ANN JOO RESOURCES BERHAD (371152-U)

**The Board of Directors of Ann Joo Resources Berhad is pleased to announce the unaudited results for the third financial quarter ended 30 September 2011**

**Condensed Consolidated Statements of Comprehensive Income**
**For the nine months ended 30 September 2011**

| | 3 months ended | | 9 months ended | |
|---|---|---|---|---|
| | 30.09.2011 | 30.09.2010 | 30.09.2011 | 30.09.2010 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 625,204 | 333,934 | 1,737,068 | 1,403,312 |
| Operating expenses | (654,182) | (329,962) | (1,665,286) | (1,272,833) |
| Other income | 1,400 | 15,453 | 6,222 | 21,661 |
| Finance costs | (5,635) | (6,023) | (18,585) | (15,079) |
| Investing results | 32 | 117 | 137 | 349 |
| Profit/(Loss) before taxation | (33,181) | 13,519 | 59,556 | 137,410 |
| Taxation | 8,765 | (3,772) | (8,407) | (14,320) |
| **Profit/(Loss) for the period** | (24,416) | 9,747 | 51,149 | 123,090 |
| **Other comprehensive income/(loss), net of tax** | | | | |
| Foreign currency translation differences for foreign operations | 3 | (3) | 2 | (8) |
| Fair value changes of available-for-sale financial assets | (53) | 56 | (51) | 40 |
| **Total comprehensive income/(loss) for the period** | (24,465) | 9,800 | 51,100 | 123,122 |
| **Profit/(Loss) attributable to:** | | | | |
| Owners of the parent | (24,535) | 10,359 | 50,510 | 122,728 |
| Non-controlling interest | 119 | (612) | 639 | 362 |
| **Profit/(Loss) for the period** | (24,416) | 9,747 | 51,149 | 123,090 |
| **Total comprehensive income/(loss) attributable to:** | | | | |
| Owners of the parent | (24,584) | 10,412 | 50,461 | 122,760 |
| Non-controlling interest | 119 | (612) | 639 | 362 |
| **Total comprehensive income/(loss) for the period** | (24,465) | 9,800 | 51,100 | 123,122 |
| **Earnings/(Loss) per share (sen):** | | | | |
| Basic | (4.89) | 2.06 | 10.06 | 24.44 |
| Diluted | (2.73) | 1.84 | 8.06 | 17.51 |

The condensed consolidated statement 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.

ANN JOO RESOURCES BERHAD (371152-U)

**Condensed Consolidated Statements of Financial Position**
**As at 30 September 2011**

| | As at 30.09.2011 RM'000 | As at 31.12.2010 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-current Assets** | | |
| Property, plant and equipment | 1,125,323 | 1,070,052 |
| Prepaid lease payments | 12,200 | 12,439 |
| Investment properties | 6,994 | 6,994 |
| Investment in an associate | 1,303 | 1,166 |
| Other investments | 252 | 303 |
| Intangible assets | 8,151 | 8,566 |
| Deferred tax assets | 19,909 | 9,403 |
| | 1,174,132 | 1,108,923 |
| **Current Assets** | | |
| Inventories | 1,092,472 | 1,239,676 |
| Receivables and prepayments, including derivatives | 329,870 | 298,826 |
| Current tax assets | 1,075 | 1,726 |
| Cash and cash equivalents | 101,281 | 61,572 |
| | 1,524,698 | 1,601,800 |
| **TOTAL ASSETS** | 2,698,830 | 2,710,723 |
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to owners of the parent** | | |
| Share Capital | 522,708 | 522,708 |
| Treasury shares | (69,047) | (68,954) |
| Warrant Reserve | 39,203 | 39,203 |
| Other Reserves | 82,737 | 82,786 |
| Retained earnings | 489,450 | 484,176 |
| Total equity attributable to owners of the parent | 1,065,051 | 1,059,919 |
| Non-controlling interest | 3,719 | 14,731 |
| **Total Equity** | 1,068,770 | 1,074,650 |
| **Non-current Liabilities** | | |
| Loans and borrowings | 537,240 | 46,600 |
| Employee benefits | 6,249 | 7,591 |
| Deferred tax liabilities | 16,802 | 16,693 |
| | 560,291 | 70,884 |
| **Current Liabilities** | | |
| Payables and accruals | 178,323 | 146,846 |
| Loans and borrowings | 881,947 | 1,414,644 |
| Current tax liabilities | 9,499 | 3,699 |
| | 1,069,769 | 1,565,189 |
| **Total Liabilities** | 1,630,060 | 1,636,073 |
| **TOTAL EQUITY AND LIABILITIES** | 2,698,830 | 2,710,723 |
| Net assets per share attributable to owners of the parent (RM) | 2.12 | 2.11 |

