

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		(Unaudited) Current Year Quarter 30.06.2012	(Unaudited) Preceding Year Corresponding Quarter 30.06.2011	(Unaudited) Current Year To Date 30.06.2012	(Unaudited) Preceding Year Corresponding Period 30.06.2011
		RM'000	RM'000	RM'000	RM'000
Revenue	9	67,989	32,539	106,042	66,417
Cost of sales		(63,709)	(27,431)	(96,483)	(58,610)
Gross profit		4,280	5,108	9,559	7,807
Other operating income		514	436	1,451	707
Operating expenses		(3,130)	(3,013)	(6,752)	(4,749)
Finance costs		(394)	(759)	(1,121)	(924)
Profit before taxation	9, 20	1,270	1,772	3,137	2,841
Taxation	21	(170)	(1,006)	(914)	(1,250)
Net profit for the period		1,100	766	2,223	1,591
Other comprehensive income:-					
Foreign currency translation		(43)	282	60	562
Total comprehensive income		1,057	1,048	2,283	2,153
Net profit attributable to:-					
Equity holders of the parent		1,015	766	2,389	1,591
Non-controlling interests		85	-	(166)	-
		1,100	766	2,223	1,591
Total comprehensive income attributable to:-					
Equity holders of the parent		1,002	1,042	2,444	2,149
Non-controlling interests		55	6	(161)	4
		1,057	1,048	2,283	2,153
Earnings per share attributable to equity holders of the parent:-					
Basic earnings per share (sen)	26	0.80	0.60	1.88	1.25
Diluted earnings per share (sen)	26	0.80	0.60	1.88	1.25

The Unaudited Condensed Income Statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	(Unaudited) At End Of Current Quarter 30.06.2012	(Audited) At End Of Financial Year End 31.12.2011
		RM'000	RM'000
NON CURRENT ASSETS			
Property, plant and equipment		8,779	12,997
Land and development expenditure		32,434	32,363
Intangible assets		8,261	8,261
Trade receivables		4,015	4,015
		<hr/>	<hr/>
Total Non Current Assets		53,489	57,636
		<hr/>	<hr/>
CURRENT ASSETS			
Other investments		4	4
Property development costs		114,344	75,927
Amount owing by customers on contracts		76,446	65,443
Trade and other receivables		130,981	172,147
Tax recoverable		187	208
Fixed deposits with license bank		23,417	21,266
Cash held under Housing Development Account		1,813	986
Cash and bank balances		1,972	4,854
		<hr/>	<hr/>
Total Current Assets		349,164	340,835
		<hr/>	<hr/>
CURRENT LIABILITIES			
Amount owing to customers on contracts		36,881	40,718
Trade and other payables		99,475	100,761
Hire purchase payables		373	144
Short term borrowings	23	65,190	62,930
Short term loans	23	8,940	11,997
Tax payables		894	626
		<hr/>	<hr/>
Total Current Liabilities		211,753	217,176
		<hr/>	<hr/>
NET CURRENT ASSETS			
		137,411	123,659
		<hr/>	<hr/>
		190,900	181,295
		<hr/>	<hr/>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS			
OF THE PARENT			
Share Capital		63,391	63,391
Share Premium		18,235	18,235
Reserves		44,925	42,481
		<hr/>	<hr/>
		126,551	124,107
NON-CONTROLLING INTERESTS			
		(155)	6
		<hr/>	<hr/>
TOTAL EQUITY		126,396	124,113
		<hr/>	<hr/>
LONG TERM AND DEFERRED LIABILITIES			
Trade payables		6,253	6,253
Hire purchase payables		1,241	420
Long term loans	23	56,519	50,017
Deferred taxation		491	492
		<hr/>	<hr/>
Total Long Term And Deferred Liabilities		64,504	57,182
		<hr/>	<hr/>
		190,900	181,295
		<hr/>	<hr/>
NET ASSETS PER SHARE (RM)		1.00	0.98

