

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.10 RM'000	Preceding Year Corresponding Period 31.12.09 RM'000	Current Year To Date 31.12.10 RM'000	Preceding Year Corresponding Period 31.12.09 RM'000
Revenue	23,513	27,948	107,936	117,134
Cost of sales	(21,345)	(23,718)	(96,443)	(99,695)
Gross profit	<u>2,168</u>	<u>4,230</u>	<u>11,493</u>	<u>17,438</u>
Operating expenses	(2,735)	(3,964)	(32,714)	(15,237)
Other operating income	57	304	1,093	799
(Loss)/profit from operations	<u>(510)</u>	<u>570</u>	<u>(20,128)</u>	<u>3,001</u>
Finance cost	(1,056)	(1,023)	(3,917)	(3,656)
(Loss) before tax	<u>(1,566)</u>	<u>(453)</u>	<u>(24,045)</u>	<u>(655)</u>
Taxation	-	(37)	(9)	994
(Loss)/profit after tax	<u>(1,566)</u>	<u>(490)</u>	<u>(24,054)</u>	<u>339</u>
Minority interest	-	-	-	-
Net (loss)/profit for the period	<u><u>(1,566)</u></u>	<u><u>(490)</u></u>	<u><u>(24,054)</u></u>	<u><u>339</u></u>
OTHER COMPREHENSIVE INCOME				
AVAILABLE-FOR -SALE INVESTMENT				
(Loss) arising during the period	-	-	(6)	-
TOTAL COMPREHENSIVE (EXPENDITURE)/INCOME FOR THE PERIOD	<u><u>(1,566)</u></u>	<u><u>(490)</u></u>	<u><u>(24,060)</u></u>	<u><u>339</u></u>
Weighted average number of shares ('000s)	<u>264,000</u>	<u>264,000</u>	<u>264,000</u>	<u>264,000</u>
Earning per share (sen)				
- Basic	<u>(0.59)</u>	<u>(0.19)</u>	<u>(9.11)</u>	<u>0.13</u>
- Diluted	<u>(0.59)</u>	<u>(0.19)</u>	<u>(9.11)</u>	<u>0.13</u>

The unaudited Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2010
(The figures have not been audited)

	As At End Of Current Quarter 31.12.10 RM'000	As At Preceding Financial Year End 31.12.09 RM'000
Non-current assets		
Property, plant and equipment	159,813	166,643
Prepaid land lease payments	15,970	16,103
Investment properties	13,780	15,775
	<u>189,563</u>	<u>198,521</u>
Current assets		
Inventories	24,762	27,276
Trade and other receivables	20,550	33,823
Tax refundable	-	221
Marketable security	5,188	10,040
Cash, deposit and bank balances	309	609
	<u>50,809</u>	<u>71,969</u>
Current liabilities		
Borrowings	30,254	31,542
Bank overdraft	2,433	1,375
Trade and other payable	13,073	14,194
Provision for taxation	48	162
	<u>45,808</u>	<u>47,273</u>
Net current assets	5,001	24,696
	<u>194,564</u>	<u>223,217</u>
Financed by:		
Capital and reserves		
Share capital	132,000	132,000
Reserves	22,782	46,842
Shareholders' funds	<u>154,782</u>	<u>178,842</u>
Non-current liabilities		
Long term borrowings	29,941	34,534
Deferred Tax Liability	9,841	9,841
	<u>194,564</u>	<u>223,217</u>
Net Tangible Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.59</u>	<u>0.68</u>

The unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010
(The figures have not been audited)

	Share Capital RM'000	<u>Distributable</u> Retained Profit RM'000	← Share Premium RM'000	<u>Non-Distributable</u> Revaluation reserve	→ Fair value reserve RM'000	Total RM'000
Balance as at 1 January 2009	132,000	40,841	185	5,475		178,501
Revaluation increase					-	-
Tax effect thereon					-	-
Net profit not recognized in Comprehensive Income	-	-	-	-	-	-
Revaluation decrease which reverses the previous increase					-	-
Tax effect thereon					-	-
Expenses on right issue written off			-			-
Net loss not recognized in Comprehensive Income	-	-	-	-	-	-
Issue of ordinary share on right issue	-					-
Net profit for the financial year		339			2	341
Balance as at 31 December 2009	132,000	41,180	185	5,475	2	178,842
Net loss for the financial year	-	(24,054)	-	-	(6)	(24,060)
Balance as at 31 December 2010	132,000	17,126	185	5,475	(4)	154,782

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FORTH QUARTER ENDED 31 DECEMBER 2010
(The figures have not been audited)

