

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Second Quarter Ended 30 June 2011

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Year Quarter 30 Jun 2011 RM'000 (unaudited)	Preceding Year Corresponding Quarter 30 Jun 2010 RM'000 (unaudited)	Current Year To date 30 Jun 2011 RM'000 (unaudited)	Preceding Year Corresponding Period 30 Jun 2010 RM'000 (unaudited)
Revenue		20,698	17,467	37,582	31,916
Cost of sales		(17,641)	(14,572)	(31,707)	(26,359)
Gross profit		3,057	2,895	5,875	5,557
Other income		436	164	594	353
		3,493	3,059	6,469	5,910
Selling and distribution expenses		(473)	(512)	(988)	(958)
Administrative expenses		(1,467)	(1,233)	(2,866)	(2,373)
Other operating expenses		(297)	(255)	(524)	(630)
Finance costs		(50)	(30)	(107)	(54)
Share of profit for an associate		94	52	124	51
Profit before taxation		1,300	1,081	2,108	1,946
Income tax expense	B5	(270)	(284)	(573)	(516)
Profit after taxation		1,030	797	1,535	1,430
Other Comprehensive Income					
Currency translation difference		10	(48)	(215)	(479)
Total Comprehensive Income		1,040	749	1,320	951
ATTRIBUTABLE TO:					
Equity holders of the Company		1,040	749	1,320	951
Minority interests		-	-	-	-
		1,040	749	1,320	951
Earnings per share (sen):					
Basic	B13	1.29	1.00	1.92	1.79
Diluted		N/A	N/A	N/A	N/A

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 June 2011. The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2011

	As at end of current year quarter ended 30 Jun 2011 RM'000 (Unaudited)	Audited 31 Dec 2010 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	1,589	1,464
Property, plant and equipment	14,498	15,444
Investment in shares	-	-
Development expenditure	225	326
Prepaid lease rental	350	395
	<u>16,662</u>	<u>17,629</u>
CURRENT ASSETS		
Inventories	16,917	19,661
Trade receivables	24,161	20,072
Other receivables, prepayments and deposits	1,431	1,064
Amount owing by associates	253	230
Amount owing by related parties	5	3
Tax recoverable	163	98
Fixed deposits with licensed banks	2,730	2,697
Cash and bank balances	6,901	6,221
	<u>52,561</u>	<u>50,046</u>
TOTAL ASSETS	<u>69,223</u>	<u>67,675</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	40,000	40,000
Treasury shares	(50)	(49)
Share premium	1,531	1,531
Other reserve	92	92
Exchange fluctuation reserve	(2,306)	(2,091)
Retained profits	12,600	11,903
TOTAL EQUITY	<u>51,867</u>	<u>51,386</u>
NON-CURRENT AND DEFERRED LIABILITY		
Term loans	-	-
Deferred taxation	1,499	1,499
	<u>1,499</u>	<u>1,499</u>
CURRENT LIABILITIES		
Trade payables	6,971	5,598
Other payables and accruals	1,918	1,736
Amount owing to directors	-	218
Amount owing to a related company	-	178
Amount owing to related parties	1,218	169
Short-term borrowings	4,194	6,726
Bank overdrafts	265	130
Dividend payable	838	-
Provision for taxation	453	35
	<u>15,857</u>	<u>14,790</u>
TOTAL LIABILITIES	<u>17,356</u>	<u>16,289</u>
TOTAL EQUITY AND LIABILITIES	<u>69,223</u>	<u>67,675</u>
Net Assets per share based on number of shares in issue (RM)	<u>0.65</u>	<u>0.64</u>

Note:

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 June 2011

	Attributable to Equity Holders of the Company					Total RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Other Reserve RM'000	Exchange Fluctuation Reserve RM'000	
6 months period ended 30 June 2010						
At 1 January 2010	40,000	-	1,531	92	(1,244)	51,050
Comprehensive Income Profit for the financial period	-	-	-	-	-	1,430
Other Comprehensive Income Currency translation difference	-	-	-	-	(479)	(479)
Total Comprehensive income	-	-	-	-	(479)	951
Dividend paid	-	-	-	-	-	(840)
At 30 June 2010	40,000	-	1,531	92	(1,723)	51,161
6 months period ended 30 June 2011						
At 1 January 2011	40,000	(49)	1,531	92	(2,091)	51,386
Treasury Shares	-	(1)	-	-	-	(1)
Comprehensive Income Profit for the financial period	-	-	-	-	-	1,535
Other Comprehensive Income Currency translation difference	-	-	-	-	(215)	(215)
Total Comprehensive income	-	-	-	-	(215)	1,320
Dividend payable	-	-	-	-	-	(838)
At 30 June 2011	40,000	(50)	1,531	92	(2,306)	51,867

