SURIA CAPITAL HOLDINGS BERHAD

(COMPANY NO: 96895-W)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2012

SURIA CAPITAL HOLDINGS BERHAD
(Company No: 96895-W)

Consolidated Statements of Comprehensive Income
For the Quarter and Year-to-date ended 31 March 2012

SURIA GROUP

	Note	Quarter and Year-to-date ended 31.03.2012 Unaudited RM'000	31.03.2011 Unaudited RM'000
Revenue	9	67,894	62,677
Cost of sales		(42,183)	(39,776)
Gross profit		25,711	22,901
Other items of income			
Interest income		238	158
Other income		3,199	2,202
Other items of expense			
Administrative expense		(5,628)	(4,950)
Finance costs		(3,284)	(3,837)
Other expenses		(1,728)	(1,706)
Profit before tax	9	18,508	14,768
Income tax expense	23	(4,913)	(3,928)
Profit net of tax		13,595	10,840
Other comprehensive income		-	-
Total comprehensive income for the year		13,595	10,840
Profit attributable to:			
Owners of the Company		13,405	10,696
Non-controlling interests		190	144
		13,595	10,840
Earnings per ordinary share attributable to owners of the Company (sen per share):			
Basic	32(a)	4.73	3.78
Diluted	32(b)	4.73	3.78

The above consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

SURIA CAPITAL HOLDINGS BERHAD
(Company No: 96895-W)

Consolidated Statements of Financial Position
As at 31 March 2012

	Note	As at 31.03.2012 Unaudited RM'000	As at 31.12.2011 Audited RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	681,925	688,218
Land held for property development		119,435	119,384
Investment properties		2,429	2,443
Intangible assets	12	88,737	90,165
Deferred tax assets		39,615	44,342
		932,141	944,552
Current assets			
Inventories		4,078	4,387
Trade receivables	13	27,561	26,368
Other receivables		7,188	6,613
Other current assets		21,123	14,493
Income tax refundable		18,914	18,816
Investment securities	26	130,956	159,536
Cash and bank balances	14	63,087	45,528
		272,907	275,741
TOTAL ASSETS		1,205,048	1,220,293

Consolidated Statements of Financial Position (Cont'd)
As at 31 March 2012

	Note	As at 31.03.2012 Unaudited RM'000	As at 31.12.2011 Audited RM'000
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings	27	13,786	14,623
Loan from Sabah Ports Authority		20,504	48,564
Amount due to Sabah Ports Authority		2,841	2,841
Amount due to Sabah State Government		12,011	12,031
Trade payables		11,802	11,683
Other payables		25,091	24,927
Other current liability		-	42
Tax payable		13	-
		86,048	114,711
Net current assets		186,859	161,030
Non-current liabilities			
Borrowings	27	50,701	50,881
Loan from Sabah Ports Authority		168,420	168,420
Amount due to Sabah State Government		47,413	47,413
Deferred tax liabilities		564	564
Other payable		69,094	69,091
		336,192	336,369
TOTAL LIABILITIES		422,240	451,080
Net assets		782,808	769,213
Equity attributable to owners of the Company			
Share capital		283,328	283,328
Share premium		62,785	62,785
Retained earnings	24	433,894	420,489
		780,007	766,602
Non-controlling interests		2,801	2,611
TOTAL EQUITY		782,808	769,213
TOTAL EQUITY AND LIABILITIES		1,205,048	1,220,293

The above consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

SURIA CAPITAL HOLDINGS BERHAD
(Company No: 96895-W)

Consolidated Statements of Changes in Equity
For the Year-to-date ended 31 March 2012

		Attributable to owners of the Company				
			Non-distributable		Distributable	
	Equity, Total	Equity attributable to owners of the Company, Total	Share capital	Share premium	Retained earnings	Non-controlling interests
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening balance at 1 January 2012	769,213	766,602	283,328	62,785	420,489	2,611
Total comprehensive income	13,595	13,405	-	-	13,405	190
Closing balance at 31 March 2012	782,808	780,007	283,328	62,785	433,894	2,801
Opening balance at 1 January 2011	724,819	722,105	283,328	62,785	375,992	2,714
Effects of adopting IC Interpretation 12	7,929	7,929	-	-	7,929	-
	732,748	730,034	283,328	62,785	383,921	2,714
Total comprehensive Income	10,840	10,696	-	-	10,696	144
Closing balance at 31 March 2011	743,588	740,730	283,328	62,785	394,617	2,858