The Unaudited Condensed Balance Sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of Parent					Total	Non Controlling Interests	Total Equity
	Share Capital	Non - Distributable		Distributable	Retained Profits			
		Share Premium	Exchange Reserve	Capital Reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At End Of Period To Date								
31.06.2012 (Unaudited)								
At 1 January 2012	63,391	18,235	257	11,300	30,924	124,107	6	124,113
Net profit for the period	-	-	-	-	2,389	2,389	(166)	2,223
Other comprehensive income for the period	-	-	55	-	-	55	5	60
Total comprehensive income for the period	-	-	55	-	2,389	2,444	(161)	2,283
At 30 June 2012	63,391	18,235	312	11,300	33,313	126,551	(155)	126,396
At End Of Preceding Year								
Corresponding Period								
30.06.2011 (Unaudited)								
At 1 January 2011	63,391	18,235	15	-	38,871	120,512	769	121,281
Net profit for the period	-	-	-	-	1,591	1,591	-	1,591
Other comprehensive income for the period	-	-	558	-	-	558	4	562
Total comprehensive income for the period	-	-	558	-	1,591	2,149	4	2,153
At 30 June 2011	63,391	18,235	573	-	40,462	122,661	773	123,434

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	(Unaudited) Current Quarter To Date 30.06.2012	(Unaudited) Preceding Year To Date 30.06.2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,137	2,841
Adjustments for:-		
Non-cash items	(204)	1,227
Non-operating items	888	(1,379)
Operating profit before working capital changes	3,821	2,689
Net change in current assets	(5,169)	2,283
Net change in current liabilities	(5,169)	(12,161)
Cash generated used in operations	(6,517)	(7,189)
Interest received	233	229
Interest paid	(4,122)	(1,752)
Tax paid	(625)	(193)
Net cash used in operating activities	(11,031)	(8,905)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	6,049	-
Purchase of property, plant and equipment	(450)	(108)
Net cash from/(used in) investing activities	5,599	(108)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(177)	(46)
Drawdown of bank borrowings	9,741	3,928
Repayment of bank borrowings	(6,295)	-
Decrease in fixed deposits pledged	(2,151)	(3,145)
Net cash from financing activities	1,118	737
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,314)	(8,276)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	-	(18)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(57,091)	(39,526)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	(61,405)	(47,820)
Cash and cash equivalents at the end of period comprise:-		
Cash and bank balances	3,785	1,497
Fixed deposits with licensed banks	23,417	24,881
Less: short term borrowings	(65,190)	(49,317)
	(37,988)	(22,939)
Less: fixed deposits pledged with licensed banks	(23,417)	(24,881)
	(61,405)	(47,820)

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011.

The notes set out on pages 5 to 15 form an integral part of the interim financial report.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**

**PART A: EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING
STANDARDS ("FRS") 134**

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with FRS 134 "Interim Financial Reporting" and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the annual audited financial statements of the Prinsiptek Corporation Berhad ("the Company") Group ("the Group") for the financial year ended 31 December 2011.

These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

2. CHANGES IN ACCOUNTING STANDARDS

The Group falls within the scope definition of Transitioning Entities. Transitioning Entities were initially allowed to defer adoption of the new Malaysian Financial Reporting Standards ("MFRS") Framework for an additional one year. Adoption of the MFRS Framework by Transitioning Entities were then mandatory for annual periods beginning on or after 1 January 2013, thereby requiring the Group to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. For the financial year ending 31 December 2012, the Group therefore continued to prepare financial statements using Financial Reporting Standards ("FRS").

On 30 June 2012, MASB has decided to allow Transitioning Entities to defer adoption of the MFRS Framework for another year. Consequently, adoption of MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. The Group has opted to defer adoption of the new MFRS Framework and is now required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 31 December 2014.

The Group is currently in the process of assessing the financial effects of the difference between the current FRS Framework and accounting standards under the MFRS Framework and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2014.

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2011 except for the adoption of the following new / revised Financial Reporting standards ("FRSs"), amendments to FRS and Issues Committee ("IC") Interpretations effective for financial periods as stated below:-



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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2. CHANGES IN ACCOUNTING STANDARDS (CONTD.)

		Effective date for financial periods beginning on or after
Amendments to FRS 7	Disclosures-Transfers of Financial Assets	1 January 2012
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
Amendment to FRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 124	Related Party Disclosures	1 January 2012

The adoption of the above standards, amendments and interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

At the date of authorization of these interim financial statements, the Group has not applied the FRS, IC Interpretations and Amendments to IC Interpretations which were issued but not yet effective. The potential material impact arising from the future application of these standards and the MFRS framework are described as follows:

FRS 9: Financial Instruments

This Standard addresses the classification and measurement of financial assets and financial liabilities. All financial assets shall be classified on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are initially measured at fair value plus, in the case of a financial asset classified as fair value through profit or loss, particular transaction costs. Financial assets are subsequently measured at amortised cost or fair value. Financial liabilities are subsequently measured at amortised cost or fair value. However, changes due to own credit risk in relation to the fair value option for financial liabilities shall be recognised in other comprehensive income.