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For The Second Quarter Ended 30 June 2011

	Current Year Quarter 30 Jun 2011 RM'000 (unaudited)	Preceding Year Corresponding Quarter 30 Jun 2010 RM'000 (unaudited)
	Note	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,108	1,946
Adjustments for:		
Write back allowance for doubtful debts	(25)	(92)
Allowance for doubtful debts	67	-
Write back allowance for slow moving stocks	(257)	(148)
Allowance for slow moving stocks	4	499
(Reversal)/Provision for unrealised profits	(191)	160
Amortisation of development expenditure	101	136
Depreciation of property, plant and equipment	1,109	1,194
Gain on disposal of property, plant and equipment	(14)	(23)
Goodwill written off	-	70
Unrealised exchange (gain)/loss	(206)	104
Amortisation of prepaid lease rental	45	60
Interest expense	107	54
Interest income	(20)	(28)
Share of profit in an associate	(125)	(51)
Operating profit before working capital changes	2,703	3,881
Decrease/(Increase) in Inventories	3,187	(1,665)
Increase in Trade & other receivables	(4,292)	(2,412)
Increase in Trade & other payables	1,555	1,148
Increase in amount owing by an associate	(23)	(201)
Increase in amount owing to related parties	1,047	-
Decrease in amount owing to a related company	(178)	(292)
Cash inflow from operations	3,999	459
Interest paid	(107)	(54)
Net tax paid	(219)	(365)
Net cash inflow from operating activities	3,673	40
CASH FLOWS FOR INVESTING ACTIVITIES		
Development expenditure incurred	-	(18)
Interest received	20	28
Purchase of property, plant and equipment and prepaid lease	(149)	(372)
Proceeds from disposal of plant and equipment	-	146
Treasury shares buy-back	(1)	-
Repayment to directors	(218)	(170)
Advances from related parties	-	1,496
Increase of share capital in subsidiary	-	(70)
Increase of share capital in an associated company	-	(596)
Net cash (outflow)/inflow for investing activities	(348)	444
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividends paid	-	(840)
Net repayment of bills payables	(2,532)	(115)
Repayment of HP instalments	-	(34)
Net cash outflow for financing activities	(2,532)	(989)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	793	(505)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	(215)	(479)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	8,788	7,977
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	9,366	6,993
	A16	

Note:

This is prepared based on the consolidated results of the Group for the financial year ended 30 June 2011. The unaudited Condensed Statement of Cash Flow should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2011

PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134")

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with FRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010. The 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 2010.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations.

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011

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PART A: EXPLANATORY NOTES PERSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A2. Changes in Accounting Policies (cont'd)

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)	1 July 2010
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interprétation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Annual Improvements to FRSs (2010)	1 January 2011

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except as follows:-

- (i) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.
- (ii) FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of FRS 127 (Revised) prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting its future transactions or arrangements.

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PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A3. Status of audit qualifications

The auditors' report on the financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

A4. Seasonal and Cyclical Factors

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

A5. Nature and Amount of Exceptional and Extraordinary Items

There were no items of unusual nature and/or amount affecting assets, liabilities, equity, net income or cash flow during the current quarter under review.

A6. Changes in Estimates

There was no material changes in estimates used for the preparation of this interim financial report.

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the financial quarter under review.

As at the date of this report, the total shares bought back amounted to 188,500 UMSNGB shares. None of the treasury held were resold or cancelled during the financial period ended 30 June 2011.

A8. Dividends Paid

There were no dividends paid during the financial period under review.

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PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A9. Segment information

Business Segment

The principal businesses of the Group are designing, manufacturing and trading of electrical wiring accessories which are substantially within a single business segment, and therefore, segmental reporting is deemed not necessary.

Geographical Segment

In determining the geographical segments of the Group, segment revenue is based on the country of operations.

The Group's financial information analysed by geographical segment is as follows:

	Current Year Quarter		Preceding Year Corresponding Quarter	
	Ended 30.06.2011 (Unaudited)	Ended 30.06.2011 (Unaudited)	Ended 30.06.2010 (Unaudited)	Ended 30.06.2010 (Unaudited)
	Revenue RM'000	Profit Before Taxation RM'000	Revenue RM'000	Profit Before Taxation RM'000
Malaysia	15,907	1,274	12,019	781
Hong Kong	4,777	(29)	5,448	250
Vietnam	14	55	-	50
	<u>20,698</u>	<u>1,300</u>	<u>17,467</u>	<u>1,081</u>

A10. Revaluation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

There was no revaluation of property, plant and equipment during the financial quarter under review.