The condensed consolidated statement 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.

ANN JOO RESOURCES BERHAD (371152-U)

**Condensed Consolidated Statements of Cash Flows**
**For the nine months ended 30 September 2011**

| | 9 months ended | |
|---|---|---|
| | **30.09.2011** | **30.09.2010** |
| | **RM'000** | **RM'000** |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Profit before tax | 59,556 | 137,410 |
| Adjustments for non-cash items | 100,558 | 36,217 |
| Operating profit before working capital changes | 160,114 | 173,627 |
| Changes in working capital | | |
| Net change in current assets | 82,383 | (383,349) |
| Net change in current liabilities | 9,253 | 9,337 |
| Interest received | 1,100 | 876 |
| Interest paid | (18,585) | (15,079) |
| Tax paid | (13,347) | (1,101) |
| Tax refunded | 995 | 0 |
| Retirement benefits paid | (978) | (633) |
| Net cash flows from/(used in) operating activities | 220,935 | (216,322) |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Acquisition of of a subsidiary from non-controlling interest | (12,006) | 0 |
| Proceeds from disposal of property, plant and equipment | 381 | 4,815 |
| Purchase of property, plant and equipment | (76,778) | (124,073) |
| Withdrawal of fixed deposit pledged | 2,424 | 705 |
| Purchase of rolls and moulds | 0 | (1,212) |
| Net cash flows used in investing activities | (85,979) | (119,765) |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Bank borrowings | (68,048) | 382,476 |
| Share buybacks | (93) | (1,492) |
| Dividends paid to shareholders | (23,875) | (33,893) |
| Dividends paid to non-controlling interest | (923) | (231) |
| Net cash flows (used in)/from financing activities | (92,939) | 346,860 |
| | | |
| Net change in cash and cash equivalents | 42,017 | 10,773 |
| | | |
| Effects of foreign exchanges rate changes | 116 | (8) |
| | | |
| Cash and cash equivalents at beginning of the financial year | 59,148 | 28,672 |
| | | |
| Cash and cash equivalents at end of the financial period | 101,281 | 39,437 |

**Cash and cash equivalents**

Cash and cash equivalents included in the condensed consolidated statements of cash flows comprise:

| | 9 months ended | |
|---|---|---|
| | **30.09.2011** | **30.09.2010** |
| | **RM'000** | **RM'000** |
| Cash and bank balances | 101,281 | 43,478 |
| Bank overdrafts | 0 | (1,641) |
| Pledged deposits | 0 | (2,400) |
| | 101,281 | 39,437 |

The condensed consolidated statement of cash flows 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.

ANN JOO RESOURCES BERHAD (371152-U)

