

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008.

THE FIGURES HAVE NOT BEEN AUDITED.

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30/09/2008 RM'000	Preceding year corresponding quarter 30/09/2007 RM'000	Nine months to 30/09/2008 RM'000	Nine months to 30/09/2007 RM'000
1. (a) Revenue	314,288	334,700	977,403	891,166
(b) Cost of sales	(260,955)	(265,001)	(805,466)	(740,291)
(c) Gross profit	53,333	69,699	171,937	150,875
(d) Other income	201	474	1,035	1,044
(e) Expenses	(33,560)	(35,654)	(102,192)	(90,501)
(f) Finance costs	(1,661)	(2,353)	(4,677)	(7,018)
(g) Share of results of associate	(672)	(251)	-	(74)
(h) Profit before income tax	17,641	31,915	66,103	54,326
(i) Income tax	(6,593)	(10,354)	(22,616)	(19,055)
(j) Profit for the period	11,048	21,561	43,487	35,271
Attributable to:				
(k) Equity holders of the Company	10,590	21,302	42,242	34,011
(l) Minority interest	458	259	1,245	1,260
	11,048	21,561	43,487	35,271
2. Basic earnings per share attributable to equity holders of the Company	9.90 sen	19.92 sen	39.49 sen	31.80 sen

*The fully diluted earnings per share is not shown as the Employee Share Option Scheme ("ESOS") has lapsed on 3 July 2008

The condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

II. CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited As at end of current quarter 30/09/2008	Audited As at preceding financial year end 31/12/2007
	RM'000	RM'000
ASSETS		
1. Non-current assets		
Property, plant and equipment	250,263	241,013
Prepaid lease payments	21,368	21,431
Investments in associated companies	6,441	6,441
Goodwill	31,620	31,620
Other intangible assets	893	2,368
Deferred tax assets	3,132	2,297
	313,717	305,170
2. Current assets		
Inventories	187,341	182,130
Receivables	274,024	289,845
Amount due from intermediate holding company	20	18
Amounts due from related companies	18,108	13,698
Amounts due from associated companies	4,414	1,087
Tax recoverable	3,119	2,796
Fixed deposits	7	8
Cash and bank balances	73,122	56,132
	560,155	545,714
3. Non-current assets held for sale	32,728	33,965
Total assets	906,600	884,849

II. CONDENSED CONSOLIDATED BALANCE SHEET (CONT'D)

	Unaudited As at end of current quarter 30/09/2008	Audited As at preceding financial year end 31/12/2007
	RM'000	RM'000
EQUITY AND LIABILITIES		
4. Equity attributable to equity holders of the Company		
Share capital	106,978	106,963
Reserves		
Share premium	22,447	22,410
Other reserves	676	(253)
Retained earnings	244,090	220,551
	374,191	349,671
5. Minority interest	14,034	12,789
Total equity	388,225	362,460
6. Non-current liabilities		
Long term borrowings	40,957	58,486
Deferred tax liabilities	5,847	3,767
	46,804	62,253
7. Current liabilities		
Payables	319,553	286,561
Amounts due to related companies	1,600	2,561
Amounts due to associated companies	2,575	716
Tax payable	4,665	3,842
Dividend payable	6	7
Short term borrowings	91,342	133,449
Current portion of long term borrowings	51,830	33,000
	471,571	460,136
Total liabilities	518,375	522,389
Total equity and liabilities	906,600	884,849
8. Net assets per share attributable to ordinary equity holders of the Company	RM3.50	RM3.27

The condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited Nine months to 30/09/2008 RM'000	Unaudited Nine months to 30/09/2007 RM'000
Operating activities		
Cash receipts from customers and related parties	1,001,482	782,511
Cash payments to suppliers	(779,477)	(655,212)
Cash payments to employees and for expenses	(103,614)	(74,388)
Cash generated from operations	<u>118,391</u>	<u>52,911</u>
Interest paid	(2,859)	(4,365)
Profit on Murabahah Commercial Paper paid	(1,255)	(1,106)
Income taxes paid	(19,698)	(6,087)
Interest received	23	102
Net cash generated from operating activities	<u>94,602</u>	<u>41,455</u>
Investing activities		
Proceeds from disposal of property, plant and equipment	216	65
Deposit for disposal of non current asset held for sale	350	-
Purchase of property, plant and equipment	(14,405)	(16,596)
Net cash used in investing activities	<u>(13,839)</u>	<u>(16,531)</u>
Financing activities		
Repayments of short term borrowings	(22,331)	(5,199)
Proceeds from issuance of shares – exercise of share options	52	-
Dividends paid	(19,253)	(16,009)
Redemption of Murabahah Commercial Paper	-	(10,000)
Redemption of Murabahah Medium Term Notes	(5,000)	-
Repayment of term loan	(13,500)	(12,150)
Term loan interest paid	(1,546)	(2,406)
Profit on Murabahah Medium Term Notes paid	(1,785)	(2,048)
Fixed deposits released	1	962
Net cash used in financing activities	<u>(63,362)</u>	<u>(46,850)</u>
Net change in cash and cash equivalents	<u>17,401</u>	<u>(21,926)</u>
Currency translation differences	(411)	(211)
Net cash and cash equivalents as at beginning of financial period	56,132	68,573
Net cash and cash equivalents as at end of financial period (a)	<u>73,122</u>	<u>46,436</u>

III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

	Unaudited As at 30/09/2008 RM'000	Unaudited As at 30/09/2007 RM'000
(a) Cash and cash equivalents comprise the following amounts:		
Cash and bank balances	73,122	46,436
Fixed deposits	7	8
	73,129	46,444
Less: Fixed deposits pledged to banks	(7)	(8)
Cash and cash equivalents	73,122	46,436

The condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

← Equity attributable to equity holders of the Company →

	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Exchange reserves RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Nine months to 30 September 2008 (unaudited)								
Balance as at 1 January 2008	106,963	22,410	3,428	(3,681)	220,551	349,671	12,789	362,460
Currency translation differences, representing expenses recognised directly in equity	-	-	-	1,135	-	1,135	-	1,135
Profit for the period	-	-	-	-	42,242	42,242	1,245	43,487
Total recognised income and expense for the period	-	-	-	1,135	42,242	43,377	1,245	44,622
2007 final 18.0% tax exempt dividend	-	-	-	-	(19,253)	(19,253)	-	(19,253)
Employee share option scheme:								
- shares issued	15	37	-	-	-	52	-	52
- options lapsed	-	-	(550)	-	550	-	-	-
Employee equity scheme:								
- options granted	-	-	344	-	-	344	-	344
Balance as at 30 September 2008	<u>106,978</u>	<u>22,447</u>	<u>3,222</u>	<u>(2,546)</u>	<u>244,090</u>	<u>374,191</u>	<u>14,034</u>	<u>388,225</u>

IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY (CONT'D)

← Equity attributable to equity holders of the Company →

	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Exchange reserves RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Nine months to 30 September 2007 (unaudited)								
Balance as at 1 January 2007	106,963	22,410	1,310	(958)	186,515	316,240	11,151	327,391
Currency translation differences, representing expenses recognised directly in equity	-	-	-	(1,124)	-	(1,124)	-	(1,124)
Profit for the period	-	-	-	-	34,011	34,011	1,260	35,271
Total recognised income and expense for the period	-	-	-	(1,124)	34,011	32,887	1,260	34,147
2006 final 15.0% tax exempt dividend	-	-	-	-	(16,044)	(16,044)	-	(16,044)
Employee equity scheme: - options granted	-	-	1,436	-	-	1,436	-	1,436
Balance as at 30 September 2007	<u>106,963</u>	<u>22,410</u>	<u>2,746</u>	<u>(2,082)</u>	<u>204,482</u>	<u>334,519</u>	<u>12,411</u>	<u>346,930</u>

The condensed Statement of Changes in Total Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

The notes to the condensed Financial Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007.

