

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim financial statements are prepared in accordance with MASB 26 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's financial statements for the year ended 28 Feb 2005.

The accounting policies and methods of computation adopted by the Group in these financial statements are consistent with those adopted in the financial statements for the year ended 28 Feb 2005.

2. QUALIFICATION OF AUDIT REPORT

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

3. SEASONAL OR CYCLICAL FACTORS

The Group's operation was partly affected by seasonal factor during the quarter.

4. UNUSUAL ITEMS AFFECTING ASSETS , LIABILITIES , EQUITY , NET INCOME , OR CASH FLOW

There were no unusual items affecting assets, liabilities , equity, net income or cash flows during the financial year under review, except for its share of the unusual items amounting to RM18.2 million, reflected in the books of its associated company. The unusual items were mainly in respect of gain on sale of long term investment and reversal of impairment loss of investment, investment commitment payable and contribution related to a discontinued project in the associated company.

5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years, which have a material effect in the current interim period.

6. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases , resale and repayments of debt and equity securities for the current financial year ended 28 Feb 2006 except for :-

- (i) the acquisition of 0.15% of the issued and paid up Redeemable Convertible Preference Shares ("RCPS") of its subsidiary company, Atlan Properties Sdn Bhd ("APSB") for a total cash consideration of RM15,000.
- (ii) the repurchase of its 1,000 ordinary shares of RM1.00 each at RM2.16 per ordinary share.

7. DIVIDENDS PAID

	Year ended 28 Feb 2006 RM'000
3 sen per share tax exempt, paid on 10 Mar 2005	71
<u>Dividends paid on ordinary shares</u>	
Final 2005 – tax exempt dividend of 2 sen per share, paid on 15 Nov 2005	3,848

8. SEGMENT ANALYSIS

	Investment Holding RM'000	Retail & trading RM'000	Manufacturing RM'000	Hospitality RM'000	Elimination RM'000	Consolidated RM'000
REVENUE						
External sales	-	67,324	47,790	33,541	-	148,655
Inter-segment sales	22,714	-	-	-	(22,714)	-
Total Revenue	22,714	67,324	47,790	33,541	(22,714)	148,655
RESULTS						
Segment operating profit / (loss)	(2,419)	5,964	2,500	7,133	-	13,178
Share of profit of associated company						23,038
Interest income						942
Impairment losses						(2,949)
Finance cost						(10,386)
Amortisation of goodwill / reserve						(2,517)
Taxation						(3,498)
Profit after taxation but before MI						17,808

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

10. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements for the quarter.

11. CHANGES IN COMPOSITION OF THE GROUP

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

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date as at 28 Feb 2005, except for an increase in corporate guarantee of RM284,000 to RM26,663,425 for a new hire purchase facility granted to a subsidiary company.

13. SIGNIFICANT RELATED PARTY TRANSACTIONS

Emas Kerajang Sdn Bhd ("EKSB"), a wholly-owned subsidiary of Atlan Holdings Bhd ("AHB"), has been engaged in various recurrent related party transactions ("RRPT") of a revenue or trading nature with certain subsidiaries of DFZ Capital Bhd ("DFZ") (formerly known as Sriwani Holdings Bhd), that are necessary for the day to day operations of AHB Group.

The RRPT involve the sale and purchase of duty-free and non-dutiable merchandise by EKSB to/from subsidiaries of DFZ. EKSB is principally involved in the retailing of duty-free and non-dutiable merchandise and operating a supermarket cum departmental store. The RRPT are

entered into the ordinary course of business on normal commercial terms which are not more favorable to the related parties than those generally made available to the public and are not detrimental to the minority shareholders of AHB.

The above transactions were regarded as related party transactions by virtue of the followings relationships:-

- (i) Dato' Khalid bin Mohamad Jiwa ("Dato Khalid"), a previous director of AHB, is a director of DFZ. Dato' Ong Kim Hoay ("Dato Ong") is a director of AHB and has been a director of DFZ within the preceding twelve months from the date of the RRPT; and
- (ii) Dato' Khalid and Dato' Ong were also major shareholders of DFZ within the preceding twelve months from the date of the RRPT, through Multi Esprit Sdn Bhd ("MESB"), a company in which Dato' Khalid and Dato' Ong held 38.75% and 22.5% equity interests respectively. At present, the directors do not hold any shares in DFZ or AHB.