**Condensed Consolidated Statement of Changes in Equity**
**For the nine months ended 30 September 2011**

| | <-------------Non-Distributable | | ---------------> | <--------Distributable | ---------> | Attributable to owners of the parent | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital RM'000 | Warrant reserve RM'000 | Reserve attributable to capital RM'000 | Retained earnings RM'000 | Treasury Shares RM'000 | RM'000 | Non-controlling Interest RM'000 | Total equity RM'000 |
| At 1 January 2011 | 522,708 | 39,203 | 82,786 | 484,176 | (68,954) | 1,059,919 | 14,731 | 1,074,650 |
| Total comprehensive income | - | - | (49) | 50,510 | - | 50,461 | 639 | 51,100 |
| Share buybacks | - | - | - | - | (93) | (93) | - | (93) |
| Acquisition of a subsidiary from non-controlling interest | - | - | - | (1,278) | - | (1,278) | (10,728) | (12,006) |
| Dividends paid and payable | - | - | - | (43,958) | - | (43,958) | (923) | (44,881) |
| At 30 September 2011 | 522,708 | 39,203 | 82,737 | 489,450 | (69,047) | 1,065,051 | 3,719 | 1,068,770 |
| | | | | | | | | |
| At 1 January 2010 | | | | | | | | |
| - As previously stated | 522,707 | 39,203 | 13,977 | 398,134 | (67,461) | 906,560 | 14,340 | 920,900 |
| - Effects of adopting FRS 139 | - | - | - | 28 | - | 28 | - | 28 |
| At 1 January 2010, as restated | 522,707 | 39,203 | 13,977 | 398,162 | (67,461) | 906,588 | 14,340 | 920,928 |
| Total comprehensive income | - | - | 32 | 122,728 | - | 122,760 | 362 | 123,122 |
| Share buybacks | - | - | - | - | (1,493) | (1,493) | - | (1,493) |
| Dividends paid | - | - | - | (33,880) | - | (33,880) | (231) | (34,111) |
| At 30 September 2010 | 522,707 | 39,203 | 14,009 | 487,010 | (68,954) | 993,975 | 14,471 | 1,008,446 |

The condensed consolidated statement 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 financial statements.

**ANN JOO RESOURCES BERHAD (371152-U)**
**("AJR" or "THE COMPANY")**

## EXPLANATORY NOTES

### 1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS"), FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Bhd ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2010. 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 financial year ended 31 December 2010.

The interim financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in audited financial statements for the financial year ended 31 December 2010, except for the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretation which are applicable to its financial statements:-

**Effective for financial periods beginning on or after 1 March 2010**

| | |
|---|---|
| Amendments to FRS 132 | Financial Instruments: Presentation |

**Effective for financial periods beginning on or after 1 July 2010**

| | |
|---|---|
| FRS 1 | First-time Adoption of Financial Reporting Standards (revised) |
| FRS 3 | Business Combinations (revised) |
| FRS 127 | Consolidated and Separate Financial Statements (revised) |
| Amendments to FRS 2 | Share-based Payment |
| Amendments to FRS 5 | Non-current Assets Held for Sale and Discontinued Operations |
| Amendments to FRS 138 | Intangible Assets |
| Amendments to IC Interpretation 9 | Reassessment of Embedded Derivatives |
| IC Interpretation 12 | Service Concession Arrangements |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners |

**Effective for financial periods beginning on or after 1 January 2011**

| | |
|---|---|
| Amendment to FRS 1 | Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters |
| Amendments to FRS 1 | Additional Exemptions for First-time Adopters |
| Amendments to FRS 2 | Group Cash-settled Share-based Payment Transactions |
| Amendments to FRS 7 | Improving Disclosures about Financial Instruments |
| Amendments to FRSs | Improvements to FRSs (2010) |
| IC Interpretation 4 | Determining Whether an Arrangement contains a Lease |
| IC Interpretation 18 | Transfers of Assets from Customers |

The adoption of the new and revised FRSs, IC Interpretation and Amendments has no any material effect to the Group's consolidated financial statements of the quarter or the comparative consolidated financial statements of the prior financial year.

## 2. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Except for the major festive seasons when activities slow down, the pace of the Company's business generally moves in tandem with the performance of the economy.

## 3. NATURE AND AMOUNT OF UNUSUAL ITEMS

Save as an allowance for diminution in value of inventories of RM 40.01 million and an unrealized foreign exchange loss of RM 22.52 million, there were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year-to-date

## 4. NATURE AND AMOUNT OF CHANGES IN ESTIMATES

There were no major changes in estimates that have had material effect on the financial year-to-date results.

## 5. DEBT AND EQUITY SECURITIES

During the quarter under review, the Company repurchased 15,000 shares of its issued share capital from the open market at an average purchase price of RM2.47 per share. As at 30 September 2011, out of the total 522,708,178 issued and fully paid ordinary shares, 20,625,800 shares were held as treasury shares at an average purchase price of RM 3.35 per share. The share buyback transactions were financed by internally generated funds.

