

WEIDA (M) BHD (Company No. 504747-W)
UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2011

Consolidated Statement of Financial Position

As at 30 June 2011

	Note	30 June 2011 RM'000	31 March 2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		163,467	159,411
Prepaid lease payments		3,617	3,647
Oil palm plantation development expenditure		36,805	33,196
Other investments	22	1,649	439
Deferred tax assets		198	133
Goodwill		2,504	2,519
Other intangible assets	23	44,960	45,979
Other receivable	24	18,030	16,687
		271,230	262,011
Current assets			
Inventories		50,769	47,233
Trade and other receivables		107,936	97,994
Deposits and prepayments		10,585	15,575
Current tax recoverable		1,410	1,487
Deposits, bank and cash balances		32,726	37,940
		203,426	200,229
Total assets		474,656	462,240

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Consolidated Statement of Financial Position

As at 30 June 2011

	Note	30 June 2011 RM'000	31 March 2011 RM'000
(continued)			
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		66,667	66,667
Reserves		123,305	120,604
Treasury shares		(4,599)	(4,599)
		185,373	182,672
Non-controlling interests		26,094	26,164
Total equity		211,467	208,836
Non-current liabilities			
Borrowings	27	85,009	77,857
Deferred tax liabilities		18,905	19,803
		103,914	97,660
Current liabilities			
Trade and other payables, including derivatives		100,387	106,920
Borrowings	27	57,100	45,831
Current tax payables		1,788	2,993
		159,275	155,744
Total liabilities		263,189	253,404
Total equity and liabilities		474,656	462,240
Net assets per ordinary share attributable to owners of the Company, net of treasury shares (RM)		1.46	1.44

The consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

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FOR THE FIRST QUARTER ENDED 30 JUNE 2011

Condensed Consolidated Statement of Comprehensive Income

For the period ended 30 June 2011

	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		30 June 2011 RM'000	30 June 2010 RM'000 (Restated)	30 June 2011 RM'000	30 June 2010 RM'000 (Restated)
Revenue	9	50,710	68,471	50,710	68,471
Operating profit	9	3,621	4,994	3,621	4,994
Finance costs		(1,488)	(593)	(1,488)	(593)
Finance income		1,116	425	1,116	425
Amortisation of goodwill		(15)	(26)	(15)	(26)
Gain on disposal of other investments		120	-	120	-
Profit before taxation		3,354	4,800	3,354	4,800
Income tax expense	21	(1,020)	(1,292)	(1,020)	(1,292)
Profit after taxation		2,334	3,508	2,334	3,508
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		297	(310)	297	(310)
Other comprehensive income for the period, net of tax		297	(310)	297	(310)
Total comprehensive income for the period, net of tax		2,631	3,198	2,631	3,198
Profit attributable to:					
Owners of the Company		2,569	3,640	2,569	3,640
Non-controlling interests		(235)	(132)	(235)	(132)
Profit for the period		2,334	3,508	2,334	3,508
Total comprehensive income attributable to:					
Owners of the Company		2,701	3,668	2,701	3,668
Non-controlling interests		(70)	(470)	(70)	(470)
Total comprehensive income for the period		2,631	3,198	2,631	3,198
Basic / Diluted earnings per ordinary share attributable to owners of the Company (sen)	32	2.02	2.87	2.02	2.87

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2011

Consolidated Statement of Changes in Equity

For the period ended 30 June 2011

<-----Attributable to owners of the Company ----->

Note	<u>Issued and fully paid ordinary shares</u>		<u>Non-Distributable</u>			<u>Distributable</u>	<u>Total</u> RM'000	<u>Non- controlling interests</u> RM'000	<u>Total equity</u> RM'000	
	<u>Number of shares</u> '000	<u>Share capital</u> RM'000	<u>Revaluation reserve</u> RM'000	<u>Merger deficit</u> RM'000	<u>Translation reserve</u> RM'000	<u>Treasury shares</u> RM'000				<u>Retained earnings</u> RM'000
At 1 April 2011	133,333	66,667	10,690	(16,833)	(396)	(4,599)	127,143	182,672	26,164	208,836
Other comprehensive income for the financial period										
- Foreign currency translation differences	-	-	-	-	132	-	-	132	165	297
Profit for the period	-	-	-	-	-	-	2,569	2,569	(235)	2,334
Realisation of revaluation reserve	-	-	(64)	-	-	-	64	-	-	-
Total comprehensive income for the period	-	-	(64)	-	132	-	2,633	2,701	(70)	2,631
Dividends paid in respect of the previous period to:	8									
- owners of the company	-	-	-	-	-	-	-	-	-	-
- non-controlling interests	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	7	-	-	-	-	-	-	-	-	-
At 30 June 2011	133,333	66,667	10,626	(16,833)	(264)	(4,599)	129,776	185,373	26,094	211,467