1. Accounting policies and methods of computation

The quarterly consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) except for the mandatory adoption of the following revised Financial Reporting Standards (“FRS”) effective for the financial period beginning on 1 January 2008:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoptions of the above FRSs do not have any significant financial impact to the Group. The comparative figures of September 2007 has been adjusted to retain consistency with the presentation of the Group’s audited financial statement for the financial year ended 31 December 2007.

2. Audit report in respect of the 2007 financial statements

The audit report on the Group’s financial statements for the financial year ended 31 December 2007 was not qualified.

3. Seasonal or cyclical factors

The Group’s operations are not subject to any significant seasonal or cyclical factors.

4. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence in the current financial period ended 30 September 2008.

5. Material changes in estimates used

There were no other changes in estimates of amounts reported in prior interim periods of the current financial period or prior financial years that have a material effect in the current period.

6. Debt and equity securities

The Group did not undertake any other issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period ended 30 September 2008 except for:

- (a) redemption of RM5 million Murabahah Medium Term Notes in September 2008; and
- (b) issuance of new ordinary shares of RM1.00 each pursuant to the ESOS:

Option price per share RM	No. of shares issued units	Cash proceeds RM'000
3.56	14,600	52

7. Dividend

No interim ordinary dividend has been declared for the financial period ended 30 September 2008 (2007: nil).

A final tax exempt dividend of 18.0% (2006: 15.0%) on 106,963,188 (2006: 106,963,188) ordinary shares of RM1.00 each in respect of the previous financial year amounting to RM19,253,374 (2006: RM16,044,478) was approved by shareholders on 22 May 2008 and paid on 2 July 2008.

8. Segment information for the current financial period

Segment information for the current financial period to 30 September 2008 is as follows:

	Pharmaceutical manufacturing RM'000	Pharmaceutical trading, marketing and distribution RM'000	Medical products and services RM'000	Other operations RM'000	Eliminations RM'000	Group RM'000
Revenue						
External revenue	9,731	948,396	19,276	-	-	977,403
Inter-segment revenue	174,790	921	-	30,346	(206,057)	-
Total revenue	184,521	949,317	19,276	30,346	(206,057)	977,403
Results						
Segment results	31,112	44,755	(502)	24,177	(18,058)	81,484
Unallocated corporate expenses						(11,151)
Profit from operations						70,333
Interest expense	-	(2,939)	(11)	(4,378)	2,651	(4,677)
Interest income	-	447	-	2,651	(2,651)	447
Profit before income tax						66,103
Income tax						(22,616)
Profit for the period						43,487
Attributable to:						
Equity holders of the Company						42,242
Minority interest						1,245
						43,487

9. Non current assets held for sale

Non current assets held for sale are:

- an intention by the Group to dispose certain property, plant and equipment with a net book value of RM32,423,081 in one of its subsidiary company to a third party. A buyer has been identified and an initial deposit of RM350,000 has been paid. The Directors target that the disposal will be completed by year end; and
- disposal of a property, plant and equipment with a net book value of RM305,000 held by a subsidiary company of the Group, namely Pharmaniaga Trading (M) Sdn. Bhd. which is currently undergoing liquidation.

10. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current quarter and financial period including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring or discontinued operations except as disclosed below:

- (a) the liquidation of the two dormant subsidiary companies of the Group, namely Pharmaniaga Medisystem Sdn. Bhd. and Pharmaniaga Diagnostics Sdn. Bhd., and an associated company, Rumpun Lagenda Sdn. Bhd. has been completed, and one dormant subsidiary company of the Group, namely Pharmaniaga Trading (M) Sdn. Bhd. is in progress; and
- (b) on 2 July 2008, the Company had acquired 2 ordinary shares of RM1.00 each fully paid representing 100% equity interest in Pharmaniaga Biovention Sdn. Bhd. of which its application for bionexus status is currently in progress; and
- (c) the Jiangsu Province Wuxi Intermediate People's Court, upon application by Wuxi Worldbest Treeful Pharma Pharmaceutical Co. Ltd. ("WWTPP"), has ruled on 10 July 2007 to accept the bankruptcy application of WWTPP in accordance with the law. On 16 July 2007, the Court further appointed Wuxi Jin Shun Economic Consulting Co. Ltd. as the Bankruptcy Administrator for WWTPP to take control over WWTPP. Pharmaniaga Pegasus (Seychelles) Co. Ltd. ("Pharmaniaga Pegasus") has then appointed a legal representative and an arbitrator for the participation in the Creditors Meeting and bankruptcy proceeding respectively. At the Creditors Meeting, various resolutions/arrangements were made as to asset-management matters, including the realisation of assets and the priority of claims. The Liquidation Committee will be carrying out the realisation, management and distribution of the assets.