Save as disclosed above, there were no issuances, cancellations, resale or repayments of debt and equity securities during the financial period under review.

## 6. DIVIDENDS PAID

During the financial period ended 30 September 2011, the Company has paid:

(a) a final dividend of 6.34 sen per share less income tax of 25% in respect of the financial year ended 31 December 2010 amounting to RM 23,874,720 on 16 June 2011; and

(b) a first interim tax exempt dividend of 4 sen per share in respect of the financial year ending 31 December 2011 amounting to RM20,083,295 on 11 October 2011.

## 7. SEGMENTAL INFORMATION

The segment revenue, segment results and segment assets for the financial period ended 30 September 2011 were as follows:-

| | Manufacturing RM'000 | Trading RM'000 | Others RM'000 | Elimination RM'000 | Consolidated RM'000 |
|---|---|---|---|---|---|
| **REVENUE** | | | | | |
| External sales | 1,245,596 | 490,557 | 915 | | |
| Inter-company transactions | 501,970 | 62,148 | 22,469 | (586,587) | |
| Total sales | 1,747,566 | 552,705 | 23,384 | (586,587) | 1,737,068 |
| **RESULTS** | | | | | |
| Segment results | 40,721 | 31,603 | 6,360 | (1,780) | 76,904 |
| Finance cost | | | | | (18,585) |
| Interest income | | | | | 1,100 |
| Investing Results | | | | | 137 |
| Taxation | | | | | (8,407) |
| Profit for the period | | | | | 51,149 |
| **ASSETS** | 2,255,491 | 518,932 | 1,013,308 | (1,088,901) | 2,698,830 |
| **LIABILITIES** | 1,366,432 | 364,624 | 117,975 | (218,971) | 1,630,060 |

## 8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT, PREPAID LEASE PAYMENTS AND INVESTMENT PROPERTIES

The valuations of property, plant and equipment, prepaid lease payments and investment properties have been brought forward without amendments from the previous annual report.

## 9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD

There has not arisen in the interval between the end of the current quarter under review and the date of this report, any item, transaction or event of a material and unusual nature likely in the opinion of the Board of Directors, to affect substantially the results of the operations of the Group for the current quarter in respect of which this announcement is made.

## 10. CHANGES IN THE COMPOSITION OF THE GROUP

The Company had, on 25 January 2011, entered into a Shares Sale Agreement with SHH Holdings Sdn. Bhd. and Chuan Huat Hardware Holdings Sdn. Bhd. to acquire 3,000,000 and 2,700,000 ordinary shares of RM1.00 each respectively in Anshin Steel Processor Sdn. Bhd. ("ASP") for a cash consideration of RM2.10 per share totaling RM11,970,000. The acquisition was completed on 11 February 2011 and ASP became a wholly-owned subsidiary of the Company.

Save as disclosed above, there were no significant changes in the composition of the Group during the financial year-to-date.

## 11. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the last annual reporting date.

## 12. CAPITAL COMMITMENTS

The capital commitments as at 30 September 2011 were as follows:

Commitments in respect of capital expenditure :

| | | RM'000 |
|---|---|---|
| (a) | contracted but not provided for | 74,880 |
| (b) | approved but not contracted for | 35,961 |

## 13. REVIEW OF PERFORMANCE

During the quarter under review, the Group recorded revenue of RM 625.20 million, an increase of RM 291.27 million or 87% as compared to the revenue of RM 333.93 million for the corresponding quarter of the preceding year. For the nine months of year 2011, the Group's revenue was RM 1.74 billion, increased by RM 333.76 million or 24% as compared to the revenue of RM 1.40 billion for the nine months of year 2010. The increase in revenue was mainly attributable to higher sales tonnage arisen from the recovery in international market and domestic demand.

The Group achieved a loss before tax ("LBT") of RM33.18 million for the current quarter as compared to a profit before tax ("PBT") of RM13.52 million for the corresponding quarter of the preceding year. On a year-to-date basis, the Group recorded a PBT of RM59.56 million as compared to a PBT of RM137.41 million for the corresponding period of the preceding year. Lower profitability was mainly due to an allowance for diminution in value of inventories of RM38.93 million to reflect the prevailing price level in view of the sharp contraction in international steel prices coupled with an unexpectedly weakened Malaysia Ringgit against US Dollar that has resulted in recognition of an unrealized foreign exchange loss of RM22.52 million for the financial period ended 30 September 2011.