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2011

Consolidated Statement of Changes in Equity

For the period ended 30 June 2010

<-----Attributable to owners of the Company ----->

Note	Issued and fully paid ordinary shares		Revaluation reserve RM'000	Non Distributable			Distributable		Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Share capital RM'000		Merger deficit RM'000	Translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000		
At 1 April 2010	133,333	66,667	10,944	(16,833)	(508)	(4,598)	93,827	149,499	26,460	175,959
-effect of adoption of FRS 138	-	-	-	-	-	-	13,281	13,281	-	13,281
-effect of adoption of FRS 139	-	-	-	-	-	-	(366)	(366)	(557)	(923)
At 1 April 2010, as restated	133,333	66,667	10,944	(16,833)	(508)	(4,598)	106,742	162,414	25,903	188,317
Other comprehensive income for the financial period										
- Foreign currency translation differences	-	-	-	-	28	-	-	28	(338)	(310)
Profit for the period	-	-	-	-	-	-	3,640	3,640	(132)	3,508
Realisation of revaluation reserve	-	-	(230)	-	-	-	230	-	-	-
Total comprehensive income for the period	-	-	(230)	-	28	-	3,870	3,668	(470)	3,198
Dividends paid in respect of the previous period to:	8									
- owners of the company	-	-	-	-	-	-	-	-	-	-
- non-controlling interests	-	-	-	-	-	-	-	-	-	-
Dividends paid in respect of the current period	8									
Acquisition of non-controlling interests in an existing subsidiary	-	-	-	-	(76)	-	826	750	(831)	(81)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-
At 30 June 2010, as restated	133,333	66,667	10,714	(16,833)	(556)	(4,598)	111,438	166,832	24,602	191,434

The consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

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Consolidated Statement of Cash Flows

For the period ended 30 June 2011

	30 June 2011 RM'000	30 June 2010 RM'000 (Restated)
Profit after taxation for the year	2,334	3,508
Adjustments for:		
Amortisation of intangible assets	1,019	1,320
Amortisation of goodwill	15	26
Depreciation of property, plant & equipment and amortisation of prepaid lease payments	2,467	1,949
Derivative loss on forward foreign currency contracts	1	-
Finance costs	1,488	593
Finance income	(1,116)	(425)
Foreign exchange loss/(gain)	102	(451)
(Gain)/loss on disposal of property, plant and equipment	(118)	2
Property, plant & equipment written off	31	2
Gain on disposal of other investments	(120)	-
Provision for diminution in value of other investments	72	-
Income tax expense	1,020	1,292
Operating profit before working capital changes	7,195	7,816
(Decrease)/Increase in working capital	(16,041)	2,193
Cash (used in)/generated from operations	(8,846)	10,009
Interest paid	(428)	(278)
Income tax paid	(3,111)	(1,631)
Net cash (used in)/from operating activities	(12,385)	8,100
Cash flows from investing activities		
Acquisition of shares from non-controlling interest in an existing subsidiary	-	(5)
(Increase)/Decrease in cash and cash equivalents pledged with licensed banks	(401)	3,969
Purchase of property, plant and equipment	(5,988)	(5,662)
Purchase of other investments	(2,078)	-
Purchase of intangible assets	-	(2,260)
Oil palm plantation development expenditure incurred, net of depreciation and amortisation expenses capitalised	(2,975)	(2,857)
Proceeds from disposal of other investments	916	-
Proceeds from disposal of property, plant and equipment	309	49
Interest received	767	175
Net cash used in investing activities	(9,450)	(6,591)

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Consolidated Statement of Cash Flows

For the period ended 30 June 2011

	30 June 2011 RM'000	30 June 2010 RM'000 (Restated)
(continued)		
Cash flows from financing activities		
(Repayment of)/Net proceeds from bonds issued	5,000	(10,000)
(Repayment of)/Net proceeds from bankers' acceptances	10,910	19,577
(Repayment of)/Net proceeds from other borrowings	917	4,671
Interest expenses	(601)	(315)
Dividends paid to:		
- shareholders of the Company	-	-
- non-controlling shareholders	-	-
Net cash from financing activities	16,226	13,933
Net (decrease)/increase in cash and cash equivalents	(5,609)	15,442
Effects of exchange rate fluctuations on cash held	(239)	(327)
Opening cash and cash equivalents	29,628	25,251
Closing cash and cash equivalents	<u>23,780</u>	<u>40,366</u>

Note

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

Deposits, bank and cash balances	32,726	52,247
Bank overdrafts	(233)	(933)
	32,493	51,314
Cash and cash equivalents pledged for bank facilities	(8,713)	(10,948)
Cash and cash equivalents at 30 June	<u>23,780</u>	<u>40,366</u>

The consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to this interim financial report.