MESB first became a major shareholder of DFZ pursuant to the restricted issue of 7.273 million new ordinary shares in DFZ ("DFZ Shares") to MESB on 30 Nov 2004, which formed part of the alternative restructuring plan of DFZ to regularize its then financial predicament. Subsequently, on 24 Jan 2005, MESB carried out a placement exercise for all its DFZ shares. At present MESB does not hold any shares in DFZ .

The details of the RRPT between EKSB and the following wholly-owned subsidiaries of DFZ were as follows:-

Item	Transaction parties	Nature of transaction	Current Year Quarter * RM'000	Current Year To Date * RM'000
1	Cergasjaya Sdn Bhd	Sales of cigarettes and liquor products	2,050	9,753
2	Cergasjaya (Langkawi) Sdn Bhd	Sales of cigarettes and liquor products	170	203
3	Jasa Duty Free Sdn Bhd	Sales of cigarettes and liquor products	177	1,077
4	Sriwani Tax-Free Emporium Sdn Bhd	Sales of liquor products	-	143
5	Sriwani Duty Free Supplies Sdn Bhd	Sales of cigarettes	-	14
6	Black Forest Golf & Country Club Sdn Bhd	Sales of cigarettes and liquor products	221	766
7	Winner Prompt Sdn Bhd	Purchases of chocolate and liquor products	848	3,780
8	Sriwani Duty-Free Supplies Sdn Bhd	Purchases of cigarettes, perfume and liquor products	319	2,370
9	Cergasjaya Sdn Bhd	Purchase of household products, food, toys & car accessories	15	46
10	Selasih Eksklusif Sdn Bhd	Purchase of liquor products	-	28
11	Black Forest Golf & Country Club Sdn Bhd	Purchase of golf facilities	4	15
12	Jelita Duty Free Supplies Sdn Bhd	Purchase of cigarettes	5	5

On 5 Apr 2005, Bursa Malaysia Securities Berhad had approved the AHB's application for an extension of time to procure a shareholders' ratification in respect to the recurrent related party transactions. The shareholders' ratification and mandate was procured at the Company's Extraordinary General meeting held on 30 Aug 2005.

** Subsequent to 23 Jan 2006, the above transactions are no longer deemed as RRPT as Dato' Khalid and Dato' Ong are no longer a major shareholder of DFZ within the preceding twelve months from that date.*

14. REVIEW OF PERFORMANCE

During the current quarter ended 28 Feb 2006, Group revenue decreased to RM38.39 million from RM39.71 million in the corresponding quarter of the preceding year. Similarly, the Group recorded a loss before taxation of RM2.94 million as compared to a profit of RM4.28 million achieved in the corresponding quarter of the preceding year.

The decrease in Group revenue was mainly due to a lower revenue from the hospitality division.

The loss before taxation was mainly due to the decreased Group revenue, lower profit margin from the retail & trading division and an impairment loss for intangible assets.

15. MATERIAL CHANGES IN PROFIT BEFORE TAXATION

The Group achieved a loss before taxation of RM2.94 million during the current quarter. On comparison with the preceding quarter, the loss was mainly due to the decreased contribution from the associated company (resulting from its lower operating profit) and an impairment loss for intangible assets.

16. PROSPECTS FOR THE NEXT FINANCIAL YEAR

Barring unforeseen circumstances the Directors anticipate the Group to continue contributing positively.

17. PROFIT FORECAST / PROFIT GUARANTEED

Not applicable.

18. TAXATION

Taxation includes:-

	Current year 4th quarter 28 Feb 2006 RM'000	Current year to date 28 Feb 2006 RM'000
(i) Current period	(223)	(1,487)
(ii) Share of taxation of associated company	130	(2,255)
	(93)	(3,742)
(iii) Deferred Tax	218	244
	125	(3,498)

The effective tax rate for the current quarter and year to date were lower than the statutory tax rate. This was mainly due to certain foreign subsidiaries being exempted from tax and the reversal of taxation over provided in prior year.