11. Contingent liabilities

There are no changes in the contingent liabilities as at the date of this announcement since the preceding financial year ended 31 December 2007 except as disclosed below:

	As at 01/01/2008	Increase	Decrease	As at 30/09/2008
	RM'000	RM'000	RM'000	RM'000
Bank performance and reimbursement bonds for concession business undertaken by a subsidiary company	45,000	-	-	45,000
Bank guarantees for projects and utilities undertaken by subsidiary companies	25,116	2,738	(9,003)	18,851
Total	70,116	2,738	(9,003)	63,851

12. Capital commitments

Authorised capital expenditures for the purchase of property, plant and equipment not provided for in the condensed consolidated financial statements were as follows:

	As at 30/09/2008
	RM'000
Authorised and contracted for:	
- acquisition of property, plant and equipment	<u>7,639</u>

13. **Income tax**

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
	30/09/2008	30/09/2007	30/09/2008	30/09/2007
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
- Current taxation	2,793	9,862	18,336	17,674
- Zakat	1,300	-	1,300	-
- Deferred taxation	2,063	181	1,747	181
Sub-total	<u>6,156</u>	<u>10,043</u>	<u>21,383</u>	<u>17,855</u>
Foreign taxation				
- Current taxation	658	321	1,735	1,096
- Deferred taxation	(221)	(10)	(502)	104
Sub-total	<u>437</u>	<u>311</u>	<u>1,233</u>	<u>1,200</u>
Grand Total	<u><u>6,593</u></u>	<u><u>10,354</u></u>	<u><u>22,616</u></u>	<u><u>19,055</u></u>

The effective tax rate for the current quarter and year-to-date are higher than statutory tax rate as a result of non-allowable expenses and losses in a subsidiary which has yet to commence operation coupled with certain plant and equipment in one of its manufacturing subsidiary which do not qualify for reinvestment allowance.

14. **Disposal of unquoted investments and/or properties**

There were no disposal of unquoted investments and/or properties in the current period.

15a) **Acquisitions and disposals of quoted securities**

There were no acquisitions and disposals of quoted securities in the current period.

15b) **Investments in quoted securities**

There were no investments in quoted securities as at 30 September 2008.

16. **Status of corporate proposals announced but not completed as at the date of this announcement**

There are no corporate proposals announced but not completed as at the date of this announcement. The updates on UEM Group Berhad ("UEM Group") mandatory take-over offer ("Offer") are as follows:

On 15 February 2008, the Company announced that it has been notified by UEM Group through CIMB Investment Bank Berhad that UEM World Berhad ("UEM World") has on the same day announced a proposed non-renounceable restricted offer for sale of all of its ordinary share in its listed subsidiaries which includes the Company to the shareholders of UEM World ("Proposed ROS"). UEM Group has given an undertaking to UEM World to subscribe for its entitlement under the Proposed ROS as well as the shares in the Company which are not taken up or applied for by other shareholders (including under the excess application process) under the Proposed ROS. Upon the Proposed ROS becoming unconditional, in accordance with Part II of the Malaysian Code on Take-Overs and Mergers, 1998 ("Code"), UEM Group will be obliged to extend the Offer for the remaining voting shares in the Company that UEM Group does not already own ("Pharmaniaga MGO").

16. **Status of corporate proposals announced but not completed as at the date of this announcement (Continued)**

On 8 September 2008, the Board of Directors of Pharmaniaga Berhad ("Pharmaniaga") appointed HwangDBS Investment Bank Berhad as Independent Advisor in relation to the Offer. The Company issued the Independent Advice Circular to the shareholders of Pharmaniaga on 27 September 2008.

