

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2011

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/3/2011 RM '000	Preceding Year Corresponding quarter ended 31/3/2010 RM '000	Current Year todate 31/3/2011 RM '000	Preceding Year Corresponding period 31/3/2010 RM '000
Continuing Operations				
Revenue	23,091	20,772	82,491	51,358
Cost of sales	(18,697)	(16,761)	(62,232)	(40,780)
Gross profit	4,394	4,011	20,259	10,578
Operating expenses	(4,385)	(3,948)	(14,907)	(9,982)
Other income	4,664	425	7,729	1,836
Profit before tax	4,673	488	13,081	2,432
Tax expense	(551)	(532)	(2,206)	(935)
Profit for the period from continuing operations	4,122	(44)	10,875	1,497
Discontinued Operation				
Profit/(Loss) for the period from discontinued operation	402	78	(7)	163
Profit for the period	4,524	34	10,868	1,660
Other comprehensive income :				
Foreign currency translation differences for foreign operations	(109)	26	(653)	(687)
Total comprehensive income for the period	4,415	60	10,215	973
Profit/(loss) for the period attributable to :				
Owners of the parent	3,887	(170)	8,140	117
Non-controlling interest	637	1,252	2,728	1,543
	4,524	1,082	10,868	1,660
Total comprehensive income attributable to :				
Owners of the parent	5,807	(156)	7,768	(260)
Non-controlling interest	610	942	2,447	1,233
	4,415	60	10,215	973
Earnings per share (sen)				
- Basic / diluted				
Continuing operations	5.49	(0.31)	12.09	0.06
Discontinued operation	0.28	0.05	(0.00)	0.12
	5.77	(0.25)	12.09	0.17

(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 MARCH 2011

	(Unaudited) As at current quarter 31/3/2011 RM '000	(Audited) (Restated) As at preceding financial year 30/06/2010 RM '000
Assets		
Non-Current Assets		
Property, plant and equipment	57,454	55,425
Land held for property development	7,106	7,106
Property development expenditure	3	-
Other investments	2,493	2,612
Intangible assets	199	414
Loan receivables	-	16
	67,255	65,573
Current Assets		
Assets held for sale	-	8,246
Inventories	12,632	11,181
Trade and other receivables	22,975	28,748
Loan receivables	5,388	3,097
Tax assets	1,269	1,160
Cash & cash equivalents	60,365	49,109
	102,629	101,541
Total Assets	169,884	167,114
Equity		
Share capital	68,081	68,081
Reserves		
Treasury shares	(888)	(888)
Share premium	1,680	1,680
Currency translation reserve	(105)	267
Retained profit	44,368	36,785
	45,055	37,844
Equity attributable to owners of the parent	113,136	105,925
Non controlling interest	38,098	36,706
Total Equity	151,234	142,631
Non-Current Liabilities		
Deferred income on government grant	134	164
Deferred taxation	3,408	3,691
	3,542	3,855
Current Liabilities		
Trade and other payables	13,277	19,373
Tax liabilities	1,831	1,255
	15,108	20,628
Total Liabilities	18,650	24,483
Total Equity and Liabilities	169,884	167,114
Net assets per ordinary share attributable to owners of the Parent(RM)	1.68	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 NINE MONTHS ENDED 31 MARCH 2011**

	(Unaudited) Period Ended 31/3/2011 RM '000	(Unaudited) Period Ended 31/3/2010 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before tax from :		
Continuing operations	13,081	2,432
Discontinued operation	(7)	234
Adjustments for:		
- Non-cash items	4,399	4,738
- Non-operating items	(6,191)	(151)
Operating profit before changes in working capital	11,282	7,253
Changes in working capital:		
- Net change in current assets	2,381	(11,539)
- Net change in current liabilities	(4,072)	5,432
Net Cash generated from operating activities	9,591	1,146
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal/(acquisition) of subsidiary companies	8,789	(50)
Purchase of additional shares from non-controlling interest	(476)	(163)
Purchase of property, plant and equipment	(7,790)	(8,292)
Proceeds from disposal of property, plant and equipment	2,940	-
Other investments	(319)	(551)
Net cash used in investing activities	3,144	(9,056)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,258)	(1,525)
Issuance of shares to non-controlling interest	145	736
Capital repayment to non-controlling interest	(123)	(105)
Net cash generated from financing activities	(1,236)	(894)
Currency translation differences	(243)	(140)
Net Change in Cash & Cash Equivalents	11,256	(8,944)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	48,716	60,291
CASH & CASH EQUIVALENTS AS AT END OF THE PERIOD	59,972	51,347

