,556
7 Taxation	(4,988)	(5,537)	(18,567)	(13,522)
8 Net profit for the period	12,256	11,874	49,120	32,034
9 Other comprehensive income:-				
- Currency Translation differences arising from ct	(10)	23	15	(27)
- Gain on fair value changes on available for sale	7	5	7	5
10 Total comprehensive income	12,253	11,902	49,142	32,012
11 Net profit attributable to:				
Equity holders of the company	11,253	10,445	44,346	27,963
Non controlling interest	1,003	1,429	4,774	4,071
Net profit for the period	12,256	11,874	49,120	32,034
12 Total comprehensive income attributable to:				
Equity holders of the company	11,250	10,473	44,368	27,941
Non controlling interest	1,003	1,429	4,774	4,071
Total comprehensive income	12,253	11,902	49,142	32,012
13 Earnings per share based on 11 above after				
(i) Basic (See Note 1 below) (sen)	7.14	6.63	28.13	17.72
(ii) Fully diluted	N/A	N/A	N/A	N/A

**Note:-**

1 The weighted average number of shares used in 13 above is computed : 157,658,076 shares.

2 Included in Operating Expenses are below :-

Depreciation	(2,256)	(2,892)	(9,176)	(10,384)
Amortisation of trademark	(244)	(244)	(976)	(976)
Write-back for impairment of trade receivables	427	2,461	1,092	2,246
Inventories write-offs	(2,235)	(11,142)	(7,710)	(12,746)
Inventories allowances / (write back)	162	10,151	2,176	2,831
Gain/(loss) on derivatives	(1,058)	1,160	(51)	(679)

3 Included in Other Operating Income are below :-

Gain/(loss) on derivatives	610	(130)	1,007	126
Interest income	35	15	168	174

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**

	AS AT END OF CURRENT QUARTER  31/12/2011 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END  31/12/2010 RM'000
<b>1 Non Current Assets</b>		
Property, plant and equipment	50,527	53,402
Intangible assets	8,886	9,862
Available for sale financial assets	69	62
Deferred tax assets	4,275	6,832
	<u>63,757</u>	<u>70,158</u>
<b>2 Current Assets</b>		
Inventories	382,101	313,655
Receivables	677,606	590,850
Deposits, bank and cash balances	112,726	132,942
	<u>1,172,433</u>	<u>1,037,447</u>
<b>3 Total Assets</b>	<u><u>1,236,190</u></u>	<u><u>1,107,605</u></u>
<b>4 Equity</b>		
Ordinary share capital	157,658	157,658
Share premium	24,514	24,514
Revaluation reserve	13,534	13,527
Foreign currency translation reserve	(12)	(27)
Accumulated profits / (losses)	26,487	(10,763)
Equity attributable to equity holders of the company	<u>222,181</u>	<u>184,909</u>
Non controlling interest	17,977	16,775
	<u><u>240,158</u></u>	<u><u>201,684</u></u>
<b>5 Current Liabilities</b>		
Payables	760,803	653,930
Derivative financial instrument	106	1,062
Borrowings (unsecured)	154,808	161,772
Taxation	4,282	1,987
	<u>919,999</u>	<u>818,751</u>
<b>6 Non current Liabilities</b>		
Borrowings (unsecured)	56,983	68,870
Post employment benefit obligation	11,561	10,496
Long term liabilities	289	289
Deferred taxation	7,200	7,515
	<u>76,033</u>	<u>87,170</u>
<b>7 Total Liabilities</b>	<u><u>996,032</u></u>	<u><u>905,921</u></u>
<b>8 Total Equity and Liabilities</b>	<u><u>1,236,190</u></u>	<u><u>1,107,605</u></u>
<b>9 Net assets per share attributable to ordinary equity holders of the company (RM)</b>	<u><u>1.4093</u></u>	<u><u>1.1728</u></u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2011**

	Attributable to equity holders of the parent		Non-distributable		Accumulated profits / (losses) RM'000	Non controlling interest RM'000	Total Equity RM'000
	Issued and fully paid ordinary shares of RM1 each		Share premium on ordinary shares				
	No of shares 000	Nominal value RM'000	Revaluation reserves RM'000	Foreign currency translation reserve RM'000			
<b>QUARTER ENDED 31 DECEMBER 2011</b>							
At 1 January 2011	157,658	157,658	24,514	13,527	(27)	16,775	201,684
Total comprehensive income for the period	-	-	-	7	15	4,774	49,142
Dividends	-	-	-	-	-	(3,572)	(10,668)
At 31 December 2011	157,658	157,658	24,514	13,534	(12)	17,977	240,158
<b>QUARTER ENDED 31 DECEMBER 2010</b>							
At 1 January 2010 (as previously stated)	157,658	157,658	24,514	13,505	-	16,197	178,400
Effect of adoption FRS 139	-	-	-	17	-	-	(505)
At 1 January 2010 (as restated)	157,658	157,658	24,514	13,522	-	16,197	177,895
Total comprehensive income for the period	-	-	-	5	(27)	4,071	32,012
Dividends	-	-	-	-	-	(3,493)	(8,223)
At 31 December 2010	157,658	157,658	24,514	13,527	(27)	16,775	201,684