## 14. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group recorded revenue of RM 625.20 million for the current quarter was RM 70.49 million higher than the revenue of RM 554.72 million for the preceding quarter. Nevertheless, the Group registered a LBT of RM 33.18 million for the current quarter, RM 72.29 million lower than the PBT of RM 39.11 million for the preceding quarter. The increase in revenue was mainly attributable to higher export tonnage. LBT was mainly attributable to an allowance for diminution in value of inventories of RM 37.88 million to reflect the prevailing price level in view of the sharp contraction in international steel prices coupled with an unexpectedly weakened Malaysia Ringgit against US Dollar that has resulted in recognition of an unrealized foreign exchange loss of RM 22.52 million for the current quarter.

## 15. PROSPECT

The gloomy global economic outlook and the European sovereign debt crisis have dampened the international steel market sentiments. China, the world largest steel producing and consuming country, also shows signs of faltering economic growth. The country's tight monetary policy and concern about the property sector have hampered both demand and prices of steel products. This trend, combined with the unexpectedly strong US Dollar which poses a negative outlook on the steel price, presents increasing challenges to the steel industry. Volatility in steel prices is now expected to go beyond cyclical downturn given the level of distress in the financial market and severe economic conditions. The recovery in global steel demand will be slow despite that the emerging market and developing countries will continue to be the market driver.

On the domestic front, steel demand is expected to remain resilient in tandem with the execution of mega projects under the Tenth Malaysia Plan and Economic Transformation Program, lead by Second Penang Bridge, KLIA 2, LRT extensions and MRT lines.

Amidst the global financial turbulence and uncertain steel market conditions, the Group will continually focus on productivity improvement program, effective execution of strategic procurement and inventory management policies. In addition, the Group has successfully commissioned its blast furnace operations since October 2011 and is now carrying out optimization and fine tuning programs to stabilize the blast furnace operations as well as the integration of the iron and steel production processes for operational synergies. Moving forward, the Group remains cautious for the remaining quarter of the year 2011.

## 16. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee for the financial year ending 31 December 2011.

## 17. TAXATION

The tax figures comprise of:

| | 3 months ended 30.9.2011 RM'000 | 9 months ended 30.9.2011 RM'000 |
|---|---|---|
| Malaysian taxation | | |
| current year taxation | 4,609 | 18,804 |
| deferred taxation | (13,374) | (10,397) |
| | (8,765) | 8,407 |

The Group's effective tax rate for the current quarter and year-to-date lower compared to statutory tax rate of 25%, mainly due to availability of tax incentives.

## 18. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no sale of unquoted investments and/or properties during the financial period under review.

## 19. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases or disposals of quoted securities during the financial period under review. The available-for-sale investments in quoted securities as at 30 September 2011 were as follows:

| | | RM |
|---|---|---|
| (i) | at cost | 399,434 |
| (ii) | at carrying value | 181,100 |
| (iii) | at market value | 181,100 |

## 20. STATUS OF CORPORATE PROPOSALS

Ann Joo Integrated Steel Sdn Bhd ("AJIS"), the wholly-owned subsidiary of the Company, had on 10 February 2011 signed the transaction documents in relation to a proposed redeemable bonds of RM 500 million ("Bonds") with Affin Investment Bank Berhad ("Affin Investment") as the lead arranger, facility agent and issue agent together with Affin Bank Bhd, Alliance Investment Bank Bhd, OCBC Bank (Malaysia) Berhad and United Overseas Bank (Malaysia) Bhd as the joint lead managers for the Bonds and Pacific Trustees Berhad as the trustee and the security trustee for the Bonds. The Bonds shall have a tenure of up to five years from the date of first issuance.