19. SALE OF UNQUOTED INVESTMENTS AND / OR PROPERTIES

There were no sale of unquoted investments and properties for the current financial period.

20. QUOTED SECURITIES

There were no purchase and disposal of quoted securities for the current financial period.

21. STATUS OF CORPORATE PROPOSALS

- (a) On 15 Aug 2003, Atlan Holdings Bhd (“AHB”) proposed to transfer the listing of and quotation for its entire issued and paid-up share capital from the Second Board to the Main Board of the Bursa Malaysia.

The proposed transfer was subsequently deferred to coincide with the expected completion of the proposed acquisition by Atlan Properties Sdn Bhd (“APSB”), of the 32% equity interest in Naluri. The Board is now evaluating whether to proceed with the proposal.

- (b) On 9 Mar 2006, AHB entered into a binding Head of Agreements to dispose off 2,000 ordinary shares of United States Dollar (“USD”) 1.00 each representing the entire equity interest in CVL, a wholly-owned subsidiary of AHB to Sir Mark Weinberg for a cash consideration of Great Britain Sterling Pound (“GBP”) 23 million or about RM147.20 million based on the exchange rate of RM6.40 for GBP1.00. A sale and purchase agreement will be entered into for the proposed disposal and thereafter AHB will seek shareholders’ approval at an extraordinary general meeting to be convened.

22. GROUP BORROWINGS AND DEBT SECURITIES as at 28 Feb 2006 are as follow:-

	RM denomination RM’000	£ denomination RM’000	Total RM’000
(a) i) Short Term Borrowings – Secured			
Bank overdrafts	4,425	-	4,425
Bankers Acceptance	6,693	-	6,693
Term Loan payable within 12 months	-	2,605	2,605
	11,118	2,605	13,723
(ii) Short Term Borrowings - Unsecured			
Bank overdrafts	1,486	-	1,486
Hire purchase payable	717	-	717
	2,203	-	2,203
(b) (i) Long Term Borrowings – Secured			
Term Loan	-	46,243	46,243
Islamic private debt securities	130,000	-	130,000
	130,000	46,243	176,243
(ii) Long Term Borrowings - Unsecured			
Hire Purchase payable	1,407	-	1,407
	1,407	-	1,407

Note : (1) Bankers’ Acceptance were included under Trade Payables in the Balance Sheet.

23. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any financial instruments with off-balance sheet risk as at 20 Apr 2006, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

24. MATERIAL LITIGATION

- (a) An originating summons was served on 12 Apr 2004 on Atlan Holdings Berhad (“AHB”) and Atlan Properties Sdn Bhd (“APSB”) by Shahidan bin Shafie, a shareholder of AHB seeking inter alia that the proposals relating to the Naluri shares acquisition, funding structure and bond issue be declared void on grounds that the proposals were in breach of section 67(1) of the Companies Act, 1965 and seeking an injunction to restrain AHB and APSB from proceeding with the proposals. The plaintiff’s case was dismissed with cost on 26 Apr 2004.

The plaintiff had since filed an appeal and the Court of Appeal initially heard the appeals on 18 Jan 2005 and having opined that the High Court was correct in its decision based on the pleaded case and adjourned the appeals to a date to be fixed and in the meantime allowed the plaintiff an opportunity to amend the Originating Summons (“OS”) to see if the OS could be saved. The Court of Appeal reconvened on 4 Feb 2005 and at this hearing considered the plaintiff’s proposed amendment allowed the OS to be amended to include declaration that it is ultra vires APSB to enter into and carrying out the agreement dated 11 Aug 2003 by virtue of Section 64 of the Companies Act, 1965. The Court of Appeal then proceeded to hear submissions from the counsel of the respective parties and adjourned the appeal to a date to be fixed for decision.

The plaintiff had also filed an application for injunction seeking to restrain AHB from holding an extraordinary general meeting to consider, inter-alia, the Naluri shares acquisition. The application for injunction was dismissed with cost.

The plaintiff subsequently served an unsealed copy of a Notice of Motion together with a duly affirmed Affidavit (“Motion”) on AHB and APSB. The application, inter-alia, was for an injunction seeking to restrain AHB and APSB from proceeding with or completing the Naluri share acquisition.