The above consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

SURIA GROUP

Consolidated Statements of Cash Flows
For the Year-to-date ended 31 March 2012

	Year-to-date ended 31.03.2012 Unaudited RM'000	31.03.2011 Unaudited RM'000
Operating activities		
Profit before tax	18,508	14,768
Adjustments for:		
Amortisations	1,429	1,363
Allowance for impairment loss	208	580
Depreciation of property, plant and equipment	7,809	7,807
Finance costs	3,284	3,837
Interest income	(278)	(241)
Investment income from investment securities	(782)	(735)
Net fair value gains on held for trading Investment securities	(258)	(8)
Unrealised exchange gain	(76)	-
Total adjustments	11,336	12,603
Operating cash flows before changes in working capital	29,844	27,371
Changes in working capital:		
Decrease in inventories	308	797
Increase in trade and other receivables	(1,768)	(1,804)
Increase in other current assets	(6,630)	(10,439)
(Decrease)/increase in amount due to Sabah State Government	(20)	40
Increase in payables	241	16,611
Total changes in working capital	(7,869)	5,205
Cash flows from operations	21,975	32,576
Net income tax paid	(270)	(89)
Net cash flows generated from operating activities	21,705	32,487

SURIA GROUP

Consolidated Statements of Cash Flows (Cont'd)
For the Year-to-date ended 31 March 2012

	Year-to-date ended	
	31.03.2012	**31.03.2011**
	Unaudited	**Unaudited**
	RM'000	**RM'000**
Investing activities		
Purchase of property, plant and equipment	(1,516)	(3,718)
Increase in land held for property development	(47)	(35)
Land premium paid	-	(41,444)
Proceeds from disposal of fixed assets	1,092	-
Proceeds from disposal of investment securities	28,580	-
Net cash flows generated from/(used in) investing activities	28,109	(45,197)
Financing activities		
Dividends paid	-	(453)
Interest paid	(2,341)	(3,345)
Proceeds from borrowings	-	2,031
Repayment of Islamic debt securities	-	(10,000)
Repayment of loan from Sabah Ports Authority	(28,060)	-
Repayment of term loan	(1,558)	(4,681)
Repayment of obligations under finance leases	(296)	(3,429)
Net cash flows used in financing activities	(32,255)	(19,877)
Net increase/(decrease) in cash and cash equivalents	17,559	(32,587)
Cash and cash equivalents at beginning of year	45,528	73,772
Cash and cash equivalents at end of year (Note 14)	63,087	41,185

Composition of cash and cash equivalents		
Cash on hand and at banks	34,301	17,031
Deposits with licensed financial institutions	28,786	24,154
Cash and cash equivalents at end of year	**63,087**	**41,185**

The above consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. These explanatory notes attached 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 year ended 31 December 2011.

2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011.

2.1 Changes In Accounting Policies

On 1 January 2011, the Group adopted the following new and amended FRSs and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2011:

Description	Effective for annual periods beginning on or after
FRS 1 *First-time Adoption of Financial Reporting Standards*	1 July 2010
Amendments to FRS 2 *Share-based Payment*	1 July 2010
FRS 3 *Business Combinations*	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
Amendments to IC Interpretation 9 *Reassessment of Embedded Derivatives*	1 July 2010
IC Interpretation 12 *Service Concession Arrangements*	1 July 2010
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*	1 July 2010
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*	1 July 2010
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
IC Interpretation 18 *Transfer of Assets from Customers*	1 January 2011