	Cumulative Current Year Quarter 31.12.10 RM'000	Cumulative Preceding Year Period 31.12.09 RM'000
Net cash (outflow)/inflow from operating activities	(2,930)	1,938
Net cash inflow/(outflow) from investing activities	6,277	(25,322)
Net cash (outflow) from financing activities	(4,690)	(945)
Net (decrease) in cash and cash equivalents	<u>(1,343)</u>	<u>(24,329)</u>
Cash and bank balances as at 1 January 2010	(781)	23,548
Cash and cash equivalents as at 31 December 2010	<u><u>(2,124)</u></u>	<u><u>(781)</u></u>
Reconciliation :		
Cash and bank balances	309	594
Bank overdrafts	(2,433)	(1,375)
Cash and cash equivalents as at 31 December 2010	<u><u>(2,124)</u></u>	<u><u>(781)</u></u>

The unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

PART A: EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134 REQUIREMENTS

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. These explanatory notes attached to the interim financial statements 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 2009.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 December 2009.

A2. Changes In Accounting Policies

Except as described below, the significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009. The following FRSs, IC Interpretations and amendments are relevant to the Group's operation and effective for the financial period beginning on or after 1 January 2010.

FRSs / IC Interpretations	Effective date
<i>FRS 4 Insurance Contracts</i>	1 January 2010
<i>FRS 7 Financial Instruments: Disclosures</i>	1 January 2010
<i>FRS 8 Operating Segments</i>	1 July 2009
<i>Revised FRS 101 (2009) Presentation of Financial Statements</i>	1 January 2010
<i>Revised FRS 123 (2009) Borrowing Costs</i>	1 January 2010
<i>Revised FRS 139 (2010) Financial Instruments: Recognition and Measurement</i>	1 January 2010
<i>Amendments to FRS 1 : First time adoption of Financial Reporting Standards</i>	1 January 2010
<i>Amendments to FRS 2 : Share-based Payment Vesting Conditions and Cancellations</i>	1 January 2010
<i>Amendments to FRS 5 : Non-current Assets Held for Sale and Discontinued Operations</i>	1 January 2010
<i>Amendments to FRS 7: Financial Instruments - Disclosures</i>	1 January 2010
<i>Amendments to FRS 8 : Operating Segments</i>	1 January 2010
<i>Amendments to FRS 107 : Statement of Cash Flows</i>	1 January 2010
<i>Amendments to FRS 108 : Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2010
<i>Amendments to FRS 110 : Events After the Reporting Period</i>	1 January 2010
<i>Amendments to FRS 116 : Property, plant and equipment</i>	1 January 2010
<i>Amendments to FRS 117 : Leases</i>	1 January 2010
<i>Amendments to FRS 118 : Revenue</i>	1 January 2010
<i>Amendments to FRS 119 : Employee Benefits</i>	1 January 2010
<i>Amendments to FRS 120 : Accounting for Government Grants and Disclosure of Government Assistance</i>	1 January 2010
<i>Amendments to FRS 123 : Borrowing Costs</i>	1 January 2010
<i>Amendments to FRS 127 : Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>	1 January 2010
<i>Amendments to FRS 128 : Investments in Associates</i>	1 January 2010
<i>Amendments to FRS 129 : Financial Reporting in Hyperinflationary Economies</i>	1 January 2010
<i>Amendments to FRS 131 : Interests in Joint Ventures</i>	1 January 2010
<i>Amendments to FRS 132 : Financial Instruments - Presentation</i>	1 January 2010
<i>Amendments to FRS 134 : Interim Financial Reporting</i>	1 January 2010
<i>Amendments to FRS 138 : Intangible Assets</i>	1 January 2010
<i>Amendments to FRS 139 : Financial Instruments - Recognition and Measurement</i>	1 January 2010
<i>Amendments to FRS 140 : Investment Property</i>	1 January 2010
<i>IC Interpretation 9: Reassessment of Embedded Derivatives</i>	1 January 2010
<i>IC Interpretation 10: Interim Financial Reporting and Impairment</i>	1 January 2010
<i>IC Interpretation 11 : Group and treasury share transactions</i>	1 January 2010
<i>IC Interpretation 13 : Customer Loyalty Programmes</i>	1 January 2010
<i>IC Interpretation 14 : The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 January 2010
<i>Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives</i>	1 January 2010

The new FRSs, Interpretations, Amendments to FRSs and interpretations above are expected to have no significant impact on the Financial Statements of the Group upon their initial application except as disclosed in follows:

The effect on adoption of FRS 139 on the current interim financial statements are as follows:

	Current Quarter 31.12.10 RM ('000)	Current Year To Date 31.12.10 RM ('000)
Statement of financial position as at 31 December 2010		
Fair Value reserve	-	(6)
(Cash equivalent HLG Institutional Bond Fund unit trust investment)	-	(6)
Statement of comprehensive income for the period ended 31 December 2010		
Net loss for the year		(24,054)
Other comprehensive expenditure		(6)
Total comprehensive expenditure		<u>(24,060)</u>

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

A4. Comments about Seasonality or Cyclicity

The Group's performance is not subject to seasonality or cyclicity.

