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**INTERIM FINANCIAL REPORT**

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**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED  
30 JUNE 2006**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-06-06 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-06-05 RM'000	CURRENT YEAR TO DATE 30-06-06 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-06-05 RM'000
<b>Revenue</b>	115,704	71,992	349,183	253,862
Operating expenses	(100,072)	(65,906)	(317,337)	(237,012)
Depreciation	(2,203)	(2,365)	(8,758)	(8,246)
Other operating income	(775)	665	3,328	2,366
<b>Profit from operations</b>	12,654	4,386	26,416	10,970
Finance costs	(59)	(38)	(161)	(170)
Share of profit of associated companies	8,861	8,181	37,272	35,131
<b>Profit before taxation</b>	21,456	12,529	63,527	45,931
Taxation	(6,144)	(3,875)	(16,967)	(13,316)
<b>Profit after taxation</b>	15,312	8,654	46,560	32,615
Minority interest	(783)	(235)	(1,951)	(44)
<b>Net profit for the period</b>	<u>14,529</u>	<u>8,419</u>	<u>44,609</u>	<u>32,571</u>
Basic earnings per ordinary share of RM0.10 each (sen)	<u>1.06</u>	<u>0.62</u>	<u>3.27</u>	<u>2.39</u>
Diluted earnings per ordinary share of RM0.10 each (sen)	<u>1.06</u>	<u>0.61</u>	<u>3.26</u>	<u>2.37</u>

*(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2005 and the accompanying explanatory notes attached to the Interim Financial Statements.)*

**DIALOG GROUP BERHAD**

Company No. 178694 – V

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT****CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2006**

	<b>30-06-06</b> <b>RM' 000</b>	<b>30-06-05</b> <b>RM' 000</b>
<b>ASSETS EMPLOYED</b>		
PROPERTY, PLANT AND EQUIPMENT	87,232	84,003
INVESTMENT IN ASSOCIATED COMPANIES	121,189	113,683
OTHER INVESTMENTS	190	190
GOODWILL ON CONSOLIDATION	1,682	1,682
DEFERRED TAX ASSETS	2,802	3,223
<b>CURRENT ASSETS</b>		
Amounts Due from Customers for Contract Works	3,821	3,337
Inventories	19,977	11,358
Trade Receivables	66,855	42,863
Other Receivables, Deposits and Prepayments	6,168	4,628
Amount Due from Associated Companies	7,292	1,582
Short Term and Portfolio Investments	33,202	28,627
Deposits, Cash and Bank Balances	58,944	38,189
	<u>196,259</u>	<u>130,584</u>
<b>CURRENT LIABILITIES</b>		
Amounts Due to Customers for Contract Works	4,437	671
Trade Payables	59,328	29,491
Other Payables and Accruals	15,070	7,938
Hire Purchase Creditors	489	565
Taxation	2,540	520
	<u>81,864</u>	<u>39,185</u>
<b>NET CURRENT ASSETS</b>	<u>114,395</u>	<u>91,399</u>
	<u>327,490</u>	<u>294,180</u>
<b>FINANCED BY</b>		
SHARE CAPITAL	138,519	137,045
RESERVES	184,496	156,343
TREASURY SHARES, AT COST	<u>(9,308)</u>	<u>(2,176)</u>
SHAREHOLDERS' EQUITY	313,707	291,212
MINORITY INTEREST	12,749	2,259
<b>NON-CURRENT AND DEFERRED LIABILITIES</b>		
Hire Purchase Creditors	563	655
Deferred Tax Liabilities	471	54
	<u>1,034</u>	<u>709</u>
	<u>327,490</u>	<u>294,180</u>

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2005 and the accompanying explanatory notes attached to the Interim Financial Statements.)*