2. Significant Accounting Policies (Cont'd)

2.1 Changes In Accounting Policies (Cont'd)

Description	**Effective for annual periods beginning on or after**
Amendments to FRS 7: *Improving Disclosures about Financial Instruments*	1 January 2011
Amendments to FRS 1: *Limited Exemption for First-time Adopters*	1 January 2011
Amendment to FRS 1: *Additional Exemptions for First-time Adopters*	1 January 2011
IC Interpretation 4 *Determining whether an Arrangement contains a Lease*	1 January 2011
Improvements to FRS issued in 2010	1 January 2011

Adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group except for those discussed below:

<u>Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements</u>

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in accounting for business combinations occurring after 1 July 2010. These changes impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

The revised FRS 3 continues to apply the acquisition method to business combinations but with some significant changes. All payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

The amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

2. Significant Accounting Policies (Cont'd)

2.1 Changes In Accounting Policies (Cont'd)

Amendments to FRS 7: Improving Disclosures about Financial Instruments

The amended standard requires enhanced disclosure about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy (Level 1, Level 2 and Level 3), by class, for all financial instruments recognised at fair value. A reconciliation between the beginning and ending balance for Level 3 fair value measurements is required. Any significant transfers between levels of the fair value hierarchy and the reasons for those transfers need to be disclosed. The amendments also clarify the requirements for liquidity risk disclosures with respect to assets used for liquidity management. The liquidity risk disclosures are not significantly impacted by the amendments.

IC Interpretation 12 Service Concession Arrangements

This interpretation applies to service concession operators and explains how to account for the obligations undertaken and rights received in service concession arrangements. The adoption of this interpretation has resulted recognition of revenue relating to construction or upgrade services. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated.

2.2 Standards Issued But Not Yet Effective

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

Description	**Effective for annual periods beginning on or after**
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011
Amendments to IC Interpretation 14: *Prepayments of a Minimum Funding Requirement*	1 July 2011
Amendments to FRS 1: *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*	1 January 2012
Amendments to FRS 7: *Transfers of Financial Assets*	1 January 2012
Amendments to FRS 112: *Deferred Tax: Recovery of Underlying Assets*	1 January 2012
FRS 124 *Related Party Disclosures*	1 January 2012
Amendments to FRS 101*: Presentation of Items of Other Comprehensive Income*	1 July 2012
FRS 9 *Financial Instruments*	1 January 2013
FRS 10 *Consolidated Financial Statements*	1 January 2013
FRS 11 *Joint Arrangements*	1 January 2013
FRS 12 *Disclosure of interests in Other Entities*	1 January 2013
FRS 13 *Fair Value Measurement*	1 January 2013

2. Significant Accounting Policies (Cont'd)

2.2 Standards Issued But Not Yet Effective (Cont'd)

Description	**Effective for annual periods beginning on or after**
FRS 119 *Employee Benefits*	1 January 2013
FRS 127 *Separate Financial Statements*	1 January 2013
FRS 128 *Investment in Associate and Joint Ventures*	1 January 2013
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*	1 January 2013

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

<u>Amendments to FRS 7: Transfers of Financial Assets</u>

The amendments require additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Group's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendments requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment affects disclosure only and has no impact on the Group's financial position or performance.

<u>Amendments to FRS 101: Presentation of Items of Other Comprehensive Income</u>

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Group's financial position or performance.

<u>FRS 9 Financial Instruments</u>

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Group is in the process of making an assessment of the impact of adoption of FRS 9.

2. Significant Accounting Policies (Cont'd)

2.1 Standards Issued But Not Yet Effective (Cont'd)

FRS 10 Consolidated financial statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

FRS 12 Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group is currently assessing the impact of adoption of FRS 13.

FRS 127 Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

FRS 128 Investments in Associates and Joint Ventures

As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128 Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

2. Significant Accounting Policies (Cont'd)

2.1 Standards Issued But Not Yet Effective (Cont'd)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has commenced transitioning its accounting policies and financial reporting from the current Financial Reporting Standards to the MFRS Framework.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the management. Accordingly, the consolidated financial performance and financial position as disclosed in these interim financial statements for the period ended 31 March 2012 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

3. Qualification of Auditors' Report of the Preceding Annual Financial Statements

There were no qualification of auditors' report on the financial statements for the year ended 31 December 2011.

4. Comments About Seasonal or Cyclical Factors

The Group's operations were not materially affected by any seasonal or cyclical factors.

