

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2010

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2010 RM '000	Preceding Year Corresponding quarter ended 31/12/2009 RM '000	Current Year to date 31/12/2010 RM '000	Preceding Year Corresponding period 31/12/2009 RM '000
Revenue	29,257	17,810	59,728	31,592
Cost of sales	(21,591)	(13,783)	(44,112)	(24,790)
Gross profit	7,666	4,027	15,616	6,802
Operating expenses	(6,321)	(3,274)	(10,709)	(6,190)
Other income	2,297	684	3,092	1,454
Profit before tax	3,642	1,437	7,999	2,066
Tax expense	(875)	(389)	(1,655)	(440)
Profit for the period	2,767	1,048	6,344	1,626
Other comprehensive income :				
Foreign currency translation differences for foreign operations	(411)	(322)	(544)	(713)
Total comprehensive income for the period	2,356	726	5,800	913
Profit for the period attributable to :				
Owners of the parent	2,195	202	4,253	489
Non-controlling interest	572	846	2,091	1,137
	2,767	1,048	6,344	1,626
Total comprehensive income attributable to :				
Owners of the parent	2,002	120	3,963	16
Non-controlling interest	354	606	1,837	897
	2,356	726	5,800	913
Earnings per share (sen)				
- Basic / diluted	3.26	0.30	6.31	0.73

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2010)

KOBAY TECHNOLOGY BHD

(Co. No. 308279-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	(Unaudited) As at current quarter 31/12/2010 RM '000	(Audited) (Restated) As at preceding financial year 30/06/2010 RM '000
Assets		
Non-Current Assets		
Property, plant and equipment	52,548	55,425
Land held for property development	7,106	7,106
Property Development Expenditure	2	-
Other investments	3,196	2,612
Intangible assets	194	414
Loan receivables	-	16
	63,046	65,573
Current Assets		
Assets held for sale	8,246	8,246
Inventories	12,623	11,181
Trade and other receivables	23,634	28,748
Loan receivables	5,297	3,097
Tax assets	1,131	1,160
Cash & cash equivalents	58,382	49,109
	109,313	101,541
Total Assets	172,359	167,114
Equity		
Share capital	68,081	68,081
Reserves		
Treasury shares	(888)	(888)
Share premium	1,680	1,680
Currency translation reserve	(23)	267
Retained profit	41,491	36,785
	42,260	37,844
Equity attributable to owners of the Parent	110,341	105,925
Non controlling interest	37,512	36,706
Total Equity	147,853	142,631
Non-Current Liabilities		
Deferred income on government grant	144	164
Deferred taxation	3,424	3,691
	3,568	3,855
Current Liabilities		
Trade and other payables	18,508	19,373
Tax liabilities	2,430	1,255
	20,938	20,628
Total Liabilities	24,506	24,483
Total Equity and Liabilities	172,359	167,114
Net assets per ordinary share attributable to owners of the Parent(RM)	1.64	1.57

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2010)

KOBAY TECHNOLOGY BHD

(Co. No. 308279-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2010**

	(Unaudited) Period Ended 31/12/2010 RM '000	(Unaudited) Period Ended 31/12/2009 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	7,999	2,066
Adjustments for:		
- Non-cash items	3,197	3,184
- Non-operating items	(1,730)	(391)
Operating profit before changes in working capital	9,466	4,859
Changes in working capital:		
- Net change in current assets	1,488	(5,807)
- Net change in current liabilities	(120)	4,250
Net Cash generated from operating activities	10,834	3,302
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal/acquisition of subsidiary companies	89	(50)
Purchase of additional shares from non-controlling interest	(476)	(163)
Purchase of property, plant and equipment	(3,067)	(3,611)
Proceeds from disposal of property, plant and equipment	2,940	-
Other investments	(584)	331
Net cash used in investing activities	(1,098)	(3,493)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to non-controlling interest	(224)	(140)
Issuance of shares to non-controlling interest	145	-
Capital repayment to non-controlling interest	(123)	-
Net cash generated from financing activities	(202)	(140)
Currency translation differences	(261)	(140)
Net Change in Cash & Cash Equivalents	9,273	(331)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	48,716	56,655
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD	57,989	56,324

Note: Deposits amounting to RM392,935 (31.12.2009: RM309,950) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 31st December 2010. As such, these amounts are not included as cash and cash equivalents as at the aforementioned dates.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2010)

KOBAY TECHNOLOGY BHD
(Co. No. 308279-A)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2010**