On 15 October 2008, the Company notified Bursa Securities that the Company had not complied with the public spread requirement as stipulated under Paragraph 8.15(1) of the Listing Requirements of Bursa Securities when the Company's public shareholding spread stood below 25% with only 934 shareholders, a shortfall of 66 shareholders from the required minimum of 1,000 public shareholders holding not less than 100 Pharmaniaga shares each ("Required Public Shareholding Spread"). As stated in Section 5 of the Offer Document, if Pharmaniaga does not meet the Public Shareholding Spread, UEM Group will use its reasonable endeavours to address the Public Shareholding Spread of Pharmaniaga within a period of 3 months from the close of the Offer.

On 23 October 2008, the Company notified Bursa Securities that the closing date of the Offer has been extended by 14 days from 5.00 pm on 23 October 2008 to 5.00pm on 6 November 2008.

As at the closing date of the Offer on 6 November 2008, the shareholding position as at 5.00pm was 92,868,619 Pharmaniaga shares representing 86.81% of the issued and paid up capital of Pharmaniaga. The Company is seeking approval from Bursa Securities for the extension of time to meet the Public Shareholding Spread.

17. **Borrowings and debt securities**

Details of Group borrowings and debt securities as at 30 September 2008 are as follows:

	Long term borrowings			Short term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Debt securities</u>						
Domestic						
- Murabahah Commercial Paper	-	-	-	-	29,328	29,328
- Murabahah Medium Term Notes	-	24,026	24,026	-	15,000	15,000
<u>Other borrowings</u>						
Domestic						
- Bankers acceptance	-	-	-	-	61,961	61,961
- Term loan	13,500	-	13,500	19,350	-	19,350
Foreign						
Indonesia Rupiah						
- Term loan	3,234	-	3,234	17,327	-	17,327
- Time loan	-	-	-	53	-	53
- Hire purchase	197	-	197	153	-	153
TOTAL	16,931	24,026	40,957	36,883	106,289	143,172

18. **Off Balance Sheet financial instruments**

There are no financial instruments with off-balance sheet risks as at the date of this announcement.

19. Material litigation

Since the preceding financial year ended 31 December 2007, there are no changes in material litigation as at the date of this announcement except for the following:

(a) Demand by Siemens Financial Services GmbH (“Siemens”) for USD12.0 million

As at the date of this announcement, the Company confirms that no civil suit on the Company and its subsidiaries, Pharmaniaga Logistics Sdn. Bhd. (“PLSB”) and Safire Pharmaceuticals (M) Sdn. Bhd. (“Safire”) has been filed by Siemens.

The Board of Directors of the Company upon consultation with the solicitors, is of the opinion that the positions of both PLSB and Safire are defensible.

(b) Danaharta Urus Sdn. Bhd. vs Safri bin Nawawi (“Safri”) and Hamimah Binti Idruss (“Hamimah”) (by original action) Safri bin Nawawi & Anor vs Danaharta Urus Sdn. Bhd. and 6 others (action by counterclaim)

The Company announced on 18 January 2005, that Safri bin Nawawi and Hamimah binti Idruss, former directors of Safire, on 28 December 2004 have each commenced an action by way of Counterclaim against the Company in the legal suit originally filed by Danaharta Urus Sdn. Bhd. against them. The Company and Safire are named 4th Defendant and 3rd Defendant respectively in both Actions by Counterclaim and were served with the court papers on 11 January 2005. The Company had filed its Memorandum of Appearance in Court on 14 January 2005 and 18 January 2005 in respect of the Counterclaim.

The Company and Safire have both filed their respective defense to the Action by Counterclaim on 31 January 2005. The Company has further filed an application to strike out the Counterclaim on 3 March 2005.

The appeals by Safri and Hamimah on various interlocutory applications were dismissed with costs by the judge on 17 November 2008 and the court will fix the next date for the Company’s application to strike out the Counterclaim by Safri and Hamimah in due course.