On 11 Jul 2005, the Court of Appeal allowed the Appeal and that the plaintiff was given leave to amend the OS to bring his action under Section 64 of the Act. The Court of Appeal has ordered the plaintiff to file the amended OS within 14 days from 11 Jul 2005 in the High Court and remitted the case back to the High Court to hear the amended OS. The Court of Appeal had also set aside all orders of the High Court and ordered the plaintiff to pay AHB and APSB the costs of both the High Court and Court of Appeal.

The hearing for the amended OS has been adjourned to 17 May 2006. AHB’s application to the High Court to strike out the amended OS has been adjourned to 17 May 2006.

On 13 Sept 2005, the Federal Court dismissed the Notice of Motion seeking leave of the Federal Court to appeal against decision of the Court of Appeal dated 11 Jul 2005.

- (b) A writ of summons was served on 26 May 2004 on AHB and APSB by Shahidan bin Shafie, a shareholder of Naluri seeking an order that AHB and APSB jointly and severally make a mandatory take-over offer to all the shareholders of Naluri except Danaharta, Danaharta Urus Sdn Bhd and Danaharta Managers Sdn Bhd at an offer price of RM1.98 per ordinary share and for damages to be assessed, interest and cost. AHB and APSB had applied to the High Court for the suit to be struck off but was unsuccessful.

AHB and APSB subsequently filed and served a Notice of Appeal to the Judge in Chambers. The Notice of Appeal to the Judge in Chambers by AHB and APSB had been fixed for hearing before the Judge in Chambers on 20 Jul 2005. This was adjourned to 9 Aug 2005 and further postponed to 26 Sep 2005. AHB and APSB’s appeal to the Judge in Chambers on the striking off fixed for decision / clarification on 14 Feb 2006 was adjourned to 12 Apr 2006 for mention pending disposal of AHB and APSB’s respective Notice of Appeal to Judge in Chambers on the decision of the Senior Assistant Registrar to allow the plaintiff’s application to amend the Statement of Claim. AHB and APSB’s Notice of Appeal to Judge in Chambers on the decision of the Senior Assistant Registrar to allow the Plaintiff’s application to amend the Statement of Claim is now adjourned to 29 Jun 2006.

The plaintiff had also made an application for summary judgement under Order 14 of the Rules of the High Court, 1980. The application was dismissed with cost. There was no appeal against the dismissal.

The plaintiff had also filed two applications. The first is to adduce from evidence relating to the appointment of directors to the Board of Naluri and the completion of the Naluri' share acquisition by APSB for the purposes of the striking out appeal. The second application for the amendment for the statement of claim to enable to plaintiff to plead the facts relating to fresh evidence. These two applications were fixed for decision on 17 Jan 2006. On 17 Jan 2006, the Senior Assistant Registrar allowed the plaintiff's application to amend the writ of summons and statement of claim with costs. The plaintiff's application to adduce further evidence fixed for mention on 4 Apr 2006, has been adjourned to 29 May 2006 for hearing to enable the parties to file their respective submission.

The solicitors had opined the situation as set out in Practice Note 2.4 of the Malaysian Code on Take-Overs and Mergers, 1998 could not be applied to the pleaded facts of this case. In those circumstances, the solicitors for AHB were of the opinion that based on facts and law, the plaintiff would have an uphill task to prove that Danaharta, AHB and APSB had acted in concert.

- (c) A writ of summons together with a statement of claim was served on 26 May 2004 on AHB and APSB by Hazman bin Ahmad, a shareholder of Naluri. The plaintiff is seeking inter alia the following orders - an order to compel AHB and/or APSB to make a Mandatory General Offer to purchase the shares of the plaintiff and to offer to purchase the shares of all the other shareholders of Naluri at a purchase price of RM1.98 per share, a further order that the Naluri Mortgaged Shares should not be registered in the name of AHB and/or APSB and that they should not be entitled to appoint any members on the Board of Directors of Naluri until implementation of the mandatory take-over bid, an order that AHB, APSB and the other defendants named in the writ of summons, jointly and severally pay the Plaintiff and/or Naluri for damages and interest on damages, a declaration that amongst others that all transactions entered into by the Special Administrators are null and void and an order that AHB and APSB (together with the other defendants named in the writ of summons) jointly and severally pay the Plaintiff costs of and occasioned by the action and such further and other order as the High Court deems fit.