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

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## QUARTERLY REPORT

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2011

	Period ended 31/12/11	Audited Period ended 31/12/10
	<u>RM'000</u>	<u>RM'000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total comprehensive income	49,142	32,012
Adjustments for non cash flows:		
Depreciation	9,176	10,384
Amortisation of trademark	976	976
(Gain)/loss on derivatives	(956)	553
Interest income	(168)	(174)
Interest expenses	7,305	6,853
Tax expenses	18,567	13,522
Write-back for impairment of trade receivables	(1,092)	(2,246)
Inventories write-offs	7,710	12,746
inventories allowances / (write back)	(2,176)	(2,831)
Other non cash items	909	427
Operating profit before changes in working capital	<u>89,393</u>	<u>72,222</u>
Changes in working capital:		
Inventories	(74,089)	(73,823)
Trade and other receivables	(86,296)	(36,631)
Trade and other payables and provisions	107,911	110,493
	<u>(52,474)</u>	<u>39</u>
Interest paid	(7,241)	(6,549)
Interest received	168	174
Tax paid	(13,475)	(8,240)
Other non operating expenses	(7)	(729)
<b>Net cashflow from operating activities</b>	<u>16,364</u>	<u>56,917</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Other investments	(7,043)	(5,221)
<b>Net cashflow from investing activities</b>	<u>(7,043)</u>	<u>(5,221)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings	(18,869)	2,022
Dividend Paid	(10,668)	(8,223)
<b>Net cashflow from financing activities</b>	<u>(29,537)</u>	<u>(6,201)</u>
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(20,216)</b>	<b>45,495</b>
CASH AND CASH EQUIVALENTS B/F	132,942	87,447
<b>CASH AND CASH EQUIVALENTS C/F</b>	<u><u>112,726</u></u>	<u><u>132,942</u></u>
Note : Cash and cash equivalents comprise of :-		
Deposits, bank and cash balances	112,726	132,942
Bank overdraft	-	-
	<u>112,726</u>	<u>132,942</u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

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The figures have not been audited and are to be read in conjunction with the 2010 annual report.

**SEGMENTAL INFORMATION**

	<u>Marketing &amp; Distribution Services</u>			<u>Logistics Services</u>		<u>Others</u>	<u>Consolidated</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>		
<b>For the Period Ended 31 December 2011</b>							
<b>Revenue</b>							
Total Revenue	1,900,283	2,309,290	51,176			4,260,749	
<b>Results</b>							
Segment result	37,041	31,124	6,827			74,992	
Finance cost						(7,305)	
Profit from ordinary activities before tax						67,687	
<b>At 31 December 2011</b>							
<b>Other Information</b>							
Segment assets	564,772	481,299	49,681			1,095,752	
Unallocated assets						140,438	
Total assets						1,236,190	
Segment liabilities	(285,857)	(392,196)	(2,398)			(680,451)	
Unallocated liabilities						(315,581)	
Total liabilities						(996,032)	
Capital expenditure	3,139	1,521	1,885			6,545	
Depreciation	(3,923)	(1,100)	(4,153)			(9,176)	

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The figures have not been audited and are to be read in conjunction with the 2009 annual report.

**SEGMENTAL INFORMATION**

	<u>For the Period Ended 31 December 2010</u>		
	<u>Marketing &amp; Distribution Services</u> RM'000	<u>Logistics Services</u> RM'000	<u>Others</u> RM'000
<b>Revenue</b>			<u>Consolidated</u> RM'000
Total Revenue	1,631,114	2,193,424	43,072
<b>Results</b>			
Segment result	19,035	27,442	5,932
Finance cost			(6,853)
Profit from ordinary activities before tax			<u>45,556</u>
<b>At 31 December 2010</b>			
<b>Other Information</b>			
Segment assets	466,527	429,813	52,133
Unallocated assets			159,132
Total assets			<u>1,107,605</u>
Segment liabilities	(223,351)	(345,742)	(3,894)
Unallocated liabilities			(332,934)
Total liabilities			<u>(905,921)</u>
Capital expenditure	2,460	1,310	2,399
Depreciation	(4,881)	(1,318)	(4,185)
			6,169
			(10,384)