Group	← Attributable to owners of the Parent →						Non-controlling Interest RM'000	Total Equity RM'000
	← Non-distributable →			Distributable				
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Translation reserve RM'000	Retained profit RM'000	Sub-total RM'000		
CURRENT PERIOD								
As at 1 July, 2010	68,081	(888)	1,680	267	36,786	105,926	36,706	142,632
Total comprehensive income for the period	-	-	-	(290)	4,253	3,963	1,837	5,800
Transactions with owners								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(224)	(224)
Issuance of shares to non-controlling interest of subsidiary company	-	-	-	-	-	-	145	145
Acquisition/Disposal of subsidiary companies	-	-	-	-	-	-	(40)	(40)
Accretion arising from acquisition of shares from non-controlling interest	-	-	-	-	452	452	(789)	(337)
Capital repayment to non-controlling interest	-	-	-	-	-	-	(123)	(123)
Balance as at 31 December, 2010	<u>68,081</u>	<u>(888)</u>	<u>1,680</u>	<u>(23)</u>	<u>41,491</u>	<u>110,341</u>	<u>37,512</u>	<u>147,853</u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2009**

Group	← Attributable to owners of the Parent →						Non-controlling Interest RM'000	Total Equity RM'000
	← Non-distributable →			Distributable				
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Translation reserve RM'000	Retained profit RM'000	Sub-total RM'000		
CURRENT PERIOD								
As at 1 July, 2009	68,081	(888)	1,680	900	36,526	106,299	33,998	140,297
Total comprehensive income for the period	-	-	-	(473)	489	16	897	913
Transactions with owners								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(140)	(140)
Acquisition of a subsidiary company	-	-	26	-	-	26	613	639
Accretion arising from acquisition of shares from non-controlling interest	-	-	-	-	237	237	(400)	(163)
Balance as at 31 December, 2009	<u>68,081</u>	<u>(888)</u>	<u>1,706</u>	<u>427</u>	<u>37,252</u>	<u>106,578</u>	<u>34,968</u>	<u>141,546</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30th June 2010)

A. Notes to the interim financial report for the period ended 31 December 2010

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 'Interim Financial Reporting' and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30th June 2010.

The interim financial report has been prepared based on the accounting policies and methods of computation consistent with those adopted for the annual audited financial statements for the year ended 30th June 2010 except for the adoption of the following new/revised FRSs, amendments to FRSs and IC interpretations:

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

Effective for annual financial period beginning on or after 1 January 2010

Standard/Interpretation

Amendments to FRS 1 *First-time Adoption of Financial Reporting Standards* and FRS 127 *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*

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

Amendments to FRS 2 *Share-based Payment*

Amendments to FRS 5 *Non-current Assets Held for Sale and Discontinued Operations*

Amendments to FRS 132 *Financial Instruments: Presentation*

Amendments to FRS 138 *Intangible Assets*

Amendments to FRS 139 *Financial Instruments: Recognition and Measurement*, FRS 7 *Financial Instruments: Disclosures* and IC Interpretation 9 *Reassessment of Embedded Derivatives*

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

Amendments to IC Interpretation 9 *Reassessment of Embedded Derivatives*

Amendments to FRSs contained in the document entitled "*Improvements to FRSs (2009)*"

FRS 1 *First-time Adoption of Financial Reporting Standards* (revised in 2010)

FRS 3 *Business Combinations* (revised in 2010)

FRS 7 *Financial Instruments: Disclosures*

FRS 101 *Presentation of Financial Statements* (revised in 2009)

FRS 123 *Borrowing Costs*

FRS 127 *Consolidated and Separate Financial Statements* (revised in 2010)

FRS 139 *Financial Instruments: Recognition and Measurement*

IC Interpretation 9 *Reassessment of Embedded Derivatives*

IC Interpretation 10 *Interim Financial Reporting and Impairment*

IC Interpretation 11 *FRS 2 - Group and Treasury Share Transactions*

IC Interpretation 13 *Customer Loyalty Programmes*

IC Interpretation 14 *FRS119 - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and Their Interaction*

IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*

The adoption of the above FRSs, amendments and interpretations do not have significant impact on the financial statement of the Group, other than as described below:

Revised FRS 101 Presentation of Financial Statements

The Group has elected to present the statements of comprehensive income in a single statement.

With the adoption of the revised FRS 101, the components of the interim financial statements presented consists of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flow and notes to the financial statements.