A11. Significant Events Subsequent to the End of the Financial Period

There were no significant events subsequent to 30 June 2011 other than the following :-

On 1 August 2011, our wholly-owned subsidiary, namely UMS-Neiken (M) Sdn Bhd ("UMSNSB"), entered into a Sale and Purchase Agreement with Federal Poultry Industries Company Sdn Bhd (Company No. 4971-M), for the acquisition of all that piece of leasehold vacant land in Bandar Rawang Tambahan, Daerah Gombak, Negeri Selangor measuring approximately 0.8599 hectare or 92,558.49 square feet for a total cash consideration of RM2,036,286.83. The leasehold land was acquired for a warehouse to be erected for internal use.

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PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A12. Effect of Changes in the Composition of the Group

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

A13. Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets as of the end of the financial period to date, save as disclosed below,

RM'000

Corporate guarantee given to licenced banks
for credit facilities granted to subsidiaries

31,700

A14. Commitments

The Group has not obtained any foreign exchange contract from a financial institution or capital commitment under quarter review, save as disclosed below,

RM'000

Approved and contracted for:-
Acquisition of a vacant leasehold land

2,036

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PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A15. Significant Related Party Transactions

Details of the recurrent related party transactions ("RRPT"), which had been entered into in the ordinary course of business and have been established under terms that were mutually agreed between the parties, are as follows :-

Transaction parties	Nature of transaction	Current Year Quarter 30.06.2011 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 30.06.2010 RM'000 (Unaudited)	Cumulative Current Year to Date 30.06.2011 RM'000 (Unaudited)	Cumulative Preceding Year Corresponding Quarter 30.06.2010 RM'000 (Unaudited)
Ming Kee Manufactory Limited ("MKK")	Purchase of fuse link, screws, inserts, cables, plug, metalware, etc	184	444	334	759
MKK	Sales of power cordset	239	42	429	83
MKK	Office rental	14	16	29	32
MKK	Business Consultancy fee	23	25	46	51
Group Talent Ltd ("GTL")	Purchases of fuse	28	21	30	38
Supeready Elec (Fenghua) Co Ltd ("SE")	Sales of power cordset	5	-	10	-
High Project Electric Wire & Cables Manufactory (Fenghua) Limited ("HPC")	Purchase of power cordset, etc	361	131	404	162
United MS Cables Mfg Sdn. Bhd. ("UMSC")	Purchase of electrical wire	633	582	1,167	781

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PART A: EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134") (CONT'D)

A16. Cash and cash equivalents

	At 30.06.2011 RM'000 (Unaudited)	At 30.06.2010 RM'000 (Unaudited)
Fixed deposits with licensed banks	2,730	2,676
Cash and bank balances	6,901	5,366
Bank overdrafts	(265)	(1,049)
	9,366	6,993

A17. Translation of Foreign Currency Financial Statements

For consolidation purposes, all foreign currency monetary assets and liabilities and the financial statements of the Group's foreign subsidiaries, High Project Limited, High Project Electrical Manufactory (Dongguan) Limited and Neiken Switchgear (VN) Co. Ltd had been translated at the exchange rates ruling at the reporting date.

The applicable closing foreign exchange rates used (expressed on the basis on one unit of foreign currency to Ringgit Malaysia equivalent) in the translation of foreign currency monetary assets and liabilities and the financial statements of the foreign subsidiaries are as follows:-

	RM
Hong Kong Dollar	0.3881
Chinese Renmimbi	0.4673
United States Dollar	3.0205

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of Performance

	Individual Quarter		Year to date	
	30.06.2011 (RM'000)	30.06.2010 (RM'000)	30.06.2011 (RM'000)	30.06.2010 (RM'000)
Revenue	20,698	17,467	37,582	31,916
Profit before taxation	1,300	1,081	2,108	1,946

The Group achieved revenue of RM20.7 million for the quarter ended 30 June 2011 and RM37.6 million for the financial year to date. This represents an increase of approximately 18% compared to the corresponding quarter in the preceding year and financial year to date. The increase in revenue is mainly due to the improvement in sales demand, including home appliances and new range of trading products. Profit before taxation of the Group registered an increase of 20% and 8% respectively as compared to the corresponding quarter and financial year to date, in line with the increase in revenue.

B2. Comment on Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared With Immediate Preceding Quarter

	Individual Quarter	
	30.06.2011 (RM'000)	31.03.2011 (RM'000)
Revenue	20,698	16,884
Profit before taxation	1,300	808

The Group achieved revenue of approximately RM20.70 million for the current quarter under review as compared to RM16.88 million in the previous quarter, registering an increase of approximately 23%.

Profit before taxation of the Group for the current quarter under review also improved from RM0.808 million in the previous quarter to RM1.300 million due to the improvement in sales.