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(I) Compliance with FRS 134: Interim Financial Reporting**

**1. Accounting Policies and Basis of Preparation**

The unaudited condensed interim financial statements for the 4<sup>th</sup> quarter and the financial period ended 31 December 2011 have been prepared in accordance with FRS134 (Interim Financial Reporting) and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements (*amended*) and should be read in conjunction with DKSH Holdings (Malaysia) Berhad group of companies ("the Group") annual financial statements for the year ended 31 December 2010. The figures for the cumulative period in the current quarter to 31 December 2011 have not been audited.

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2010. The new, revised and amended FRS and IC Interpretations, which are effective for financial periods beginning on or after 1 March 2010, 1 July 2010 and 1 January 2011, are not anticipated to result in any material impact to the financial results of the Group.

**2. Disclosure of Audit Report Qualification and Status of Matters Raised**

The auditors' report on the financial statements of the Group for the year ended 31 December 2010 was not qualified.

**3. Seasonal or Cyclical Factors**

The Group's service segments cover primarily Consumer Goods and Healthcare businesses. Consequently, revenue and contributions are influenced by the festive seasons of Hari Raya, Christmas, Chinese New Year and Deepavali.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**5. Material Changes in Estimates**

There were no material changes in estimates used to prepare these financial statements.

**6. Changes in Debt and Equity Securities**

There were no changes in debt and equity securities during the quarter under review.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**7. Dividend Paid**

A final single-tier dividend of 4.5 sen per ordinary share of RM1 each was paid on 18 August 2011 for the year ended 31 December 2010. In comparison, the dividend paid for the year ended 31 December 2009 included a final gross dividend of 1.8 sen per ordinary share of RM1 each, less income tax of 25%, and a final single-tier dividend of 1.65 sen per ordinary share of RM1 each.

**8. Segment Information**

The Group's segmental information for the financial quarters ended 31 December 2011 and 31 December 2010 is presented separately in the file '4Q2011-BursaM-Segmental' attached together with this package.

**9. Valuation of Property, Plant and Equipment**

Property, plant and equipment, which are stated at revalued amounts, have been brought forward without amendment from the previous annual financial statements.

**10. Material Events Subsequent to the end of Financial Period**

There were no material events subsequent to the end of the period reported that have not been reflected in the financial statements for the quarter ended 31 December 2011.

**11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial quarter.

**12. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the quarter ended 31 December 2011 and up to 23 February 2012.

**13. Capital Commitments**

Authorised capital commitments not provided for in this interim financial report as at 31 December 2011 are as follows:

	<b>RM'000</b>
Contracted	522
Not contracted	-
	<u>522</u>
Analysed as follows:	
- Property, plant and equipment	<u>522</u>



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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF THE BURSA  
MALAYSIA SECURITIES BERHAD – 4<sup>th</sup> QUARTER ENDED 31 DECEMBER 2011**

**(II) Compliance with Appendix 9B of the Listing Requirements**

**1. Review of performance**

In line with targets and management's expectations, the Group's performance continued to trend above prior year. Cumulative revenues were up 10.2% against 2010 revenues at RM 4,260.7 million, contributed primarily by strong organic sales growth in all three segments. In comparison to the fourth quarter of 2010, quarterly revenues improved by 5.6% to RM 1,042.8 million. Nevertheless, fourth quarter revenues reduced by 4.5% against the immediately preceding third quarter, which was positively affected by strong Hari Raya festive sales. The fourth quarter was affected by the loss of a key supplier, as well as slower sales for some of the largest suppliers. At the same time, new businesses that have been signed up in recent months are just beginning to show traction in line with usual sales patterns for new suppliers.

With continued focus on operational efficiency and effectiveness, operating expenses increased by 9.6% over 2010 at a reduced trend compared to prior year's revenues. Financing costs have increased by 6.6% to RM 7.3 million due to higher borrowings in line with business growth.

On this basis, profit before tax for 2011 increased by 48.6% to RM 67.7 million compared to the same period of 2010, whilst Group PAT increased by 53.3% to RM 49.1 million.

The three reported business segments for the Group remain (1) Marketing and Distribution services, (2) Logistics services and (3) Others.