The Group would apply this FRS retrospectively when it becomes effective.

FRS 10 Consolidated Financial Statements

This Standard defines the principle of control and establishes control as the basis for determining which entities are consolidated in the consolidated financial statements. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The investor is required to reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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2. CHANGES IN ACCOUNTING STANDARDS (CONTD.)

The Group would apply this FRS retrospectively except for entities that were previously consolidated or unconsolidated in accordance with FRS 127: *Consolidated and Separate Financial Statements* and would continue to be consolidated or unconsolidated under this standard.

IC Interpretation 15: Agreements for Construction of Real Estate

This interpretation applies to the accounting for revenue and associated expenses by entities undertaking construction or real estate directly or via subcontractors. Within a single agreement, the Group may contract to deliver goods or services in addition to the construction of real estate. Such an agreement shall therefore, be split into separately identifiable components. An agreement for the construction of real estate shall be accounted for in accordance with FRS 111 if the buyer is able to specify the major structural elements of the design of the real estate before construction begins and/or specify major structural changes once construction is in progress. Accordingly, revenue shall be recognised by reference to the stage of completion of the contract.

An agreement for the construction of the real estate in which buyers only have limited ability to influence the design of the real estate or to specify only minor variations to the basic designs is an agreement for the sale of goods in accordance with FRS 118. Accordingly, revenue shall be recognised by reference to the criteria in paragraph 14 of FRS 118 (e.g. transfer of significant risks and rewards, no continuing managerial involvement nor effective control, reliable measurement, etc.). This new interpretation further provides guidance on accounting for revenue from the construction of real estate.

Where the Group undertakes a property development project involving sale of goods, the implementation of this interpretation will change the Group's revenue recognition to take place at the time of delivery when risk and reward is transferred instead of recognised based on the percentage of completion method.

The Group would apply IC Interpretation 15 retrospectively at the date of transition.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements of the Group was not subjected to any audit qualifications.

4. SEASONAL OR CYCLICAL FACTORS

The Group's performance during the current financial quarter under review and financial year to date was not affected by unusual seasonal or cyclical fluctuations.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the current financial quarter under review and financial year to date.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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6. CHANGES IN ESTIMATES

There were no material changes in estimates of the amounts reported by the Group in prior financial years which have a material effect in the current financial quarter.

7. DEBT AND EQUITY SECURITIES

There were no cancellation, repurchases, resale and repayments of debt and equity securities by the Company during the current financial quarter under review and financial year to date.

8. DIVIDEND

There was no dividend paid during the current financial quarter under review and financial year to date.

9. SEGMENTAL INFORMATION

Segmental information for the current financial year to date is presented in respect of the Group's business segments as follows:-

	<u>Construction</u>	<u>Property</u> <u>Development</u>	<u>Trading</u> <u>and Others</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>					
External sales	67,617	23,656	14,769	-	106,042
Inter-segment sales	23,755	-	12,395	(36,150)	-
Total revenue	91,372	23,656	27,164	(36,150)	106,042
<u>Results</u>					
Segment results	2,489	1,236	300	-	4,025
Interest expense					(1,121)
Interest income					233
Total results					3,137

10. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. The Group does not adopt a policy to revalue its property, plant and equipment.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material subsequent events from the end of the current interim financial period to the date of this report that have not been reflected in this report.

12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition of the Group during the current financial quarter under review and financial year to date.

13. DISCONTINUED OPERATIONS

There was no discontinued operations event during the current financial quarter under review / year to date.

14. CAPITAL COMMITMENT

There is no capital commitment not provided for in the interim financial statement as at 30 June 2012.

15. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

	RM'000	RM'000
Unsecured corporate guarantees given by the Company and the Group to trade suppliers		11,267
Unsecured corporate guarantees given by the Company to:-		
- financial institutions for banking, hire purchase and leasing facilities granted to subsidiary companies		150,491
- clients		7,344
Secured bank guarantees given by the Group in the ordinary course of business to:-		
- trade suppliers	3,168	
- authorities	1,072	
- clients	56,372	
	<u>56,372</u>	<u>60,612</u>
		<u>229,714</u>



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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**PART B: ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

16. REVIEW OF PERFORMANCE

For the current financial quarter, the Group achieved a total revenue of RM67.99 million representing a significant increase of 108.94% as compared to RM32.54 million in the preceding year corresponding quarter. The Group recorded a higher profit after taxation of RM1.10 million as compared to RM0.77 million in the preceding year corresponding quarter. The improvement was due to the increased activities in the Construction and Property Development division incurred during the current financial quarter.