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Notes to the condensed consolidated interim financial statements

1. Basis of preparation

The consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad and Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (MASB).

The preparation of an interim financial statements in conformity with FRS 134, *Interim Financial Reporting*, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2011 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with FRSs.

2. Significant accounting policies

2.1 Changes in accounting policies

The significant accounting policies adopted in the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 March 2011, except for the adoption of the following standards, amendments and interpretations which are effective for annual periods beginning on or after the respective dates indicated herein:

Standard/Amendment/Interpretation	Effective date
FRS 3, <i>Business Combinations</i> (revised)	1 July 2010
FRS 127, <i>Consolidated and Separate Financial Statements</i> (revised)	1 July 2010
Amendments to FRS 138, <i>Intangible Assets</i>	1 July 2010
Amendments to IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 July 2010
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i>	
- <i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i>	
- <i>Additional Exemptions for First-time Adopters</i>	1 January 2011
Amendments to FRS 2, <i>Group Cash-settled Share-based Payment Transactions</i>	1 January 2011
Amendments to FRS 7, <i>Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments</i>	1 January 2011
IC Interpretation 4, <i>Determining Whether an Arrangement contains a Lease</i>	1 January 2011
Improvements to FRSs (2010)	1 January 2011

The adoption of the above standards, amendments and interpretations does not have a material impact on the financial statement of the Group.

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Notes to the condensed consolidated financial statements

(continued)

2. Significant accounting policies (continued)

2.2 Standards, amendments and interpretations yet to be effective

The Group has not applied the following standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board but are only effective for annual periods beginning on or after the respective dates indicated herein:-

Standard/Amendment/Interpretation	Effective date
Amendments to IC Interpretation 14, <i>Prepayments of a Minimum Funding Requirement</i>	1 July 2011
IC Interpretation 19, <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 July 2011
IC Interpretation 15, <i>Agreements for the Construction of Real Estate</i>	1 January 2012
FRS 124, <i>Related Party Disclosures</i> (revised)	1 January 2012

The Group plans to apply from the annual periods beginning 1 April 2012 the standards, amendments and interpretations that are effective for annual periods beginning after 1 April 2011, except Amendments to IC Interpretation (ICI) 14 and ICI 15 which are not applicable to the Group.

The initial application of a standard, an amendment or an interpretation, which is to be applied prospectively or which requires extended disclosures, is not expected to have any material financial impact on the financial statements for the current and prior periods upon its first adoption.

IC Interpretation 19 provides guidance on accounting for debt for equity swaps. Equity instruments issued to a creditor to extinguish all or a part of a financial liability would be "consideration paid" in accordance with paragraph 41 of FRS 139. The equity instruments would be measured initially at the fair value of those equity instruments unless that fair value cannot be reliably measured, in which case the equity instruments should be measured to reflect the fair value of the financial liability extinguished. Any difference between the carrying amount of the financial liability and the initial measurement of the equity instruments would be recognised as a gain or loss in profit or loss.

The revised FRS 124 simplifies the definition of related party, clarifies its intended meaning and eliminates inconsistencies from the definition. The changes from current practice among others include a partial exemption from disclosures for government-related entities. It requires disclosure of related party transactions between government-related entities only if the transactions are individually or collectively significant.

Prior to the issuance of the revised FRS 124, no disclosure is required in the financial statements of state-controlled entities of transactions with other state-controlled entities. The partial exemption from disclosures for government-related activities as permitted in the revised FRS 124 is intended to put users on notice that such related party transactions have occurred and to give an indication of their extent.

Following the announcement by the MASB on 1 August 2008, the Group's financial statements will be prepared in accordance with the International Financial Reporting Standards framework for annual periods beginning on 1 April 2012. The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group.

3. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group and the Company's statutory financial statements for the financial year ended 31 March 2011 in their report dated 28 July 2011.

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Notes to the condensed consolidated financial statements

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4. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the three months ended 30 June 2011.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter.