5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial year-to-date.

6. Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter and financial year-to-date results.

7. Changes in Debt and Equity

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter and financial year-to-date.

8. Dividends Paid

No dividend was paid during the current quarter and financial year-to-date.

9. Segmental Information

	3 months ended 31.03.2012 RM'000	3 months ended 31.03.2011 RM'000
Segment revenue		
Investment holding	9,392	2,955
Port operations	56,178	51,817
Logistics and bunkering services	9,488	12,561
Contract and engineering	5,224	615
Ferry terminal operations	1,011	947
Revenue including inter-segment sales	81,293	68,895
Elimination of inter-segment sales	(13,399)	(6,218)
Total revenue	67,894	62,677
Segment results		
Investment holding	7,479	1,149
Port operations	18,525	15,045
Logistics and bunkering services	(5)	232
Contract and engineering	169	(139)
Ferry terminal operations	215	56
Profit from operations including inter-segment transactions	26,383	16,343
Elimination of inter-segment transactions	(7,875)	(1,575)
Total profit before tax	18,508	14,768

10. Related Party Disclosures

Significant transactions within the Group between Suria Capital Holdings Berhad and its subsidiaries are as follows:

	Quarter and Year-to-date ended	
	31.12.2011 RM'000	31.03.2011 RM'000
Dividend income	(7,875)	(1575)
Interest income	(57)	(41)
Management fees income	(1,110)	(1,148)
Rental income	(22)	(22)
Vehicle leasing charges	-	33

The directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

11. Carrying Amount of Revalued Assets

There has not been any revaluation of property, plant and equipment for the Group.

12. Intangible Assets

	Port Concession Rights RM'000	Goodwill on Business Acquisition RM'000	Software Licenses and System Development RM'000	Total RM'000
Group				
Cost				
At 1 January 2012	110,615	4,486	7,389	122,490
Additions	-	-	-	-
At 31 March 2012	110,615	4,486	7,389	122,490
Accumulated amortisation				
At 1 January 2012	27,038	-	5,287	32,325
Amortisation	922	-	506	1,428
At 31 March 2012	27,960	-	5,793	33,753
Net carrying amount				
At 31 March 2012	82,655	4,486	1,596	88,737
At 31 December 2011	83,577	4,486	2,102	90,165

13. Trade Receivables

	As at 31.03.2012 RM'000
Trade receivables	27,769
Less: Provision for impairment loss	(208)
	27,561

14. Cash and Bank Balances

	As at 31.03.2012 RM'000
Cash on hand and at banks	34,301
Deposits with licensed financial institutions	28,786
	63,087

Short term deposits are made for varying periods of between 1 month and 24 months depending on the immediate cash requirements of the Group, and earn interests at the respective short term deposit rates. The weighted average effective interest rate as at 31 March 2012 for the Group were 3.4% (2011: 3.4%).

Cash at banks of the Group amounting to RM13,123,000 (2011: RM1,697,000) are pledged as securities for Islamic Debt Securities.

Deposits with a licensed financial institution of the Group amounting to RM4,939,000 (2011: RM4,853,000) are held under lien to secure bank guarantees which includes guarantees made in favour of the Sabah Ports Authority against lease rental of port land payable to Sabah Ports Authority and the due maintenance of Sabah Ports' properties and facilities.

15. Subsequent Events

There were no material events subsequent to the end of the reporting period that have not been reflected in the interim financial statements for the financial period ended 31 March 2012.

16. Changes in Composition of the Group

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

17. Changes in Contingent Liabilities and Contingent Assets

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

18. Capital Commitments

The amount of capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2012 is as follows:

	As at 31.03.2012 RM'000
Approved and contracted for	
Storage and distribution facilities for Sapangar Bay Oil Terminal	68
Bulk fertilizer storage facilities for Sandakan Port	10,430
Major repairs and improvement	906
	11,404
Approved but not contracted for	
Purchase of property, plant and equipment	378,810
Improvement to port infrastructure facilities	274,201
	653,011
	664,415

19. Review of Performance

For the current quarter and financial period ended 31 March 2012, the Group registered revenue of RM67.9 million, improving by RM5.2 million or 8.0%, when compared to the previous year's corresponding quarter and financial period ended 31 March 2011. The improvement in revenue was mainly contributed by the contract and engineering as well as port operations segments.