A5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review due to their nature, size or incidence.

A6. Changes in Estimates

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

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt securities nor any movement in the share capital for the quarter and financial period under review.

A8. Dividends Paid

There were no dividends paid during the quarter under review.

A9. Segmental Information

Business segments

The principal activities of the Group consist of those relating to manufacturing of wood based products, trading, property and agro-based farming. The Group's segmental reporting for business segments is as below:

Primary Reporting Format-Business Segments	Revenue Quarter Ended 31.12.10		Quarter Ended 31.12.09	
	Revenue RM '000	Profit/(loss) before taxation RM '000	Revenue RM '000	Profit/(loss) before taxation RM '000
Manufacturing of wood based products	23,057	70	27,597	(382)
Trading	-	-	36	6
Property investment	146	(1,497)	144	0
Agro-based industry	310	(139)	172	(77)
	<u>23,513</u>	<u>(1,566)</u>	<u>27,948</u>	<u>(453)</u>
ADD: Inter-segment revenue				
Investment holding	420		498	
Manufacturing of wood based products	344		16,089	
	<u>24,277</u>		<u>44,535</u>	

Geographical segments

The Group's operations are principally carried out in Malaysia. In determining the geographical segments of the Group, sales of goods are based on the country in which the customer is located.

The Group's goods are mainly sold to customers located in Malaysia, Europe, America, Asia Pacific, Middle East and Africa.

	Current Quarter 31.12.10 RM '000	Current Year To Date 31.12.10 RM '000
Malaysia	4,202	27,972
Europe	4,319	24,003
America	5,671	28,880
Asia Pacific	7,084	19,702
Middle East	1,347	5,015
Africa	890	2,365
	<u>23,513</u>	<u>107,936</u>

A9. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the year ended 31 December 2009.

A10. Subsequent Events

Refer to Note B10

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current year to date.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets of a material nature since the last audited financial statements for the year ended 31 December 2009.

A13. Capital Commitments

Capital commitments of the Group for the period ended 31 December 2010 are as follows:

	As at 31.12.10 RM'000
Approved and contracted for	11,500
-Deposit Paid	(750)
Capital commitments	<u>10,750</u>

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B1 Review of Performance

The DPS Group's performance for the quarter under review versus the corresponding quarter of the previous financial year is tabled below:

Description	4th Qtr 2010 RM '000	4th Qtr 2009 RM '000	Increase / RM'000	(Decrease) %
Revenue	23,513	27,948	(4,435)	-15.9%
Loss before tax (PBT)	(1,566)	(453)	(1,113)	245.7%
Loss after tax (PBT)	(1,566)	(490)	(1,076)	219.6%
Other Comprehensive Income	-	-	-	0.0%
Total Comprehensive Expenditure	(1,566)	(490)	(1,076)	219.6%

Reduction of group revenue by 15.9% or 4.435 million was mainly due to the strengthening of RM vs. USD of approximately 9.0% (average RM 3.12 in 4th qtr 2010 vs. average RM3.43 in 4th qtr 2009). The reduction in GP ratio for this quarter was due to certain sales which were contracted before the strengthening of RM against USD which the Group had to fulfilled without increasing the sale price.

B2 Comparison with immediate preceding quarter's results

The DPS Group's current quarter performance versus the preceding quarter is tabled below:

Description	4th Qtr 2010 RM '000	3rd Qtr 2010 RM '000	Increase / RM'000	(Decrease) %
Revenue	23,513	28,961	(5,448)	-18.8%
Loss before tax (PBT)	(1,566)	(22,716)	21,150	-93.1%
Loss after tax (PBT)	(1,566)	(22,725)	21,159	-93.1%
Other Comprehensive Income	-	-	-	0.0%
Total Comprehensive Expenditure	(1,566)	(22,725)	21,159	-93.1%

Group revenue decrease compared to the preceding quarter by 18.8% or RM5.448 million was due decrease in sales order.

The comparatively lower loss in the current quarter as compared to the preceding quarter was mainly due to provision for doubtful debts amounting to RM9,812,665.88 and provision for obsolete stock amounting to RM9,123,111.25 made in the preceding quarter

B3 Commentary on Prospects

The Group continues to operate in a challenging environment due to uncertainty in the global economy.

B4 Taxation

Current Quarter 31.12.10 RM'000	Current Year To Date 31.12.10 RM'000
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Taxation comprise the following :**Malaysian income tax**

Current Tax Expense

-	9
<u>-</u>	<u>9</u>

The effective tax rate for the periods presented above is lower than the statutory tax rate due to the availability of reinvestment allowance, double tax deduction incentive for exports and tax incentive for approved food production project under agro-based industries in reducing taxable income.