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006**

	Share Capital RM' 000	Treasury Shares RM' 000	Non- Distributable Reserves RM' 000	Distributable Retained Profits RM' 000	Total RM' 000
Balance as at 30 June 2005	137,045	(2,176)	29,291	127,052	291,212
Net gain not recognised in the income statement:					
Currency translation differences	-	-	597	-	597
Net profit for the financial year	-	-	-	44,609	44,609
Appropriation :-					
FY2005 – final dividend of 10%, less tax	-	-	-	(9,823)	(9,823)
FY2006 – interim dividend of 10%, less tax	-	-	-	(9,832)	(9,832)
Options exercised	1,474	-	2,602	-	4,076
Shares repurchased	-	(7,132)	-	-	(7,132)
Balance as at 30 June 2006	<u>138,519</u>	<u>(9,308)</u>	<u>32,490</u>	<u>152,006</u>	<u>313,707</u>
Balance as at 30 June 2004	136,041	-	26,647	113,159	275,847
Net gain not recognised in the income statement:					
Currency translation differences	-	-	630	-	630
Net profit for the financial year	-	-	-	32,571	32,571
Appropriation :-					
FY2004 – final dividend of 10%, less tax	-	-	-	(9,827)	(9,827)
FY2005 – interim dividend of 9%, less tax	-	-	-	(8,851)	(8,851)
Shares repurchased	-	(2,176)	-	-	(2,176)
Options exercised	1,004	-	2,014	-	3,018
Balance as at 30 June 2005	<u>137,045</u>	<u>(2,176)</u>	<u>29,291</u>	<u>127,052</u>	<u>291,212</u>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2005 and the accompanying explanatory notes attached to the Interim Financial Statements.)*

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	<b>30-06-06</b>	<b>30-06-05</b>
	<b>RM' 000</b>	<b>RM' 000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	63,527	45,931
Adjustments for :		
Depreciation of property, plant and equipment	8,758	8,246
Share of result of associated companies	(37,272)	(35,131)
Other non-cash items	131	1,241
Interest, dividend income and profit from investing activities	(2,252)	(2,050)
Operating profit before working capital changes	32,892	18,237
Changes in working capital :		
Net change in current assets	(27,805)	(245)
Net change in current liabilities	21,939	(7,728)
Cash generated by operations	27,026	10,264
Tax paid	(3,596)	(2,969)
Tax refund	70	203
<b>Net cash generated by operating activities</b>	<b>23,500</b>	<b>7,498</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary company net of cash acquired	1,796	-
Investment in an associated company	(2,052)	(4)
Investment in portfolio and other short term investments	(14,394)	(6,000)
Proceeds from redemption of preference shares by an associated Company	-	16,500
Proceeds from disposal of short term investments	10,629	6,103
Interest and dividend income	22,692	15,020
Withdrawal of deposits	1,302	-
Placement of deposits	(1,263)	(2,253)
Proceeds from disposal of club membership	-	30
Proceeds from disposal of property, plant and equipment	149	26
Purchase of property, plant and equipment	(5,168)	(20,020)
<b>Net cash generated by investing activities</b>	<b>13,691</b>	<b>9,402</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(129)	(144)
Dividend paid	(19,655)	(18,677)
Proceeds from issue of shares	4,076	3,017
Proceeds from shares issued to minority interest	96	-
Repayment of hire purchase financing	(741)	(648)
Share issue expenses paid	-	(1)
Shares repurchased	(7,132)	(2,176)
<b>Net cash used in financing activities</b>	<b>(23,485)</b>	<b>(18,629)</b>
Effects of exchange rate changes	(120)	425
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>13,586</b>	<b>(1,304)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		
As previously reported	31,531	32,729
Effects of exchange rate changes on cash and cash equivalents	338	106
As restated	31,869	32,835
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note A15)</b>	<b>45,455</b>	<b>31,531</b>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 June 2005 and accompanying explanatory notes attached to the Interim Financial Statements.)*

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## INTERIM FINANCIAL REPORT

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### **A. NOTES TO THE INTERIM FINANCIAL REPORT**

#### **A1 Basis of preparation**

The interim financial report has been prepared in compliance with Financial Reporting Standard (FRS) 134: Interim Financial.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2005.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 30 June 2005.

#### **A2 Auditors' report of preceding annual financial statements**

The auditors' report on preceding year's audited financial statements was not subject to any qualification.

#### **A3 Seasonal or cyclical factors**

The Group's operations are not affected by seasonal or cyclical factors.

#### **A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

#### **A5 Material changes in estimates**

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

#### **A6 Debt and equity securities**

(i) During the current financial year, the Company increased its issued and paid-up share capital from RM137,045,429 to RM138,518,952 by the allotment of 14,735,230 new ordinary shares of RM0.10 each pertaining to the exercise of 14,735,230 shares under the Employees' Share Option Scheme.

(ii) During the current financial year, the Company repurchased a total of 14,930,500 ordinary shares of RM0.10 each from the open market for a total consideration of RM7,132,286 at average cost of RM0.48 per share. The repurchase transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial year.

#### **A7 Dividends paid**

The dividends paid during the financial year were as follows :-

- i) A final dividend of 10% per ordinary share of RM0.10 each, less 28% tax, amounting to RM9,823,288 in respect of the previous financial year was paid on 28 December 2005.
- ii) An interim dividend of 10% per ordinary share of RM0.10 each, less 28% tax, amounting to RM9,831,776 in respect of the current financial year was paid on 29 June 2006.