7. Debts and equity securities

There were no issuance, cancellation, resale and repayment of equity securities in the cumulative and current quarter under review except for the repurchase of 100 own shares as treasury shares at an average price of RM1.05 per share using internally generated funds in May 2011.

The movements on debt securities (corporate bonds) are detailed as follows:-

	Individual Quarter 3 months ended 30 June 2011 RM'000	Cumulative Quarter 3 months ended 30 June 2011 RM'000
Opening balance	30,000	30,000
Issuance	5,000	5,000
Redemption	-	-
Closing balance (see Note 27)	35,000	35,000

8. Dividends paid

	3 months ended 30 June 2011 RM'000	3 months ended 30 June 2010 RM'000
Ordinary		
Final dividend paid in respect of the previous financial year	-	-
Interim dividend paid for the current financial year under review	-	-

Notes to the condensed consolidated financial statements

(continued)

9. Segment information

The Group's primary format for reporting segment information is by business segments. Revenue from external customers represents the sales value of goods and services supplied to customers as well as revenue from construction contracts. The four major segments are detailed below:-

- (a) Manufacturing
 - Manufacturing, marketing and sale of high density polyethylene engineering ("HDPE") products and trading of other specialised and technical engineering products.
- (b) Works
 - (i) Telecommunication towers
 - Construction of telecommunication towers and share of rental proceeds from telecommunication towers
 - (ii) Water and waste water treatment
 - Design, construction and installation of water and wastewater treatment systems
 - (iii) Water supply and storage
 - Design and installation of water supply and storage infrastructure
 - (iv) Others
 - Supply and installation of sewerage treatment plants and bulk storage tanks
- (c) Services
 - Sewage treatment services, treatment and disposal of sludge services as well as underground mapping of buried utilities, closed circuit television survey and investigation and rehabilitation of underground sewer and pipeline networks and storm water culverts.
- (d) Plantations
 - Cultivation of oil palm.

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Notes to the condensed consolidated financial statements

(continued)

9. Segment information (continued)

For the 3 months ended 30 June 2011

	Manufacturing	-----Works-----			Services	Plantations	Consolidated	
		Tele- communication towers	Water and waste treatment	Water supply and storage	Others			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Segment revenue	34,515	3,339	2,769	2,286	3,281	4,520	-	50,710
Segment profit/(loss)	3,981	198	200	(27)	(42)	12	(636)	3,686
Unallocated corporate expenses								(332)
Profit before taxation								3,354

For the 3 months ended 30 June 2010 (Restated)

	Manufacturing	-----Works-----			Services	Plantations	Consolidated	
		Tele- communication towers	Water and waste treatment	Water supply and storage	Others			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Segment revenue	31,147	6,606	10,019	10,923	4,624	5,152	-	68,471
Segment profit/(loss)	3,911	283	719	877	(471)	(164)	(93)	5,062
Unallocated corporate expenses								(262)
Profit before taxation								4,800

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Notes to the condensed consolidated interim financial statements

(continued)

9. Segment information (continued)

	Individual Quarter	
	3 months ended	
	30 June	30 June
	2011	2010
	RM'000	RM'000
	(Restated)	
Revenue from external customers		
Malaysia	46,761	57,608
Middle East	2,769	10,019
Other countries	1,180	844
	50,710	68,471

10. Property, plant and equipment and prepaid lease payments

(a) *Acquisitions and disposals*

During the three months ended 30 June 2011, the Group acquired items of property, plant and equipment costing RM7,349,000 (three months ended 30 June 2010: RM5,793,000), of which RM1,361,000 (three months ended 30 June 2010: RM131,000) was in the form of finance lease assets.

During the three months ended 30 June 2011, the Group disposed of items of property, plant and equipment with a carrying amount of RM191,000 (three months ended 30 June 2010: RM53,000), resulting in a gain on disposal of RM118,000 (three months ended 30 June 2010: loss RM4,000).

(b) *Valuations*

The valuations of freehold land and buildings have been brought forward, without amendment from the previous audited financial statements.

11. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the quarter under review.

12. Changes in composition of the Group

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

13. Changes in contingent liabilities

As at 30 June 2011, the Group has, in the ordinary course of business, provided bank guarantees of RM25,308,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

As at 22 August 2011, the Group has, in the ordinary course of business, provided bank guarantees of RM29,469,000 to third parties in the capacity of the Group as the sub-contractors of, or suppliers to, projects.