The Construction Division continued to be the main contributor to the Group revenue representing of 63.76%, the Property Development Division of 22.31% and the Trading and Others Division of 13.93% of the Group revenue.

The Construction Division recorded an increased revenue of RM18.56 million or 74.24% for the current financial quarter as compared to the preceding year corresponding quarter.

The Property Development Division recorded a significant increased revenue of RM12.82 million. The increase was due to the contribution from the two ongoing development projects in Klang Valley.

The Trading and Other Division recorded an increased revenue of RM4.06 million or 90.86% and this was in line with the increased activities in the Construction Division.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group registered a total revenue of RM67.99 million for the current financial quarter as compared to RM38.05 million in the preceding financial quarter. The increase of revenue for RM29.94 million or 78.69% was in line with the higher level of construction activities coupled with the increase in the development activities in the current financial quarter.

Nevertheless, the Group has shown a decrease for its profit before taxation of RM1.27 million in the current financial quarter as compared to RM1.87 million in the preceding quarter. This was mainly due to higher contribution from projects with lower margin.

18. PROSPECTS

With the existing balance order book in the Construction Division and the new sales of the properties from the Property Development Division, the Board of Directors is cautiously optimistic of the performance of the Group for the coming financial quarter.

The Group will continue to adopt a prudent approach in its operations and focus on its core activities to enhance and strengthen the synergy among its group of companies.



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19. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT GUARANTEE

The Group did not publish any profit forecast in respect of the current financial quarter.

20. PROFIT BEFORE TAXATION IS DERIVED AFTER CHARGING/(CREDITING)

	Current Year Quarter <u>30.06.2012</u> RM'000	Current Year To Date <u>30.06.2012</u> RM'000
Interest income	(120)	(233)
Other income including investment income	(1,069)	(1,451)
Interest expense	395	1,121
Gain on disposal of property, plant and equipment	(309)	(750)
Depreciation and amortization	282	501
Foreign exchange gain /loss	649	(250)

21. TAXATION

	Current Year Quarter <u>30.06.2012</u> RM'000	Current Year To Date <u>30.06.2012</u> RM'000
Malaysia tax in respect of:-		
- current results	<u>170</u>	<u>914</u>

The effective tax rate for the Group for the current financial quarter was lower than the statutory tax rate as certain income is not subject to income tax and adjustment for overprovision of taxation from preceding financial quarter.

Overall effective tax rate for the Group for the current period was higher than the statutory tax rate due to certain expenses are not allowable as deduction for tax purpose and no group relief is available with respect to losses incurred by companies within the Group.

22. CORPORATE PROPOSALS - STATUS OF THE CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the date of this report.

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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23. GROUP BORROWINGS

	<u>Total</u> RM'000
<u>Secured</u>	
Short term borrowings and loans	74,130
Long term loans	<u>56,519</u>
	<u>130,649</u>

24. REALISED AND UNREALISED PROFITS / (LOSSES)

The breakdown of retained profits of the Group as at reporting date, into realised and unrealised is as follow:

	<u>As at</u> <u>30.06.2012</u> RM'000	<u>As at</u> <u>31.12.2011</u> RM'000
Total retained profits of the Company and its subsidiary companies		
- Realised	64,236	61,907
- Unrealised	<u>(615)</u>	<u>(569)</u>
	63,621	61,338
Less: Consolidation adjustments	<u>(30,308)</u>	<u>(30,414)</u>
Total Group retained profits as per statements of financial position	<u>33,313</u>	<u>30,924</u>

25. MATERIAL LITIGATIONS

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this report:-

- a) In respect of the Writ of Summons dated 23 May 2000 filed by WEA Engineers & Associates Sdn Bhd ("WEA") at Kuala Lumpur Sessions Court vide Suit No. S7-52-5767-2000 (subsequently this suit was transferred to Kuala Lumpur High Court with a new suit No. S5-22-171-2001), WEA is claiming against Prinsiptek (M) Sdn Bhd ("PST") for a sum of RM157,837.28 being the balance of professional fees for civil and structural engineering consulting services rendered by WEA to PST. PST has filed the Statement of Defence and Counter-Claim dated 25 July 2000 for the sum of RM820,766.04 against WEA being the losses suffered by PST to rectify bored piling works that could be due to defective drawings and specifications of bored pile prepared by WEA.