Note: Deposits amounting to RM392,935 (31.3.2010: RM309,950) have been pledged to local banks for bank guarantee facilities obtained by the Group as at 31st March 2011. 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 NINE MONTHS ENDED 31 MARCH 2011**

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	-	-	-	(372)	8,140	7,768	2,447	10,215
Transactions with owners								
Dividend	-	-	-	-	(1,010)	(1,010)	-	(1,010)
Dividend paid to non-controlling interest	-	-	-	-	-	-	(248)	(248)
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 March, 2011	68,081	(888)	1,680	(105)	44,368	113,136	38,098	151,234

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 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, 2009	68,081	(888)	1,680	900	36,526	106,299	33,998	140,297
Total comprehensive income for the period	-	-	-	(377)	117	(260)	1233	973
Transactions with owners								
Dividend	-	-	-	-	(1,347)	(1,347)	-	(1,347)
Dividend paid to non-controlling interest	-	-	-	-	-	-	(178)	(178)
Acquisition of a subsidiary company	-	-	26	-	-	26	1,349	1,375
Accretion arising from acquisition of shares from non-controlling interest	-	-	-	-	237	237	(400)	(163)
Capital repayment to non-controlling interest	-	-	-	-	-	-	(105)	(105)
Balance as at 31 March, 2010	68,081	(888)	1,706	523	35,533	104,955	35,897	140,852

(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 March 2011

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 March 2010	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	1,660		1,660
Other comprehensive income		(687)	(687)
Total comprehensive income			973
Total comprehensive income attributable to :			
Owners of the parent			(260)
Non-controlling interest			1,233

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

A first and final tax exempt dividend of 1.5 sen per ordinary share, amounting to RM1,010,288 was paid on 28th February 2011. (31.3.2010 : 2 sen).

7. Segment Information

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

The Group's reportable operating 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, hotel operation, oil and gas maintenance services.

Current Period ended 31/3/11	Precision Tooling & Mould	Precision Components	Automation & Metal Work	Other operating segments	Unallocated non-operating segments	Total	Eliminations	Total Equity
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	14516	48409	15158	4398	11	82491		82491
Intersegment revenue	110	7	168	205	7851	8340	-8340	-
Interest revenue	36	420	27	222	453	937		937
Interest expense	-	-	120	85	-	205	-205	-
Depreciation and amortisation	285	3289	586	-	239	4399		4399
Tax expense	426	1654	13	-	1184	3278	-1072	2206
Reportable segment profit after taxation	2720	6941	-2272	-749	8496	15136	-4261	10875
Reportable segment assets	9830	80499	23968	8281	106323	228901	-59017	169884
Expenditure for non-current assets	21	2393	249	354	4774	7790		7790
Reportable segment liabilities	2367	11064	6675	8083	7807	35996	-17345	18650

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 :

	31.3.2011 (RM'000)
Malaysia	55881
Other Asia Pacific countries	21282
United States of America	3719
Europe	1610
Total	82491

Current Period ended 31/3/10	Precision Tooling & Mould	Precision Components	Automation & Metal Work	Other operating segments	Unallocated non-operating segments	Total	Eliminations	Total Equity
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customer	8791	29401	11135	2013	18	51358		51358
Intersegment revenue	397	-	873	22	2541	3833	-3833	-
Interest revenue	31	363	74	-	412	880		880
Interest expense	-	-	22	-	-	22	-22	-
Depreciation and amortisation	456	3522	491	-	292	4761		4761
Income tax expenses	-141	-758	-2	-	-34	-935		-935
Reportable segment profit/(loss) after tax	550	2916	-1288	-259	1307	3226	-1728	1497
Reportable segment assets	9911	73676	23751	6936	101791	216065	-54911	161154
Expenditure for non-current assets	46	423	3122	-	4627	8218		8218
Reportable segment liabilities	1445	8976	6386	5765	11882	34454	-14153	20302

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 :

	31.3.2010 (RM'000)
Malaysia	40465
Other Asian Countries	6136
United States of America	2858
Europe	1898
Total	51358

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

There were no material events subsequent to the end of the reporting financial period except the acquisition of a piece of freehold land located at Bandar Tanjung Bungah, Penang by a subsidiary, namely Super Tropica Development Sdn Bhd, on 18 May 2011 for a purchase consideration RM4.90 million. The acquisition will not have any material effect on the issued and paid-up share capital, substantial shareholding structure, earnings, consolidated net tangible assets and gearing of Kobay group for the financial year ending 30 June 2011.