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(continued)

14. Capital commitments

	30 June 2011 RM'000	31 March 2011 RM'000
Property, plant and equipment and oil palm plantation expenditure		
Authorised but not contracted for	41,545	22,628
Contracted but not provided for	630	2,059
	42,175	24,687

15. Material related party transactions

There were no material related party transactions in the current quarter except for the following:-

a) Transactions with companies in which certain Directors have interests

<u>Nature of transaction</u>	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
	Rental of premises	64,800	64,800	64,800

b) Transactions with a director

<u>Nature of transaction</u>	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
	Rental of premises	6,000	-	6,000

16. Compensations to key management personnel

Compensations paid to key management personnel are as follows:

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
	Directors of the company	312	319	312
Directors of subsidiaries and other key management personnel	1,214	982	1,214	982
	1,526	1,301	1,526	1,301

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Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

17. Review of performance

The revenue for the quarter ended 30 June 2011 amounting to RM50.7 million was 26.0% lower as compared to the RM68.5 million achieved in the corresponding quarter of the previous financial year. As a result, the profit before taxation amounting to RM3.4 million for the quarter ended 30 June 2011 was lower as compared to the RM4.8 million achieved for the corresponding period of the previous financial year.

No comparison on the cumulative results is presented as this is the first quarter of the financial year under review.

18. Variation of results against preceding quarter

The revenue for the quarter ended 30 June 2011 amounting to RM50.7 million was lower by 31.9% than the RM74.5 million achieved in the preceding quarter. The profit before taxation amounting to RM3.4 million for the current quarter was also lower as compared to the RM8.3 million achieved in the preceding quarter, mainly due to lower contribution from the works division.

19. Prospects for the financial year ending 31 March 2012

The areas of focus of the Tenth Malaysia Plan (10th MP) augur well for the Group, particularly in the areas of water supply, sanitation facilities, housing and telecommunication towers.

The growing emphasis on environment sustainability also augurs well for the Group. Over the years, the Group has significantly grown and enhanced its human and engineering capital, via active involvement and collaboration with a network of established international organisations. The Group has successfully been playing, and will continue to play, the role as a provider of environmental engineering solutions; such as in the field of water and wastewater treatment, septic sludge treatment and renewable energy.

As such, the Directors are cautiously optimistic of achieving respectable results for the Group for the financial year ending 31 March 2012 on the strength of the diversified base of the Group (see Note 9).

20. Sales and profit forecast

Not applicable as no sales and profit forecast was published.

21. Income tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
Income tax expense				
Malaysian - current year	1,899	2,239	1,899	2,239
- prior years	84	7	84	7
	1,983	2,246	1,983	2,246
Deferred tax income				
Malaysian	(963)	(954)	(963)	(954)
	1,020	1,292	1,020	1,292

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Additional information required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

(continued)

21. Income tax expense (continued)

The Group's effective tax rate for the current quarter and corresponding quarter in the previous financial year is higher than the prima facie tax rate mainly due to the effect of non-tax allowable expenses being more than the effect of reinvestment allowance utilised by a subsidiary.

22. Other investments

	30 June 2011 RM'000	31 March 2011 RM'000
Quoted shares	1,327	117
Unquoted shares	322	322
	<u>1,649</u>	<u>439</u>

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
Purchase of quoted shares	2,078	-	2,078	-

	30 June 2011 RM'000	31 March 2011 RM'000
Total investments in quoted shares		
Cost	1,405	123
Fair value	<u>1,327</u>	<u>117</u>

23. Other intangible assets

Other intangible assets comprise:

- i) the cost of an exclusive licence acquired allowing an indirect subsidiary to use and exploit for a period of five years certain technical information relating to the operation of specialized equipment within South East Asia;
- ii) right to share rental proceeds of telecommunication towers arising from the construction of telecommunication towers for a network facility provider licence holder (NFPLH), the payments for which are via a share with the NFPLH in pre-determined ratios of the rental proceeds from leasing of the towers to telecommunication companies. These intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses.

24. Other receivable

Non-current other receivable represents an amount due from a former associate of the Group which is secured by first fixed and floating charges over the company's assets and bears interest at 6.00% (31.03.2011 : 6.00%) per annum. The amount is repayable in full by December 2012.

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25. Status of corporate proposals announced

The Company has completed the corporate proposals mentioned in the second quarterly report for the financial year ended 31 March 2005 except for the Employees' Share Option Scheme ("ESOS") which has yet to be implemented.

26. Utilisation of share proceeds

Not applicable.