**DIALOG GROUP BERHAD**

Company No. 178694 – V

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**INTERIM FINANCIAL REPORT****A. NOTES TO THE INTERIM FINANCIAL REPORT – CONT'D****A8 Segment information**

The Group operates principally in the oil, gas and petrochemical industry in Malaysia and other countries within the Asian region.

Segment information in respect of the Group's geographical segments are as follows :-

	<b>Revenue</b> <b>12 months ended</b> <b>30-06-06</b> <b>RM'000</b>	<b>Profit before tax</b> <b>12 months ended</b> <b>30-06-06</b> <b>RM'000</b>
Malaysia	207,429	17,314
Singapore	140,432	9,154
Other countries	<u>1,322</u>	<u>(213)</u>
	349,183	26,255
Share of profit of associated companies	<u>-</u>	<u>37,272</u>
	<u><u>349,183</u></u>	<u><u>63,527</u></u>

**A9 Property, plant and equipment**

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements.

**A10 Material events subsequent to the end of the interim period**

There were no material events subsequent to the current financial year ended 30 June 2006 up to the date of this report which, is likely to substantially affect the results of the operations of the Group.

**A11 Changes in the composition of the Group**

(i) On 18 April 2006, Dialog System (Asia) Pte Ltd ("DSAPL"), a wholly owned subsidiary company of the Group, incorporated a 60% owned subsidiary company, OTEC Holdings Pte Ltd. ("OTEC"), which has a paid up share capital of SGD 8,675,000. OTEC has investments in two wholly owned subsidiaries, ie. Overseas Technical Engineering and Construction Pte Ltd and Overseas Manufacturing (Johor) Sdn Bhd, and an associated company, ie. Overseas Technical Engineering & Construction Sdn Bhd.

(a) The effect of the acquisition on the financial results of the Group during the financial quarter period are as follows:

	30-06-06 RM'000
Revenue	16,924
Operating costs	<u>(15,272)</u>
	1,652
Taxation	(311)
Share by minority interest	<u>(536)</u>
Increase in Group net profit	<u><u>805</u></u>

**DIALOG GROUP BERHAD**

Company No. 178694 – V

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT****A. NOTES TO THE INTERIM FINANCIAL REPORT – CONT'D**

- (b) The effect of the acquisition on the financial position of the Group at the end of the financial period are as follows:

	30-06-06 RM'000
Property, plant and equipment	6,707
Current Assets	38,767
Current Liabilities	(23,782)
Long term liabilities	(223)
Exchange Reserves	75
Minority Interest	(337)
	<u>21,207</u>
Share by minority interest	<u>(8,483)</u>
Increase in Group net assets	<u>12,724</u>

- (ii) On 25 May 2006, Dialog (Labuan) Ltd (“DLL”), a wholly owned subsidiary company of the Group acquired the entire issued and paid-up share capital of GNT International Limited (“GNT”), comprising of 1 ordinary share of USD 1 each for a total cash consideration of USD 1.

The above acquisition does not have any material impact on the net tangible assets and earnings of the Group.

Other than the above, there were no other material changes in the composition of the Group during the current financial quarter.

**A12 Contingent liabilities**

The Company has given corporate guarantees amounting to RM134,714,800 (As at 30/06/2005: RM128,070,640) to licensed banks for banking facilities granted to certain subsidiary companies. Consequently, the Company is contingently liable for the amount of banking facilities utilised by these subsidiary companies totalling RM18,063,408 as at 30 June 2006 (As at 30/06/2005: RM14,941,036).

The Company has also given corporate guarantees amounting to USD8,000,000 to a supplier of certain subsidiary companies for supply of goods.

**A13 Capital commitments**

	30-06-06 RM'000
Capital expenditures in respect of property, plant and equipment :	
Contracted but not provided for	667
Approved but not contracted for	50
	717
Operating lease commitments :	
- not later than one year	285
- later than one year and not later than five years	328
	613
	<u>1,330</u>

**DIALOG GROUP BERHAD**

Company No. 178694 – V

(Incorporated in Malaysia)

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**INTERIM FINANCIAL REPORT**

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**A. NOTES TO THE INTERIM FINANCIAL REPORT – CONT'D****A14 Related party transactions****30-06-06  
RM'000**

Rental of premises paid and payable to companies which are owned by a director of the Company, Ngau Boon Keat and his spouse and children	
- GMC Sdn Bhd	58
- Wide Synergy Sdn Bhd	84
Subcontracts from an associated company, Kertih Terminals Sdn Bhd	356
Commission received from an associated company, Helix RDS Sdn Bhd	80
Gross dividend received from an associated company, Kertih Terminals Sdn Bhd	<u>29,833</u>

The terms, conditions and prices of the above transactions are not materially different from those obtainable in transactions with unrelated parties.