10. Changes in the composition of the group

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.

On 25th January 2011, Kobay has completed the exercise on disposal of the entire equity interest in Unetsys Sdn Bhd for a cash consideration of RM8.7 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 (31.03.2010: 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	97
Authorised and contracted for	<u>745</u>

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

1. Review of performance

The Group recorded a revenue of RM23.09 million and profit before tax of RM4.67 million for the current quarter. As compare to previous year corresponding quarter, revenue has increased by 11% and profit before tax increased by 857% . Apart from the favorable performance by the Precision Components and Precision Tooling segments, the Group has reported a gain on disposal of a subsidiary for RM3.86 million for the current quarter.

For Year-to-date performance, the Group recorded revenue of RM82.49 million and profit before tax of RM13.08 million. As compared to previous year corresponding period, performance for Precision Components and Precision Tooling & Mould segments have improved significantly due to robust incoming orders. However, the performance has been set off by the negative results from Automation and Metal Work segment. Apart from the above, another key contributor to Group's profit was the gain on disposal of land and building of RM1.60 million and gain on disposal of a subsidiary for RM3.86 million.

2. Comparison with preceding quarter's results

Revenue dropped by 21% to RM23.09 million. This was mainly due to disposal of a subsidiary at end of last quarter, of which the revenue of the Group has dropped correspondingly during the quarter under review.

However, profit before tax has increased by 28% to RM4.12 million as compared to previous quarter due to the gain on disposal of a subsidiary of RM3.86 million.

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 31/3/2011 RM '000	Preceding Year Corresponding quarter ended 31/3/2010 RM '000	Current Year todate 31/3/2011 RM '000	Preceding Year Corresponding period 31/3/2010 RM '000
Current tax	(535)	(487)	(1,923)	(890)
Deferred tax	(16)	(45)	(283)	(45)
	<u>(551)</u>	<u>(532)</u>	<u>(2,206)</u>	<u>(935)</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 RM3.86 million arising from disposal of investment in a subsidiary.

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 31/3/2011 RM '000	Preceding Year Corresponding quarter ended 31/3/2010 RM '000	Current Year todate 31/3/2011 RM '000	Preceding Year Corresponding period 31/3/2010 RM '000
(i) Total purchase	241	1,144	1,384	2,438
(ii) Total disposal	471	1,175	1,022	3,429
(iii) Fair value gain/(loss) recognised in profit	3	-	(15)	-
(iv) (Loss)/profit on disposal	(9)	36	43	310

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

	RM '000
(i) At cost	722
(ii) At carrying value/market value	693

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.

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

There were no borrowings and debts securities for the Group as at 31st March 2011. (31.3.2010 : 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 31/3/2011 RM'000
Realised profits and total retained profits	44,383
Unrealised loss	(15)
Total retained profits	<u>44,368</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 March 2011 (31.3.2010: Nil).

15. Earnings Per Share ("EPS")
(a) Basic earnings per share

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year quarter ended 31/3/2011 RM '000	Preceding Year Corresponding quarter ended 31/3/2010 RM '000	Current Year to date 31/3/2011 RM '000	Preceding Year Corresponding period 31/3/2010 RM '000
Profit attributable to ordinary equity holders of the Parent	3,699	(207)	8,143	39
Profit/(loss) from discontinued operation attributable to ordinary equity holders of the Company	188	37	(3)	78
Profit/(loss) attributable to ordinary equity holders of the Company	<u>3,887</u>	<u>(170)</u>	<u>8,140</u>	<u>117</u>
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)
	<u>67,353</u>	<u>67,353</u>	<u>67,353</u>	<u>67,353</u>
Basic earnings per share (sen)				
- Continuing operations	5.49	(0.31)	12.09	0.06
- Discontinued operation	0.28	0.05	(0.00)	0.12
	<u>5.77</u>	<u>(0.25)</u>	<u>12.09</u>	<u>0.17</u>

(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 March 2011: -

	Current Period As at 31/3/2011 RM '000
Loan given to non-wholly owned subsidiaries	1,218
Loan given by a licensed moneylending company within the Group to third parties	<u>7,296</u>
	<u>8,514</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, earnings and gearing of the Group.

During the quarter under review, there is a default loan of RM2.0 million, which was given to a third party under the licensed moneylending company. The Company has not made any provision to account for the default as the defaulter has made partial repayment of RM500,000.00 subsequent to period end. The defaulter is arranging to fully settle the loan by June 2011. Failing which, the Company shall proceed to foreclose the pledged security which is sufficient to cover for the outstanding loan.

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.