The effect of change in presentation are as follow :

The gain and losses that were recognized directly in equity in the preceding year corresponding period are presented as components in other comprehensive income in the statement of comprehensive income. The total comprehensive income for the preceding corresponding period is presented separately and an allocation is made to show the amount attributable to Owners of the Parent and to Non-controlling interests. The effects on the comparatives to the Group on the adoption of the revised FRS 101 are as follows:

For the period ended 31 December 2009	Income statement As previously reported (RM'000)	Effects of adopting FRS 101 (RM'000)	Statement of Comprehensive Income As restated (RM'000)
Profit for the period	1,626		1,626
Other comprehensive income		(713)	(713)
Total comprehensive income			913
Total comprehensive income attributable to :			
Owners of the parent			16
Non-controlling interest			897

Amendments to FRS 117 Leases

Prior to the adoption of the Amendments to FRS 117, leasehold lands were treated as operation leases. The consideration paid were classified and presented as prepaid lease payments. With the adoption of the Amendment to FRS 117, the Group has reassessed and determined that all leasehold land of the Group are in substance finance lease and has reclassified leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provision and certain comparative balances have been restated as follows:

As at 30 June 2010 (Net book value)	As previously reported (RM'000)	Reclassification (RM'000)	As restated (RM'000)
Property, plant & equipment	45,428	9,997	55,425
Prepaid lease payments	9,997	(9,997)	-

The adoption of other new and revised FRSs, IC Interpretations and amendments has no effect to the Group's consolidated financial statements of the current quarter or the comparative financial statement of the preceding year corresponding period.

(ii)New and Revised FRSs, IC Interpretations and Amendments issued but not yet effective for the Group's current quarter report

Amendment to FRS 1 *Limited Exemption from Comparative FRS7 Disclosures for First-time Adoptions*

Amendments to FRS2 *Group Cash-settled Share-based Payment Transactions*

Amendments to FRS7 *Improving Disclosure about Financial Instruments*

The adoption of other New and Revised FRSs, IC Interpretations and Amendments will have no significant impact or not result in changes to the existing accounting policies.

2. Seasonal or cyclical operations

The business operations of the Group are subject to cyclical effects of the global semiconductors and electronics industries.

3. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no other events affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence during the current quarter under review.

4. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no significant changes in estimates of amounts reported in prior interim periods of the current financial year or prior years, that have a material effect in the current quarter .

5. Issuance, cancellations, repurchases, resale or repayments of debts and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debts and equity securities for the current financial quarter.

6. Dividend Paid

There were no dividend paid during the quarter under review. (31.12..2009 : Nil).

7. Segment Information

For management purposes, the Group is organised into business units based on their products and services.

The Group's reportable segments are as follows:

- a) Precision Tooling & Mould – Manufacture of machinery parts, tools, dies and moulds.
- b) Precision Components – Manufacture of precision machined components, precision stamping, sheet metal parts and surface treatment.
- c) Automation & Metal Work – Design and manufacture of automated machines, development of automation software and manufacture of all types of metal plates, modules and parts for oil and gas production.
- d) Other operating segments– Include small operations related to general trading, money lending, food & beverages, oil and gas maintenance services.

Current Period ended 31/12/10	Precision Tooling & Mould	Precision Components	Automation & Metal Work	Other operating segments	Unallocated non-operating segments	Sub-total	Eliminations	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	10371	32852	12289	4215		59728		59728
Intersegment revenue	54		124	170	2567	2915	-2915	
Interest revenue	25	294	20		278	617		617
Interest expense			84	85		170	-170	
Depreciation and amortisation	204	2464	362		166	3197		3197
Tax expense	294	1377	13		12	1696	-41	1655
Reportable segment profit after taxation	1981	4962	-768	-655	1747	7267	-923	6344
Reportable segment assets	10439	79185	26256	8135	108241	232257	-59898	172359
Expenditure for non-current assets	26	2422	236	379	4	3067		3067
Reportable segment liabilities	2848	11598	7495	7844	12875	42661	-18155	24506

Segment Information-continued
b) Segment information by geographical regions

The following is an analysis of Group's sales by geographical market, irrespective of the origin of the goods/services :

	31.12.2010 (RM'000)
Malaysia	31244
Other Asia Pacific countries	24283
United States of America	2667
Europe	1533
Total	59728