B3. Current Year Prospects

The Board expects the performance for the current year to be challenging, due to the economy slowdown in the US and EU, and uncertainties brought on by the US debt crisis and political instability in the Middle East countries. The unfavourable USD exchange movement will also has an adverse impact on our export sales. The Group will continue to mitigate the business risks by focusing more on local sales, through various measures including the expansion of our distribution network and introduction of additional products for the electrical appliances consumer segment.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D)

B4. Variance of Actual Profit and Forecast Profit of the Group

The disclosure requirements for explanatory notes for the variance of actual profit and forecast profit and for the shortfall in profit guarantee are not applicable.

B5. Income Tax Expense

	Current Year Quarter 30.06.2011 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 30.06.2010 RM'000 (Unaudited)	Cumulative Current Year to Date 30.06.2011 RM'000 (Unaudited)	Cumulative Preceding Year Corresponding Quarter 30.06.2010 RM'000 (Unaudited)
Current tax Expense	269	284	572	516

Tax expense for the financial quarter ended 30 June 2011 is derived based on management's best estimate of the tax rate for the year.

The Group's effective tax rate for the current quarter is lower than the statutory rate due to utilisation of group relief.

However, the Group's effective tax rate for the current year to date is higher than the statutory rate, mainly due to losses suffered in overseas subsidiaries that are not eligible for group relief.

B6. Unquoted Investments and/or Properties

There were no purchases or disposal of unquoted investments and/or properties in the quarter ended 30 June 2011.

B7. Quoted and marketable investments

There were no purchases or disposal of quoted and marketable securities during the current quarter under review.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D)

B8. Status of Corporate Proposals

There were no corporate proposals announced during the financial quarter under review.

B9. Group borrowings

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-Term (Secured) RM'000
Bank overdrafts	265
Bill payables	4,194
Total	<u>4,459</u>

There are no foreign currency borrowings at the end of the reporting quarter.

B10. Derivatives financial instrument

There are no derivatives financial instruments as at the date of this report.

B11. Changes in material litigation

On 2nd September 2010, pursuant to a settlement, the High Court ordered Ultiglobal Electrical Sdn Bhd, Pong Chun Hsiung and Soo Yoke Eng & Boo Pang to compensate the subsidiary an amount of RM60,000 in total and apologise in newspaper "The Star" for the suit filed against them for trademark infringement by the subsidiary which its content of apology must subject to the management satisfaction and acceptance. Matter is now pending advertisement of the apology notice.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D)

B12. Dividends

A first and final single tier dividend of 1.05 sen per ordinary share in respect of the financial year ended 31 December 2010 was approved at the Annual General Meeting of the Company held on 17 June 2011 and it was paid on 11 July 2011.

The Board does not recommend any interim dividend in respect of the financial year ending 31 December 2011 during this quarter.

B13. Basic earnings per share

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

	Current Year Quarter 30.06.2011 (Unaudited)	Preceding Year Corresponding Quarter 30.06.2010 (Unaudited)	Cumulative Current Year to Date 30.06.2011 (Unaudited)	Preceding Year Corresponding Quarter 30.06.2010 (Unaudited)
Profit attributable to Equity holders of parent (RM'000)	1,030	797	1,535	1,430
Weighted average number of ordinary shares of RM0.50 each in issue	79,811	80,000	79,811	80,000
Basic Earnings Per Share based on the weighted average number of shares in issue (sen)	1.29	1.00	1.92	1.79

The Company's ESOS scheme expired on 23 April 2011. The options granted to employees pursuant to the ESOS scheme also lapsed on 23 April 2011.

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PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS (CONT'D)

B14. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the group as at 30 June 2011, into realised and unrealised profits, are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, as issued by the Malaysian Institute of Accountants, is as follows:-

	As at financial period ended 30.06.2011 RM'000 (unaudited)	As at financial year ended 31.12.2010 RM'000 (audited)
Total retained earnings of the Group		
- Realised	34,492	34,255
- Unrealised	(2,555)	(2,697)
	<hr/> 31,937	<hr/> 31,558
Less: Consolidation adjustments	(19,337)	(19,655)
	<hr/>	<hr/>
Total retained earnings as per condensed consolidated statement of changes in equity	12,600	11,903
	<hr/>	<hr/>

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

B15. Disclosure In Relation To Any Agreement, Arrangement, Joint Venture Or Collaboration For The Purpose Of Bidding For Or Securing A Project Or Contract

There were no agreements, arrangement, joint venture or collaboration for the purpose of bidding for or securing a project or contract entered by the Company during the financial period under review.

B16. Authorisation for issue

The second quarterly report was authorised for issued by the Board of Directors in accordance with the resolution of the directors on 23 August 2011.