B5 Sales of Unquoted Investments and/or Properties

There were no material sales of unquoted investments and/or properties for the current quarter and financial period under review except for as disclosed as follows:

Unquoted unit trusts

Total consideration for purchases

Total consideration for disposal

Fair value loss recognised on Other Comprehensive Income

Available for sales investment RM'000
10,195
(5,001)
(6)

The total available for sales investment as at 31.12.2010 are as follows:

At cost

At book value/carrying amount

At fair value

Available for sales investment RM'000
5,194
5,188
5,188

B6 Purchase or Disposal of Quoted Securities

a) There were no purchases or disposals of quoted securities for the current quarter under review.

b) There were no investments in quoted securities as at the end of the financial period.

B7 Corporate Proposal**Proposal:**

There was no corporate proposal proposed or undertaken during the quarter under review.

B8 Group Borrowings and Debt Securities

Total Group borrowings as at 31 December 2010 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 31.12.10 Total RM'000
Short term borrowings			
Bank Overdrafts	977	1,456	2,433
Bankers Acceptance	8,724	13,666	22,390
Finance Lease Creditor	70	-	70
Revolving Credit	3,000	-	3,000
Term Loans	4,593	201	4,794
	<u>17,364</u>	<u>15,323</u>	<u>32,687</u>
Long term borrowings			
Finance Lease Creditors	-	-	-
Term Loans	26,443	3,498	29,941
	<u>26,443</u>	<u>3,498</u>	<u>29,941</u>
Total borrowings	<u>43,807</u>	<u>18,821</u>	<u>62,628</u>

B9 Off Statement Of Financial Position Financial Instruments

The Group does not have any financial instruments with off Statement Of Financial Position risk as at the date of this announcement.

B10 Material Litigation

The Board of Director of DPS Resources Berhad ("the Company") wishes to announce that a Winding Up Notice under Section 218 of the Companies Act 1965 dated 6 April 2010 ("Notice") has been served on Shantawood Manufacturing Sdn. Bhd. (Company no. 215539-H) (SMSB), a wholly-owned subsidiary of the Company on 14 April 2010 by Messrs. Lee Swee Seng & Co, the solicitors for Mr. Chwa Yeou Toh ("CYT").

Pursuant to an Award No. 225 of 2010 ("the Award") given by the Industrial Court of Malaysia under Case No. 19/4-1605/07 dated 25 February 2010, the Industrial Court had awarded to CYT the sum of RM84,000.00 being back wages for twenty (24) months and compensation of RM3,500.00 in lieu of reinstatement, which total up to RM87,500.00.

Pursuant to the Notice, SMSB is required to pay to CYT the sum of RM87,500.00 with the statutory interest of 8% per annum from 6 April 2010 to date of full settlement within 21 days from the date of the service of the Notice.

On 5 August 2010, the Melaka High Court thereafter granted an order for the judicial review proceedings to be transferred to the Kuala Lumpur High Court; and an order for stay of the Award pending hearing of the application for leave to apply for judicial review, the date for which will be determined by the Kuala Lumpur High Court once the matter has been transferred.

B11 Dividend Payable

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the year under review.

B12 Earnings per Share**a) Basic**

The earnings per share for the current quarter and cumulative year to date are computed as follows:

	Individual Current Year Quarter 31.12.10	Cumulative Current Year To Date 31.12.10
Loss attributable to ordinary equity holders of the parent (RM'000)	<u>(1,566)</u>	<u>(24,060)</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>(0.59)</u>	<u>(9.11)</u>

b) Diluted

The calculation of the diluted earnings per share is based on the profit attributable to ordinary equity holders of the parent for the current quarter quarter and cumulative year to date divided by the adjusted weighted average number of ordinary shares of RM0.50 each in issue and issuable under the exercise of share options granted under the DPS Employees' Share Option Scheme.

	Individual Current Year Quarter 31.12.10	Cumulative Current Year To Date 31.12.10
Loss attributable to ordinary equity holders of the parent (RM'000)	<u>(1,566)</u>	<u>(24,060)</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>(0.59)</u>	<u>(9.11)</u>
Diluted Earnings Per Share (sen)	<u>(0.59)</u>	<u>(9.11)</u>

B13 Disclosure of Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad (Bursa Malaysia) issued a directive to all listed issuers and requires to disclose the breakdown of the retained profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits and losses. On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The determination of realised and unrealised profits is disclosed based on Guidance of Special Matter No. 1. Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The group's retained profits may be analysed as follows:

	Group	
	31.12.2010 RM'000	30.9.2010 RM'000
Total retained profits		
- Realised profits	58,616	59,893
- Unrealised losses	<u>(5,896)</u>	<u>(5,609)</u>
	52,720	54,284
Less : Consolidation adjustments	<u>(35,594)</u>	<u>(35,594)</u>
Total group retained profits as per statements of financial position	<u>17,126</u>	<u>18,690</u>