The Naluri Mortgaged Shares referred to the 309,648,000 shares in Naluri representing 44.84% of the paid-up share capital of Naluri held by Tan Sri Dato' Tajuddin Ramli and charged to Danaharta, Danaharta Urus Sdn Bhd and/or Danaharta Managers Sdn Bhd.

Following from this, AHB and APSB filed a statement of defence. Meanwhile, the solicitors for AHB and APSB had informed that the Court had asked the plaintiff to show cause. The plaintiff's solicitors had also filed their request for case-management. The plaintiff's application to show cause and the case management is fixed for further mention on 13 Jun 2006 to enable Naluri's solicitors to file their application to strike out the suit, which is to be heard before the Senior Assistant Registrar.

The solicitors for AHB had stated that issues raised in this suit were very similar to the issues raised in note 24(b) above. The common defence is that Danaharta, AHB and APSB had not acted in concert. As such, based on pleaded facts and the application of the provisions of the Securities Commission Act, 1993 ("SCA"), the solicitors for AHB were of the opinion that the plaintiff would have an uphill task to prove that Danaharta, AHB and APSB had acted in concert. The solicitors of AHB had also stated that Danaharta had taken common stand that based on pleaded facts, Danaharta had not acted in concert with AHB and the provisions of the SCA and Code did not apply.

The High Court of Kuala Lumpur had fixed the hearing for the suit on 17 Aug 2005 and was later adjourned to 19 Oct 2005. The hearing was rescheduled for next mention on 6 Feb 2006. AHB and APSB's respective solicitors had been instructed to apply to strike out this suit and the Application to strike out the suit was fixed for hearing on 20 Jan 2006. On 20 Jan 2006, the Court adjourned the matter to 21 Mar 2006 for mention to enable Naluri to file their application to strike out the plaintiff's claim. On 21 Mar 2006, the matter was adjourned to 31 May 2006. The matter is also fixed for case management on 13 Jun 2006 pending disposal of AHB's application for striking out.

- (d) On 7 Oct 2004 , AHB and APSB was served with a petition together with a summons and an affidavit by Adenan bin Ismail , a shareholder of Naluri .

The plaintiff by the summons which is fixed for hearing on 22 Oct 2004 is seeking the following orders :-

- (i) an order that upon the plaintiff undertaking to pay such damages as the High Court of Malaya deems fit in the event the Court is of the view that the orders sought ought not to be granted :-
- (a) that AHB and/or APSB be restrained and an injunction be granted restraining AHB and / or APSB :-
- from appointing any director to the Board of Directors (“Board”) of Naluri;
 - in the event AHB and/or APSB have appointed any directors to the Board of Naluri, AHB and/or APSB be restrained and an injunction be granted compelling AHB and/or APSB to ensure that the said directors do not hold themselves out and/or act as directors of Naluri ;
 - from registering the Naluri Shares acquired from Danaharta in the name of APSB or its nominees ;
 - from exercising the voting rights attached to the Naluri Shares which have been acquired from Danaharta;
 - from transferring , charging, selling , and/or dealing with the Naluri Shares acquired from Danaharta ; until the disposal of the action filed under the summons.
- (ii) costs; and
- (iii) any further relief the Court deems fit.

The plaintiff by the above petition is also seeking :-

- (i) the following orders :-
- (a) that AHB and/or APSB be compelled to make a mandatory offer to purchase the shares of Naluri;
- (b) that any resolutions passed by the shareholders and/or directors of Naluri approving the related party transactions set out in the petition be cancelled;
- (c) that the Listing Requirements in relation to the related party transactions as set out in the petition be complied with by AHB, APSB, Danaharta, Danaharta Urus Sdn Bhd, Danaharta Managers Sdn Bhd, Mohamad Raslan Abdul Rahman, Ooi Woon Chee and Gan Ah Tee;
- (d) that DFZ pays to Naluri the monies paid to DFZ and/or the financial institutions who received monies pursuant to the related party transactions as set out in petition;
- (e) that AHB, APSB, Danaharta, Danaharta Urus, Danaharta Managers, Mohamad Raslan Abdul Rahman, Ooi Woon Chee and Gan Ah Tee pay to Naluri damages resulting from the oppressive acts as set out in the petition;
- (f) that AHB, APSB, Danaharta, Danaharta Urus, Danaharta Managers, Mohamad Raslan Abdul Rahman, Ooi Woon Chee and Gan Ah Tee jointly and severally pay the plaintiff’s costs and all costs, if any, incurred by Naluri ; and
- (ii) declaration that the transactions as set out in the petition are related party transactions and that AHB, APSB, Danaharta, Danaharta Urus and Danaharta Managers are obliged to abstain from voting at the shareholders’ meeting of Naluri.