Current Period ended 31/12/09	Precision Tooling & Mould	Precision Components	Automation & Metal Work	Other operating segments	Unallocated non- operating segments	Sub-total	Eliminations	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)		(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	5807	18821	6932	22	10	31592		31592
Intersegment revenue	348	13	871	-	1811	3043	(3043)	
Interest revenue	30	222	62		455	769		769
Depreciation and amortisation	315	2353	321		194	3184		3184
Tax expense	(37)	(405)			2	(440)		(440)
Reportable segment profit after taxation	366	1550	(126)	3	1109	2902	(1276)	1626
Reportable segment assets	11288	76012	23322	2410	97112	210144	(50365)	159779
Expenditure for non-current assets	42	417	3110		42	3611		3611
Reportable segment liabilities	3260	8118	4545	2476	10120	28519	(10284)	18234

b) Segment information by geographical regions

The following is an analysis of Group's sales by geographical market, irrespective of the origin of the goods/services :

	31.12.2009 (RM'000)
Malaysia	20210
Other Asian Pacific Countries	9083
United States of America	1354
Europe	945
Total	31592

8. Valuation of property, plant and equipment

The valuation of property, plant and equipment have been brought forward without any amendment from the previous annual report.

9. Subsequent events

On 6th January 2011, Opar Holdings Sdn Bhd ("Opar") , a wholly owned subsidiary of Kobay, had entered into a Sale & Purchase Agreement to acquire a piece of land and a 9-storey hotel building for total cash consideration of RM4.5 million.

On 17th January 2011, Paradigm Precision Components (Thailand) Ltd ("PPCT"), a wholly owned subsidiary of Lipo Corporation Berhad, has ceased its business operation.

On 18th January 2011, Kobay has incorporated a 60% owned subsidiary company in Singapore, namely L Dessert (S) Pte Ltd to venture into chain dessert restaurant business.

Other than the above, there were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statement.

10. Changes in the composition of the group

In October 2010, LD Global Sdn Bhd ("LD"), a 85% owned subsidiary, has increased its paid up capital from RM0.1 million to RM0.4 million. Kobay has subscribed for 155,000 ordinary shares of RM1/= each only and consequently, the equity holding of Kobay in LD has been diluted to 60%.

From 1st December 2010 to 3rd December 2010, Kobay had purchased additional 539,000 ordinary shares of RM1.00 each of Lipo at an average price of RM0.625 per share with a total consideration of RM0.34 million through open market. Subsequent to the purchase, Kobay's equity interest in Lipo has increased from 52.09% to 53.158%

On 6th December 2010, Kobay had entered into Share Sale Agreement with an individual to dispose off its entire equity interest in KWH Technologies Sdn Bhd ("KWH") for a cash consideration of RM0.18 million.

Save for the above, there were no changes in composition of the Group for current quarter.

11. Contingent assets and contingent liabilities

There were no contingent assets or liabilities as at the date of the report (31.12.2009: RM Nil).

12. Material related party transaction

There was no material transaction entered by the group with any related party.

13. Capital Commitments

Capital commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at the reporting date were as follows :

	RM'000
Authorised but not contracted for	409
Authorised and contracted for **	<u>5,733</u>

** Included RM4 million for acquisition of land and a 9-storey hotel building as stated in note 9.

B. Additional information required by the Listing Requirements of Bursa Securities

1. Review of performance

The Group recorded a revenue of RM29.25 million and profit before tax of RM3.64 million for the current quarter. As compared to previous year's corresponding quarter, revenue and profit before tax has increased by RM11.44 million and RM2.20 million respectively. The Precision Components and Precision Tooling segments had received strong incoming order for the past two quarters which led to the favorable performance for the period.

As for Year-to-date, the Group recorded a revenue of RM59.72 million and profit before tax of RM7.99 million. The positive results were contributed from the steady incoming orders from Precision Components and Precision Tooling segments.

In addition, the gain on disposal of land & building for the period of RM1.6 million also contributed to the favorable results for the current and year-to-date performance.

2. Comparison with preceding quarter's results

There was a marginal drop in revenue and profit before tax as compared to preceding quarter's results. The drop in revenue and loss making from the automation and metal segments had pull down the overall performance of the Group.

3. Commentary on the prospects of the Group

The Board anticipates that the performance of the Group for the coming quarter will remain challenging. While keeping the steady pace of growth for the Precision Tooling and Precision Components, the Group will continue to look for expansion plan for future growth and a more aggressive business plan to address the under-performed automation and metal works segments.

4. Variance on forecast profit/profit guarantee

No profit forecast or profit guarantee was issued during the period.