**A15 Cash and cash equivalents****30-06-06  
RM'000**

Deposits, cash and bank balances	58,944
Less: Deposits pledged to licensed banks	<u>(13,489)</u>
	<u>45,455</u>



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**INTERIM FINANCIAL REPORT**

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1 Review of performance**

The Group posted a 38% increase in revenue to RM349.2 million for the current financial year as compared to RM253.9 million for the preceding financial year. Profit before tax also increased by 38% to RM63.5 million this financial year in comparison with RM45.9 million for the last financial year.

The better revenue and profit recorded for Financial Year 2006 were attributed to the higher specialist technical services and product sales to both Malaysia and regional countries.

For the current fourth quarter, revenue was up by 61% and profit before tax was up by 71% as compared to the corresponding quarter last financial year. It was contributed by the increased sales of specialist technical services and products and maintenance services.

**B2 Variation of results against preceding quarter**

The Group's revenue for the current financial quarter of RM115.7 million, was 30% higher than the RM88.7 million achieved in the preceding financial quarter. This was due to increased sales of specialist technical services and products and maintenance services.

The Group's profit before taxation for the current financial quarter increased by 21% from RM17.7 million to RM21.5 million this quarter as compared to the preceding financial quarter. The better performance was in line with the increased revenue contribution.

**B3 Prospects**

The prospect of the Group is very positive as it has built a solid foundation and reputation as an integrated specialist technical services, as well as engineering & construction services provider to the oil, gas and petrochemical industry. Supported by our global technology partners, the Group is in a strong position to capitalise on the tremendous business opportunities existing in this industry, both locally and overseas.

It is now clear that our strategy to focus on integrated specialist technical services has begun to bear fruit. We are very confident our new operations in Australia, Saudi Arabia and other countries will contribute positively to the earnings of Dialog in the future.

Barring any unforeseen circumstances, the Group is very optimistic that its performance will be favourable for the financial year ending 30 June 2007.

**B4 Profit forecast and profit guarantee**

The Group does not announce any profit forecast nor profit guarantee during the current financial quarter.

**B5 Taxation**

	<b>12 months ended</b>
	<b>30-06-06</b>
	<b>RM' 000</b>
Current taxation	5,728
Under provision in prior years	105
Deferred tax	797
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	6,630
Share of taxation in associated companies	10,337
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	16,967
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**INTERIM FINANCIAL REPORT****B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D****B5 Taxation (Cont'd)**

The tax charge of the Group for the year ended 30 June 2006 reflects an effective tax rate which is lower than the statutory tax rate of 28% due to lower tax rate applicable to small and medium size subsidiary companies and a lower tax rate in foreign jurisdiction.

**B6 Unquoted investment and properties**

There were no disposal of unquoted investments and properties during the financial quarter and financial year to-date.

**B7 Quoted securities**

The Group's investment in quoted securities are managed by professional fund managers. Purchase or disposal of quoted securities for the current financial year are as follows:

	<b>12 months ended 30-06-06 RM' 000</b>
Purchase consideration	8,054
Sales proceeds	4,211
Loss on disposal	<u>(355)</u>

Investments in quoted securities as at 30 June 2006 are as follows:

	<b>Cost RM' 000</b>	<b>Book value RM' 000</b>	<b>Market value RM' 000</b>
Total quoted securities	<u>17,845</u>	<u>16,044</u>	<u>16,044</u>

**B8 Status of corporate proposals**Memorandum of Understanding between Dialog Group Berhad and PT Pertamina (Persero)

On 22 September 2005, the Company entered into a Memorandum of Understanding ("MOU") with PT Pertamina (Persero) ("PERTAMINA"), an Indonesian state owned enterprise. The MOU seeks co-operation from both parties for the development of projects in Indonesia and other countries, mainly in the areas of improving hydrocarbon recovery from matured oil and gas fields of PERTAMINA and development of petroleum terminals.

Discussion on the co-operation is in progress.