The Board of Directors of the Company upon consultation with the solicitors, is of the opinion that the positions of both the Company and Safire are defensible.

20. Comparison between the current quarter and the immediate preceding quarter

The Group’s revenue for the third quarter ended 30 September 2008 contracted by 11.1% from RM353.5 million registered in the immediate preceding quarter. The contraction was due to lower demand from both government hospitals and the private sector market, reflecting a more cautious purchasing approach in the light of current economic condition. In addition, the Medical Equipping Unit division sales also declined by 52.1%, as compared to the immediate preceding quarter following the tail-end of billings for Institute Jantung Negara project in the current quarter.

As a result of the decrease in revenue, the Group’s profit before taxation of RM17.6 million for the third quarter ended 30 September 2008 was 16.3% lower than its immediate preceding quarter ended 30 June 2008.

21. Review of performance for the current quarter and period

The Group’s revenue performance for the third quarter ended 30 September 2008 contracted by 6.1% when compared to the same quarter last year. This was mainly caused by the lower orders received from government hospitals but partially mitigated by improvements in private sector sales and Indonesian subsidiary (“MPI”).

The Group’s profit before taxation (“PBT”) was lower by 44.7% over the same quarter last year as a result of margin adjustment recognised in the third quarter last year.

The Group’s year-to-date revenue grew by 9.7% over that of the same period last year, following improvements in sales performance from concession sales and private sector sales as well as its Indonesia subsidiary, MPI by 5.3%, 24.7% and 12.7% respectively.

Outpacing revenue, the Group’s year-to-date PBT rose by 21.7% compared to the same period last year, benefiting from improved efficiencies in all areas of operations as well as reduced finance costs due to lower borrowings.

22. **Prospects for 2008 and headline key performance indicators (“KPI”)**

As previously announced, the Group has set its main headline Key Performance Indicators (“KPI”) of Revenue Growth and Return on Equity of 20% and 18% respectively.

For the first nine months of 2008, the Group’s performance was below the Group’s targeted KPI. The Group is cognizant of the poor global economic outlook due to the US financial crisis which has spread worldwide coupled with increased prices of raw materials. As such, the Group expects a great challenge in achieving its headline KPI.

23. **Profit forecast**

No commentary is made on any variance between actual profit from forecast profit, as it does not apply to the Group.

24. **Earnings per share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30/09/2008 RM'000	Preceding year corresponding quarter 30/09/2007 RM'000	Nine months to 30/09/2008 RM'000	Nine months to 30/09/2007 RM'000
(a) Basic earnings per share				
Profit attributable to equity holders of the Company	10,590	21,302	42,242	34,011
Weighted average number of ordinary shares in issue ('000)	106,978	106,963	106,968	106,963
Basic earnings per share	<u>9.90 sen</u>	<u>19.92 sen</u>	<u>39.49 sen</u>	<u>31.80 sen</u>

The computation of diluted earnings per share for the current period ended 30 September 2008 was not calculated as the ESOS has since lapsed on 3 July 2008. Similar computation was not calculated for the preceding period ended 30 September 2007 as the potential ordinary shares were anti-dilutive as the average market price of the ordinary shares was lower than the ESOS price.

25. **Voluntary disclosure on Economic Profit (“EP”) Statement**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
	30/09/2008	30/09/2007	30/09/2008	30/09/2007
	RM'000	RM'000	RM'000	RM'000
Economic Profit	6,418	18,395	30,673	24,426

Explanatory notes

The EP statement is as prescribed under the GLC Transformation program, and is disclosed on a voluntary basis. EP is a measure of value created by a business during a single period reflecting how much return a business makes over its cost of capital.

The EP performance for the current period recorded RM30.7 million as compared to RM24.4 million last year. The underlying factor for the increase is in line with the better operational performance registered by the Group.

By Order of the Board

**Kuala Lumpur
24 November 2008**

**WONG LEE LOO (MAICSA 7001219)
NORHANA BINTI OTHMAN (LS0008547)
Joint Secretaries**