(iii) Any further relief the Court deems fit.

AHB and APSB subsequently filed their respective applications to strike out the petition and to oppose the petitioner's injunction application. On 23 Nov 2004, the Kuala Lumpur High Court directed all parties to file in written submission in respect of the injunction and striking out applications (which were suggested by the Petitioner's counsel) and the respective parties submissions in reply .

Based on the pleaded facts in the petition and the affidavits verifying the petition and the various affidavits exchanged, the solicitors of AHB were of the opinion that the petition and injunction application are unascertainable in fact and in law, and as such, both AHB and APSB should have a good case in their respective applications to strike out the petition .

On 17 Jun 2005, the High Court of Kuala Lumpur dismissed the petitioner's applications for injunction with costs and also allowed with costs the application by AHB and APSB to strike out the petition. Subsequent to this, the petitioner had on 15 Jul 2005 filed an appeal to the Court of Appeal against the High Court decision. The Court of Appeal had yet to fix a date for hearing of the appeal.

25. DIVIDEND

A 3% tax exempt dividend on Irredeemable Convertible Preference Shares amounting to RM71,088 was paid on 10 Mar 2006.

A final tax exempt dividend of 2.0 sen per ordinary share amounting to RM3,847,770 in respect of the current financial year ended 28 Feb 2006 (2005: final tax exempt 2.0 sen per ordinary share) was proposed and to be approved in the forthcoming Annual General Meeting.

26. EARNINGS PER SHARE

(i) Basic (loss) / earnings per share

(Loss) / earnings per share was calculated based on the Group's net (loss) / profit attributable to ordinary shareholders and the weighted average number of ordinary shares.

The basic (loss) / earnings share was calculated as follows:-

	Individual Quarter Current year 28 Feb 2006 RM'000	Cumulative Period Current year 28 Feb2006 RM'000
Net (loss) / profit for the period	(3,510)	14,139
Adjustment for the dividends on ICPS (equity component)	(16)	(64)
Adjusted net (loss) / profit for the period	<u>(3,526)</u>	<u>14,075</u>
Weighted average number of ordinary shares ('000)	192,389	192,389
Basic (loss) / earnings per share (sen)	<u>(1.83)</u>	<u>7.32</u>

(ii) Diluted earnings per share

The diluted earnings per share was calculated using the Group's net profit attributable to ordinary shareholders and the enlarged weighted average number of ordinary shares after adjusting for the dilutive effect on the unconverted ESOS and ICPS as at 28 Feb 2006.

The adjusted weighted average number of ordinary shares was calculated as followings:-

	Individual Quarter Current year 28 Feb 2006 <u>RM'000</u>	Cumulative Period Current year 28 Feb 2006 <u>RM'000</u>
Net profit for the period	N/A	14,139
Adjustment for the dividends on ICPS (liability component)	N/A	7
Adjusted net profit for the period	N/A	<u>14,146</u>
Weighted average number of ordinary shares ('000)	N/A	192,389
Adjustment for the unconverted ESOS ('000)	N/A	46
Adjustment for the unconverted ICPS ('000)	N/A	2,369
Adjusted weighted average number of ordinary shares ('000)	N/A	<u>194,804</u>
Diluted earnings per share (sen)	N/A	<u>7.26</u>

There was no dilution in earnings per share during the current quarter.

BY ORDER OF THE BOARD
TOH CHEE SEONG
LIM SAW IM
COMPANY SECRETARIES
PENANG
DATED THIS 27 APR 2006