**Comments to the Performance of the Business Segments**

**Marketing and Distribution Services**

Under the segment Marketing and Distribution services, the Group provides the full range of available services. The service portfolio ranges from marketing and sales, to distribution and logistics, invoicing and credit management, trade return management, and other value added services.

Based on revenues, this is the second largest of the three reported segments. It is however the main profit contributor.

Revenues grew strongly by 16.5% in 2011 compared to 2010. This improvement was primarily contributed by organic sales growth, whilst new fast moving consumer goods suppliers replaced the loss of a key supplier in November 2011. Revenue for the fourth quarter of 2011 increased by 16.9% to RM 467.3 million compared to the same quarter of 2010, but decreased by 5.7% against the third quarter 2011, which was positively affected by the Hari Raya festive period. Slower sales for certain large suppliers, as well as the loss of a key confectionery supplier contributed to this deterioration in revenues.

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Nevertheless, the continued strong sales performance throughout the year and a focus on controls and operational risks improved the cumulative segmental result by 94.6% to RM 37.0 million compared to the full year of 2010.

**Logistics Services**

Under the segment Logistics Services, the Group does not provide the entire service portfolio, but focuses on supply chain services ranging from import, to forwarding, warehousing and distribution, order processing, and the management of collections. Contrary to the Marketing and Distribution segment, sales and marketing services are not usually provided by DKSH, but are generally run by the suppliers. The businesses represented under this segment are primarily the Business Unit Healthcare and parts of the Business Unit Consumer Goods, which are entirely supply chain focused, specifically the telephone card business, as well as the transport and freight forwarding business.

This segment is the largest revenue contributor and leverages off the Group's distribution reach and transaction volumes. The more focused service portfolio however also brings lower margins. Hence, the segment is only the second largest profit contributor.

Revenues for 2011 amounted to RM 2,309.3 million an increase of 5.3% over prior year. However, fourth quarter revenues were down 4% at RM 559.4 million compared to the preceding third quarter, and 2.7% lower against the fourth quarter of 2010. Poorer sales performance in the telephone card business contributed to this decline in performance, whilst sales performance in the Healthcare business remained strong.

Based on the reduced sales performance, the segmental result reduced to RM 7.5 million for the quarter. However, for the full year, the result improved by 13.4% over the previous year to RM 31.1 million.

**Others**

The third segment consists of central overheads and smaller units, most notably the Famous Amos chocolate chip cookie chain, which forms the most important operational unit.

Famous Amos relies strongly on festive periods. Hence, in line with expectations for Christmas sales and first sales for the early Chinese New Year, supported by four new outlet openings and refurbishments of existing stores, fourth quarter revenues came in strongly at RM 16.0 million, up 25.2% over the immediately preceding quarter and up 23.4% against the same quarter of 2010. Annual revenues amounted to RM 51.2 million, up 18.8% over 2010.

On the basis of strong revenue performance, as well as close management of operating expenses, segmental results for the fourth quarter amounted to RM 2.7 million. Compared to the full year 2010 the results improved by 15.1% to RM 6.8 million.

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**2. Material Changes in Profit before Taxation for the Current Quarter as compared to the Immediate Preceding Quarter**

The third quarter of 2011 was positively affected by the Hari Raya festive period, resulting in the strongest sales quarter of the year. During the fourth quarter the Group lost a key supplier, although this was compensated for through new suppliers. Despite these factors, fourth quarter profits before tax improved by 5.9% compared to the third quarter.

**3. Prospects**

2011 performance has continued to trend above 2010 based on strong sales performance in all segments. In looking forward, the uncertain global economic environment will bring with it challenges.

With Malaysia's still positive economic outlook and the Group's wide supplier and product portfolio, which diversifies business risks, the Group is expected to continue on a positive trend. Two market trends additionally support a cautiously optimistic outlook. On the one hand, the growing middle class in Malaysia supports the demand for consumer goods and pharmaceutical products. On the other hand, brand owners increasingly focus on core competencies and seek service providers in order to grow the market for and with them.

Although the Marketing and Distribution Services segment has lost a key confectionery supplier, recently acquired new suppliers are expected to compensate for the loss. With a solid infrastructure in place, the focus remains on strong organic sales growth, combined with additional new supplier acquisitions. The growth momentum is in place and expected to remain positive for the coming quarters.

Similar to the Marketing and Distribution Services segment, the healthcare business under the Logistics segment will focus on new business development to further drive growth, whilst maintaining its operational efficiencies. However, this segment's logistics business, specifically the haulage services provided to external suppliers, is expected to see reduced rebates as compared to 2011. Moreover, the telephone card business, which is large on sales volume, will remain highly competitive and challenging. This segment will therefore face some challenges in the quarters ahead.