5. Taxation

Taxation comprises the following :-

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2010 RM '000	Preceding Year Corresponding quarter ended 31/12/2009 RM '000	Current Year to date 31/12/2010 RM '000	Preceding Year Corresponding period 31/12/2009 RM '000
Current tax	(520)	(344)	(1,388)	(395)
Deferred tax	(355)	(45)	(267)	(45)
	<u>(875)</u>	<u>(389)</u>	<u>(1,655)</u>	<u>(440)</u>

The effective tax rates for the quarter and period were lower than the statutory tax rate due to the availability of tax incentives enjoyed by certain subsidiaries during the current financial period.

6. Profit / (loss) on sale of investments and/or properties

During the quarter under review, there was a gain of RM1.6 million arising from disposal of a factory land and building located at Bayan Lepas Industrial Park, Penang.

Besides, there was a loss on disposal of investment in a subsidiary for RM0.2 million for the quarter.

7. Purchases and sales of quoted securities and unit trusts

(a) Total purchase or disposal of quoted securities and unit trusts, and profit thereof for the current quarter and financial year-to-date are as follows :

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2010 RM '000	Preceding Year Corresponding quarter ended 31/12/2009 RM '000	Current Year todate 31/12/2010 RM '000	Preceding Year Corresponding period 31/12/2009 RM '000
(i) Total purchase	806	444	1,143	1,294
(ii) Total disposal	188	375	551	2,254
(iii) Profit on disposal	28	57	52	274

(b) Total quoted investment as at end of the current quarter are as follows :

	RM '000
(i) At cost	939
(ii) At carrying value/market value	906

8. Status of corporate proposals

On 15th January 2009, the Company announced the appointment of liquidator for members' voluntary winding up of its 55% owned subsidiary company, namely Elite Paper Trading Sdn Bhd. The exercise is still pending completion as at the date of this report.

In September 2010, The Group has entered into a share sale agreement to dispose off its 60% owned subsidiary, namely Unetsys Sdn Bhd for RM8.7 million. The exercise is completed on 25 January 2011.

Save for the above, there were no corporate proposals announced as at the date of this interim report but pending completion.

9. Group borrowings and debts securities

The were no borrowings and debts securities for the Group as at 31st December 2010. (31.12.2009 : Nil)

10. Derivative Financial Instrument

The Group did not have any derivative financial instruments as at the end of the reporting period.

11. Gain and losses arising from Fair Value Changes of Financial Liabilities

There were no gain and losses arising from fair value changes of financial liabilities for the current quarter and current financial year to date.

12. Breakdown of realised and unrealised profits or losses of the Group

	As at 31/12/2010 RM'000
Realised profits and total retained profits	41,515
Unrealised loss	(24)
Total retained profits	<u>41,491</u>

13. Material litigation

The Group is not engaged in any material litigation as at the date of this report.

14. Dividend

The Board of Directors does not recommend any dividend for the financial quarter ended 31st December 2010 (31.12.2009: Nil).

15. Earnings Per Share ("EPS")

(a) Basic earnings per share

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/12/2010 RM '000	Preceding Year Corresponding quarter ended 31/12/2009 RM '000	Current Year to date 31/12/2010 RM '000	Preceding Year Corresponding period 31/12/2009 RM '000
Profit attributable to ordinary equity holders of the Parent	2,195	202	4,253	489
Weighted average number of ordinary shares ('000)				
- Issued ordinary shares at beginning of period	68,081	68,081	68,081	68,081
- Effect of Shares Buy Back	(728)	(728)	(728)	(728)
	67,353	67,353	67,353	67,353
Basic earnings per share (sen)	3.26	0.30	6.31	0.73

(b) Diluted earnings per share

The effects on the basic EPS for the year arising from the assumed exercise of the employee share options is anti-dilutive. Accordingly the diluted EPS for the current period has not been presented.

16. Provision for Financial Assistance

Pursuant to Paragraph 8.23 and 10.08 of the Listing Requirements and Practice Note No. 11/2001 of the Bursa Malaysia Securities Berhad, the followings are the financial assistance provided by the Group as at 31st December 2011: -

	Current Period As at 31/12/2010 RM '000
Loan given to non-wholly owned subsidiaries	6,685
Loan given by a licensed moneylending company within the Group to third parties	7,297
	<u>13,982</u>

The provision of the financial assistance does not have any effect on the issued and paid-up capital and substantial shareholders' shareholding of the Company and would not have any material impact on the net assets, net tangible assets, gearing and earnings of the Group.

17. Audit report of preceding annual financial statements

The Group's audited financial statements for the year ended 30th June 2010 were reported without any qualification.