Subsequently, the Group recorded a higher profit before taxation of RM18.5 million compared to RM14.8 million in the previous year's corresponding quarter, registering an improvement of RM3.7 million or 25.0%. This was mainly contributed by higher revenue as explained above.

20. Comment on Material Change in Profit Before Taxation of Current Quarter Compared with Preceding Quarter

The Group reported a slightly lower profit before taxation of RM18.5 million for the current financial quarter as compared to RM18.6 million for the preceding quarter. This represents a decline of RM0.1 million or 1.0%, which was mainly due to lower revenue registered in the current quarter.

21. Commentary on Prospects

Port operations will continue to be the main contributor to the Group's earnings and the Board is optimistic of sustaining satisfactory performance for the financial year.

22. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecast profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

23. Income Tax Expense

	3 months ended 31.03.2012 RM'000
Income tax expense for the period:	
Malaysian income tax	187
Deferred tax	4,726
	4,913

A subsidiary company, Sabah Ports Sdn. Bhd. had obtained approval from the Minister of Finance for its operations to be regarded as an approved service project under Schedule 7B of the Income Tax Act, 1967, whereby the subsidiary is entitled to claim investment allowance tax incentive at the rate of 100% on capital expenditure incurred for the period of five years from 1 September 2004 to 31 August 2009.

Sabah Ports Sdn Bhd has RM349.91 million of unabsorbed investment allowance carried forward that could be utilised in future to offset future taxable income.

24. Retained Earnings

	As at 31.03.2012 RM'000
Realised	392,833
Unrealised	40,248
	433,081
Add: Consolidation adjustments	813
Total Group retained earnings as per consolidated accounts	433,894

25. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties for the current financial quarter and financial year-to-date.

26. Investment Securities

There were purchases and disposals of quoted securities during the current financial quarter and financial year-to-date, as follows:

	3 months ended 31.03.2012 RM'000
As at 1 January 2012	159,536
Purchases	16,400
Distribution reinvested and fair value gain	2,020
Less: Disposals	(47,000)
Carrying value/market value as at 31 March 2012	130,956

27. Borrowings

Particulars of the Group's borrowings as at 31 March 2012 are as follows:

	As at 31.03.2012 RM'000
Current	
Secured:	
- Islamic debt securities	11,667
- Term loan	1,052
- Revolving credit financing	1,007
- Obligations under finance leases	60
	13,786
Non-current	
Secured:	
- Islamic debt securities	50,000
- Term loan	592
- Obligations under finance leases	109
	50,701
	64,487

28. Status of Corporate Proposal Announced

There were no corporate proposals announced and thus none to be completed as at the date of submission of this report.

29. Off Balance Sheet Financial Instruments

The Group has no off balance sheet financial instruments as at the date of this report.

30. Changes in Material Litigation

There were no material litigations for the current financial quarter and financial year-to-date.

31. Dividends Payable

The directors do not recommend any dividend for the current financial quarter ended 31 March 2012.

32. Earnings Per Share

a) Basic Earnings Per Share

Basic earnings per share amount is calculated by dividing profit for the year-to-date, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

	3 months ended 31.03.2012 RM'000
Profit net of tax for the financial period	13,595
Less: Attributable to non-controlling interests	(190)
Profit net of tax attributable to owners of the Company	13,405
Weighted average number of ordinary shares	283,328
Basic earnings per ordinary share (sen)	4.73

32. Earnings Per Share (Cont'd)

b) Fully Diluted Earnings Per Share

The Company has no dilutive potential ordinary shares.

33. Authorised for Issue

The Interim Financial Statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 April 2012.

By order of the Board
For **SURIA CAPITAL HOLDINGS BERHAD**

DATUK DR MOHAMED FOWZI HASSAN BIN MOHAMED RAZI
Group Managing Director

Kota Kinabalu
Date : 25 April 2012