**B9 Borrowings and debt securities**

	<b>FC' 000</b>	<b>RM' 000</b>
Short term borrowing:		
Hire purchase creditors (secured)	212	489
Long term borrowing:		
Hire purchase creditors (secured)	<u>244</u>	<u>563</u>
	<u>456</u>	<u>1,052</u>

The above hire purchase creditors are denominated in Singapore Dollars ("SGD").

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**INTERIM FINANCIAL REPORT**

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D**

**B10 Off balance sheet financial instruments**

As at 16 August 2006, the forward foreign exchange contracts which have been entered into by the Group to hedge its foreign currency receivables/payables are as follows:

Currency	Contract Amount FC' 000	Contract Date	Contract Type	Contract Period	Outstanding Contract Amount	
					FC' 000	RM' 000
<b><u>Receivables</u></b>						
USD	76	11-07-06	Optional	11-07-06 to 13-09-06	76	277
<b><u>Payables</u></b>						
GBP	51	19-06-06	Optional	21-09-06 to 23-10-06	51	342
GBP	240	24-07-06	Optional	24-07-06 to 27-12-06	240	1,672
USD	39	21-07-06	Optional	01-08-06 to 25-08-06	39	143

The Group does not foresee any significant credit and market risks associated with the above forward exchange contracts as they are entered into with approved financial institutions in line with the Group's policy.

There is no cash requirement for the above forward foreign exchange contract.

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling on transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at the closing rates of exchange on that date. Gains or losses on foreign exchange are taken up in the income statement.

**B11 Material litigation**

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the position or business of the Group, except for a claim against the Group's wholly owned subsidiary by a former employee for reinstatement, wages and benefits together with certain arrears of salary.

**B12 Dividends**

(a) An interim dividend of 10% less 28% tax (previous corresponding period : 9% less 28% tax) per ordinary share of RM0.10 each in respect of current financial year was paid on 29 June 2006.

On 22<sup>nd</sup> August 2006, the Board has approved the following Special Dividend payments in respect of the financial year ended 30 June 2006 :-

- (i) a tax exempt Special Share Dividend of one (1) treasury share for every fifty (50) existing ordinary shares of RM0.10 each held, fractions to be disregarded; and
- (ii) a Special Cash Dividend of 15% less 28% tax per ordinary share of RM0.10 each.

If approved by the relevant authorities, the entitlement to both the Special Share Dividend and Special Cash Dividend will be determined based on shareholders registered in the record of depositors on 12 September 2006. The date of payment of the Special Cash Dividend will be on 29 September 2006 while the date of crediting the Special Share Dividend will be within ten (10) market days from 12 September 2006.

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D****B12 Dividends (Cont'd)**

The Board recommends a final dividend of 11% less 28% tax (preceding year : 10% less 28% tax) per ordinary share of RM0.10 each in respect of the current financial year for approval of the shareholders at the forthcoming Annual General Meeting.

- (b) Total dividends for the current financial year will comprise of the following :-
- (i) Interim dividend of 10% less 28% tax per ordinary share of RM0.10 each;
  - (ii) Special dividend which comprises of a tax exempt special share dividend of one (1) treasury share for every fifty (50) existing ordinary shares held and cash dividend of 15% less 28% tax per ordinary share of RM0.10 each; and
  - (iii) Proposed final dividend of 11% less 28% tax per ordinary share of RM0.10 each.

**B13 Earnings per share**

The basic earnings per share for the quarter is calculated based on consolidated profit after taxation and minority interest of RM14,528,424 and weighted average number of ordinary shares in issue of 1,366,048,131 (previous corresponding period : RM8,418,619 and 1,364,312,425 shares).

The diluted earnings per share for the quarter is calculated based on consolidated profit after taxation and minority interest of RM14,528,424 and on the adjusted weighted average number of ordinary shares issued and issuable of 1,374,336,191 (previous corresponding period : RM8,418,619 and 1,371,934,742). The adjusted weighted average number of ordinary shares issued and issuable has been arrived at based on the assumption that ESOS are exercised at the beginning of the financial year or the date of ESOS granted and the ordinary shares to be issued under ESOS are deemed to have been issued for no consideration.

The basic earnings per share and the diluted earnings per share for the financial year are calculated based on the following weighted average number of ordinary shares :

	<b>30-06-06</b>
Weighted average number of ordinary shares in issue	1,363,997,643
Weighted average number of ordinary shares deemed to have been issued for no consideration upon exercise of ESOS	<u>6,138,544</u>
Weighted average number of ordinary shares for diluted earnings per share	<u><u>1,370,136,187</u></u>

Date : 22 August 2006