Famous Amos, the main operational unit under the segment Others, will continue its focus on enlarging its retail footprint by opening new stores and refurbishing existing stores. The next quarters will also include an increased focus on operational processes and efficiencies. With this in mind, the growth momentum in this segment is expected to remain positive.

In line with the business model, the Group's stringent hedging processes, and the fact that certain suppliers cover foreign exchange risks, forex fluctuations are not expected to have a significant impact on the Group in the next quarters.

In summary, with the Group's continued focus on organic growth and growth through business development, combined with a focus on operational risks, internal controls and operational effectiveness, the Group expects to continue on a positive trend throughout 2012.

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**4. Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

**5. Taxation**

	Qtr Ended 31 December 2011 RM'000	Qtr Ended 31 December 2010 RM'000	YTD Qtr Ended 31 December 2011 RM'000	YTD Qtr Ended 31 December 2010 RM'000
Current year	4,524	2,940	16,322	9,295
Deferred tax	464	2,597	2,245	4,227
	<u>4,988</u>	<u>5,537</u>	<u>18,567</u>	<u>13,522</u>

**6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investments and/or properties during the financial quarter.

**7. Quoted Securities other than Securities in Existing Subsidiary and Associated Companies**

There were no purchases or disposals of quoted and marketable securities during the financial quarter.

**8. Status of Corporate Proposals Announced**

There were no corporate proposals announced during the quarter under review.

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**9. Group Borrowings and Debt Securities**

<u>Short Term Borrowings</u>	Qtr Ended 31 December 2011
Unsecured and fully denominated in Ringgit Malaysia:	
	<b>RM'000</b>
Bankers' acceptances	78,000
Promissory notes	56,796
Term loans	20,000
Others	12
	<u>154,808</u>

<u>Long Term Borrowings</u>	
Unsecured and fully denominated in Ringgit Malaysia:	
	<b>RM'000</b>
Fixed rate term loan	30,000
Advances from holding companies	26,955
Others	28
	<u>56,983</u>

**10. Disclosure of Derivatives**

Type of derivatives	Contract / Notional value 31/12/2011 RM'000	Fair Value 31/12/2011 RM'000
Foreign exchange contracts - less than 1 year	17,685	17,579
<b>Total</b>	<u>17,685</u>	<u>17,579</u>

Foreign currency transactions in Group companies are accounted for at exchange rates ruling at transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates ruling at the balance sheet date, unless hedged by forward foreign exchange contracts when the rates specified in such forward contracts are used. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

Future liabilities in foreign currencies are covered by forward-purchased currencies from reputable banks when their amounts and due dates are known. Forward hedges are exclusively used for bona-fide and documented trade transactions and not for speculative purposes in line with the DKSH Treasury policy.

The Group's open foreign exchange contracts have been fair valued using the current market rates as at 31 December 2011 resulting in a unrealized derivative loss of RM 0.1 million. This represents an unrealized derivative loss for the quarter of RM 0.4 million when compared to the preceding quarter ended 30 September 2011. In total, unrealized gains on forward contracts amounting to RM 1.0 million have been charged to the statement of comprehensive income for the year to date reversing the position as at 31 December 2010.

**DKSH HOLDINGS (MALAYSIA) BERHAD** (231378-A)  
(Incorporated in Malaysia)

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 31 December 2011.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The current unrealized derivative loss of RM 0.1 million arose due to weaker EUR and CHF as at year-end, whilst MYR against the USD did not fluctuate much against the hedged rates. The lower fluctuation against USD reflects the change in the hedging arrangement with a major supplier.

**11. Changes in Material Litigation**

There was no change in material litigation since the last financial year ended 31 December 2011 and up to 23 February 2012.

**12. Dividend Proposed or Declared**

No dividend has been declared by the Board of Directors during the current quarter.

**13. Earnings Per Share**

(a) The earning used as the numerator in calculating basic and diluted earnings per share for the current quarter and current year-to-date are RM11,253,000 and RM44,346,000 respectively.

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share is 157,658,076.

**14. Disclosure of Realised and Unrealised Profits/Losses**

	Current Financial Year 31/12/2011 RM'000	As at the end of last Financial Year 31/12/2010 RM'000
Total retained profits/(accumulated losses) of DKSH Holdings (Malaysia) Berhad and its subsidiaries:		
- Realised	29,973	(8,621)
- Unrealised	(3,486)	(2,142)
<b>Total group retained profits/(accumulated losses) as per consolidated accounts</b>	<b>26,487</b>	<b>(10,763)</b>