The proceeds to be raised from the Bonds shall be utilised to refinance the amount drawn under AJIS's existing RM400.0 million Syndicated Revolving Credit Facility and the remaining RM100.0 million to part finance the construction and completion of AJIS's blast furnace project located in Seberang Perai, Penang.

The Securities Commission had vide its letter dated 27 December 2010 approved the Bonds application. On 9 May 2011, Affin Investment had submitted another application to Securities Commission to revise the principal terms and conditions of the Bonds and also to seek for an extension of a further three months from 26 June 2011 till 26 September 2011 for the insuance of Bonds. The Securities Commission had on 23 May 2011 approved the said applications. Subsequently, the Bonds have been fully issued by AJIS on 27 June 2011.

Save as disclosed above, there were no corporate proposals announced but not completed as at the date of this report.

## 21. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 30 September 2011 were as follows:

| | RM'000 |
|---|---|
| Short term borrowings : | |
| Secured | 14,040 |
| Unsecured | 867,907 |
| | 881,947 |
| Long term borrowing : | |
| Secured | 537,240 |
| Total borrowings | 1,419,187 |

The Group's borrowings are denominated in Ringgit Malaysia, except for approximately RM540.92 million (USD169.50 million) of short-term borrowings which are unsecured and denominated in US dollars.

## 22. FINANCIAL INSTRUMENTS

The details of the outstanding derivative financial instruments of the Group with maturity date less than 1 year, as at 30 September 2011 are as follows:

| Type of derivatives | Notional amount RM'000 | Fair value RM'000 | Fair value net gain/(loss) RM'000 |
|---|---|---|---|
| Forward foreign exchange contracts | | | |
| Bank buy | 65,980 | 64,276 | (1,704) |
| Bank sell | 22,992 | 21,362 | 1,630 |

The above currency forward contracts were executed with creditworthy financial institutions in Malaysia. The Group is of the view that the credit risk of non-performance by the financial institutions concerned is remote on the basis of their financial strength.

## 23. MATERIAL LITIGATION

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

## 24. DIVIDEND

The Board of Directors does not recommend any interim dividend for the current quarter ended 30 September 2011 (3rd quarter 2010 : Nil).

## 25. EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of ordinary shares of the Company in issue during the current quarter and the financial year-to-date as set out below:

| | | 3 months ended 30.9.2011 | 9months ended 30.9.2011 |
|---|---|---|---|
| Total profit attributable to owners of the parent | (RM'000) | (24,535) | 50,510 |
| Weighted average number of ordinary shares in issue or issuable | ('000) | 502,092 | 502,100 |
| Basic earnings per share | (sen) | (4.89) | 10.06 |

For the purpose of calculating diluted EPS, the weighted average number of ordinary shares in issue have been adjusted for the dilutive effects of all potential conversion of any convertible securities issued during the current quarter and the financial year-to-date as set out below:

| | | 3 months ended 30.9.2011 | 9 months ended 30.9.2011 |
|---|---|---|---|
| Adjusted profit attributable to owners of the parent | (RM'000) | (20,830) | 61,506 |
| Adjusted weighted average number of ordinary shares in issue or issuable | ('000) | 763,444 | 763,452 |
| Diluted earnings per share | (sen) | (2.73) | 8.06 |

## 26. REALISED AND UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 30 September 2011 is analysed as follows:

| | 30.09.2011 RM'000 | 31.12.2010 RM'000 |
|---|---|---|
| Total retained earnings of the Company and its subsidiaries: | | |
| Realised | 674,389 | 641,976 |
| Unrealised | (4,187) | 20,735 |
| | 670,202 | 662,711 |
| Total share of retained earnings from an associated company | | |
| Realised | 404 | 390 |
| Unrealised | - | - |
| | 670,606 | 663,101 |
| Less: Consolidation adjustments | (181,156) | (178,925) |
| Total group retained earnings | 489,450 | 484,176 |

## 27. STATUS OF AUDIT QUALIFICATION

There was no audit qualification on the audit report of the preceding annual financial statements.

## 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 November 2011.

By Order of the Board
Leong Oi Wah (MAICSA 7023802)
Mabel Tio Mei Peng (MAICSA 7009237)
Company Secretaries
24 November 2011
Selangor Darul Ehsan