Trial was completed and the court on 24 July 2012 made a decision in favor of WEA and awarded the sum of RM157,837.28 including interest at 12% from 25 May 2000 to 24 July 2012 plus Costs. PST has filed a Notice of Appeal on 10 August 2012 against the Decision.



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25. MATERIAL LITIGATIONS (CONTD.)

b) In respect of a Writ of Summons filed by PST on 1 November 2002 against Juru Bena Tenaga Sdn Bhd ("JBT") ("Defendant") at the Kuala Lumpur High Court vide Suit No. D1-22-1778-2002, PST claimed against JBT a sum of RM510,937.54 for services rendered by PST to JBT. The suit then was transferred from commercial court to civil court with a new suit No. S3-22-10-2004. The case was fixed for full trial on 10 August 2009, 11 August 2009, 12 August 2009 and 13 August 2009. The trial proceeded as scheduled whereby PST's case ("Plaintiff's case") was closed on 12 August 2009.

The case proceeded with full trial from 10 August 2009 to 12 August 2009, 08 October 2009, 10 November 2009, 16 November 2009 and 20 November 2009 and on 17 December 2009 the Court granted the Plaintiff's claim and also the Defendant's counter claim with cost and damages to be assessed.

The Plaintiff filed a Notice of Appeal against the Court's decision in allowing the Defendant's Counter Claim and against the Assessment of Damages to the Court of Appeal. On 17 July 2012, the Court of Appeal granted Plaintiff's 2 motions to proceed to Appeal and has set 14 November 2012 to hear Plaintiff's Appeal against the High Court's decision in allowing the Defendant's Counter Claim (Liability) and against the Assessment of Damages.

26. EARNINGS PER SHARE

a) Basic earnings per share

The basic earnings per share has been calculated by dividing the Group's net profit attributable to the shareholders for the current financial quarter / financial year to date by the weighted average number of ordinary shares in issue during the financial quarter / financial year to date under review as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter <u>30.06.2012</u>	Preceding Year Corresponding Quarter <u>30.06.2011</u>	Current Year To Date <u>30.06.2012</u>	Preceding Year To Period <u>30.06.2011</u>
Net profit attributable to the equity holders of parent (RM'000)	1,015	766	2,389	1,591
Weighted average number of ordinary shares in issue ('000)	126,783	126,783	126,783	126,783
Basic earnings per share (sen)	0.80	0.60	1.88	1.25



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
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26. EARNINGS PER SHARE (CONTD.)

b) Diluted earnings per share

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to the equity holders of parent for the current financial quarter / financial year to date by the weighted average number of ordinary shares, after adjusted for the effects of dilutive potential ordinary shares from the assumed exercise of options under the Employees' Share Option Scheme ("ESOS") of the Company as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter <u>30.06.2012</u>	Preceding Year Corresponding Quarter <u>30.06.2011</u>	Current Year To Date <u>30.06.2012</u>	Preceding Year To Period <u>30.06.2011</u>
Net profit attributable to the equity holders of parent (RM'000)	1,015	766	2,389	1,591
Weighted average number of ordinary shares in issue ('000)	126,783	126,783	126,783	126,783
Adjustment for the assumed exercise of options under ESOS # ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	126,783	126,783	126,783	126,783
Diluted earnings per share (sen)	0.80	0.60	1.88	1.25

- no adjustment is made for the assumed exercise of options under the ESOS of the Company as during the current year quarter / financial year to date as the effect of any assumed exercise of options under the ESOS on the basic earning per share is anti-dilutive.



**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2012**

**PART C : INFORMATION ON PROVISION OF FINANCIAL ASSISTANCE PURSUANT TO
PARAGRAPH 8.23 AND PRACTICE NOTE 11 / 2001 UNDER LISTING
REQUIREMENTS OF BURSA SECURITIES**

27. FINANCIAL ASSISTANCE

There is no financial assistance rendered by the Company and the Group for the current financial quarter / financial year to date.

By order of the Board

Dato' Foo Chu Jong
Managing Director

Subang Jaya
Date: 28 August 2012