27. Borrowings

	30 June 2011	31 March 2011
	RM'000	RM'000
Non-current		
Unsecured	56,039	52,580
Secured	28,970	25,277
	<u>85,009</u>	<u>77,857</u>
Current		
Unsecured	55,039	43,896
Secured	2,061	1,935
	<u>57,100</u>	<u>45,831</u>
Total	<u>142,109</u>	<u>123,688</u>

The above non-current unsecured borrowings include debt securities (corporate bonds) amounting to RM35 million (see Note 7).

All borrowings are denominated in Ringgit Malaysia.

28. Derivatives financial instruments

The outstanding derivatives as at the end of the quarter under review are as follows:

	Contract/Notional	Fair Value
	Value	RM'000
	RM'000	RM'000
Foreign exchange contracts		
- less than 1 year	3,367	3,366

Foreign currency exchange forward contract are used as a hedging tool to minimise the Group's exposure to changes in fair value of its firm commitment conducted in the ordinary course of business, against fluctuations in exchange rates. The fair value of the forward contracts is determined using forward rates at the end of reporting period and changes in fair value is recognised in income statement. The subsequent cumulative changes in the fair value of the firm commitment attributable to the hedged risks is recognised as an asset or liability with the corresponding gain or loss recognised in income statement.

The above financial instrument is subject to credit risk arising from the possibility of default of the counterparty in meeting its contractual obligations. This, however is minimised as the financial instrument is executed with creditworthy financial institutions. The Group has set aside the cash required in meeting the above liability when it falls due or in tandem with the settlement of the underlying hedged item.

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29. Gains/Losses arising from fair value changes of financial liabilities

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

30. Material litigation

There is no pending material litigation as at the date of this quarterly report.

31. Dividend payable

A final dividend of 4.0 sen per ordinary share less tax at 25% in respect of financial year ended 31 March 2011, if approved at the forthcoming Annual General Meeting, will be payable on 22 November 2011 to Depositors whose names appear in the Record of Depositors on 4 November 2011.

No dividend has been recommended or paid for the current financial year to date.

32. Earnings per share

(a) *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit after taxation for the year by the weighted average number of ordinary shares in issue during the year.

	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30 June 2011 RM'000	30 June 2010 RM'000 (Restated)	30 June 2011 RM'000	30 June 2010 RM'000 (Restated)
Profit for the year	2,334	3,508	2,334	3,508
Add/(Less): Amount attributable to minority interest	235	132	235	132
Profit for the year attributable to owners of the Company	2,569	3,640	2,569	3,640
Weighted average number of ordinary shares in issue ('000)	126,895	126,896	126,895	126,896
Basic earnings per share (sen)	2.02	2.87	2.02	2.87

The weighted average number of ordinary shares in issue during the individual quarter and cumulative quarter under review has been adjusted for the treasury shares bought back by the Company during the period (see note 7). The number of ordinary shares in issue, net of treasury shares acquired, as at the quarter ended 30 June 2011 is 126,895,332.

(b) *Diluted earnings per share*

This is not applicable as there exists no share option, warrants or other financial instruments that will dilute or have the effect of diluting the basic earnings per share.

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33. Supplementary information on the breakdown of realised and unrealised profits or losses

	30 June 2011	31 March 2011
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	124,221	122,039
- Unrealised	(4,170)	(4,502)
	120,051	117,537
Consolidation adjustments	9,725	9,606
Total group retained earnings as per consolidated accounts	129,776	127,143

34. Prior year adjustments on intangible assets

A subsidiary undertook the construction of telecommunication towers for a network facility provider licence holder (NFPLH) in the financial years 2006 to 2011. The towers when completed were leased to telecommunication companies by the NFPLH. As payments for the contract claims arising from the construction of the telecommunication towers, the NFPLH entered into an agreement with the subsidiary to share the rental proceeds from leasing of the telecommunication towers in pre-determined ratios for a period of ten years commencing from the month when the rental proceeds are first received. Up to the financial year ended 31 March 2010, the contract receivables were accounted for as loans and receivables. In re-examining the contract receivables, particularly the manner in which they are paid by the NFPLH, the Group has decided that the assets are better accounted for as intangible assets in accordance with FRS 138, Intangible Assets. The Group has accordingly effected prior year adjustments to account for the contract receivables retrospectively as intangible assets.

The intangible assets arising from the construction of telecommunication towers for the NFPLH are now stated at cost less any accumulated amortization and any accumulated impairment losses.

Certain comparatives in the statement of comprehensive income has been restated as a result.

35. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 August 2011.