

DIALOG GROUP BERHAD

Company No. 178694 – V

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED
30 JUNE 2008**

	INDIVIDUAL PERIOD 3 MONTHS ENDED		CUMULATIVE PERIOD 12 MONTHS ENDED	
	30/06/2008 RM'000	30/06/2007 RM'000	30/06/2008 RM'000	30/06/2007 RM'000
Revenue	182,645	167,452	797,272	476,633
Operating expenses	(172,662)	(156,494)	(734,516)	(451,137)
Other operating income	610	(2,101)	3,808	5,072
Share of post-tax profit in associated companies	10,278	6,764	31,439	28,587
Finance costs	(315)	(37)	(731)	(185)
Profit before tax	20,556	15,584	97,272	58,970
Tax expense	(3,144)	(2,354)	(15,713)	(7,386)
Profit for the period	<u>17,412</u>	<u>13,230</u>	<u>81,559</u>	<u>51,584</u>
Attributable to:				
Equity holders of the parent	16,448	12,778	75,668	49,280
Minority interest	964	452	5,891	2,304
	<u>17,412</u>	<u>13,230</u>	<u>81,559</u>	<u>51,584</u>
Basic earnings per ordinary share of RM0.10 each (sen)	<u>1.18</u>	<u>0.90</u>	<u>5.41</u>	<u>3.54</u>
Diluted earnings per ordinary share of RM0.10 each (sen)	<u>1.18</u>	<u>0.90</u>	<u>5.40</u>	<u>3.54</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.)

DIALOG GROUP BERHAD

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CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	30/06/2008	30/06/2007
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	161,194	108,043
Prepaid lease payments for land	33,089	15,805
Intangible assets	6,442	6,443
Investment in associated companies	113,023	108,408
Other investments	2,075	1,902
Deferred tax assets	4,600	3,546
	320,423	244,147
CURRENT ASSETS		
Amounts due from customers for contract works	51,015	53,864
Inventories	22,646	22,670
Trade receivables	143,703	90,228
Other receivables, deposits and prepayments	14,450	8,370
Amount due from jointly controlled entities	18,063	–
Amount due from associated companies	1,448	131
Short term and portfolio investments	–	393
Deposits, cash and bank balances	81,822	59,995
	333,147	235,651
TOTAL ASSETS	653,570	479,798

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**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008
(CONT'D)**

	30/06/2008	30/06/2007
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	141,321	141,321
Reserves	246,600	191,327
Treasury shares	(8,576)	(8,129)
	379,345	324,519
Minority interest	22,059	15,931
TOTAL EQUITY	401,404	340,450
NON-CURRENT LIABILITIES		
Hire purchase creditors	2,296	364
Term loans	13,892	–
Deferred tax liabilities	1,806	1,601
	17,994	1,965
CURRENT LIABILITIES		
Amounts due to customers for contract works	15,248	7,394
Trade payables	120,087	98,045
Other payables and accruals	77,639	26,962
Amount due to a jointly controlled entity	821	757
Amount due to associated companies	676	554
Term loans	9,989	–
Hire purchase creditors	964	352
Tax payables	8,748	3,319
	234,172	137,383
TOTAL LIABILITIES	252,166	139,348
TOTAL EQUITY AND LIABILITIES	653,570	479,798

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.)

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CONDENSED CONSOLIDATION STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

	Attributable To Equity Holders Of The Parent							Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Other reserves RM'000	Retained Profits RM'000	Total RM'000	Minority interest RM'000	
	Balance as at 1 July 2007	141,321	25,147	(8,129)	925	165,255	324,519	
Currency translation differences	–	–	–	1,917	–	1,917	–	1,917
Income recognised directly in equity	–	–	–	1,917	–	1,917	–	1,917
Profit for the year	–	–	–	–	75,668	75,668	5,891	81,559
Total recognised income for the year	–	–	–	1,917	75,668	77,585	5,891	83,476
Appropriation :-								
Final dividend for FY2007	–	–	–	–	(12,252)	(12,252)	–	(12,252)
Interim dividend for FY2008	–	–	–	–	(11,384)	(11,384)	–	(11,384)
Share options granted under ESOS	–	–	–	1,428	–	1,428	–	1,428
Share issue expenses	–	(104)	–	–	–	(104)	–	(104)
Shares repurchased	–	–	(447)	–	–	(447)	–	(447)
Shares issued to minority interest	–	–	–	–	–	–	96	96
Additional interest in subsidiaries	–	–	–	–	–	–	156	156
Shares purchased from minority interest	–	–	–	–	–	–	(15)	(15)
Balance as at 30 June 2008	141,321	25,043	(8,576)	4,270	217,287	379,345	22,059	401,404
Balance as at 1 July 2006	138,519	30,622	(9,308)	1,313	152,425	313,571	12,819	326,390
Currency translation differences	–	–	–	(388)	–	(388)	–	(388)
Dilution of interest in subsidiary companies (Expense)/Income recognised directly in equity	–	–	–	–	(312)	(312)	427	115
Profit for the year	–	–	–	(388)	(312)	(700)	427	(273)
Total recognised income and expense for the year	–	–	–	(388)	49,280	49,280	2,304	51,584
Appropriation :-								
Final dividend for FY2006	–	–	–	–	(11,089)	(11,089)	–	(11,089)
Special cash dividend for FY2006	–	–	–	–	(14,838)	(14,838)	–	(14,838)
Special share dividend for FY2006	–	(14,192)	14,192	–	–	–	–	–
Interim dividend for FY2007	–	–	–	–	(10,211)	(10,211)	–	(10,211)
Disposal of shares to minority interest	–	–	–	–	–	–	(126)	(126)
Effect of acquisition of interest in subsidiary company	–	–	–	–	–	–	(2,006)	(2,006)
Reinstatement of minority interest	–	–	–	–	–	–	174	174
Share options exercised	2,802	8,828	–	–	–	11,630	–	11,630
Share issue expenses	–	(111)	–	–	–	(111)	–	(111)
Shares issued to minority interest	–	–	–	–	–	–	2,339	2,339
Shares repurchased	–	–	(13,013)	–	–	(13,013)	–	(13,013)
Balance as at 30 June 2007	141,321	25,147	(8,129)	925	165,255	324,519	15,931	340,450

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.)

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	30/06/2008 RM'000	30/06/2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	97,272	58,970
Adjustments for :		
Depreciation and amortisation expenses	12,317	10,013
Share of results of associated companies	(31,439)	(28,587)
Other non-cash items	767	(2,012)
Interest, dividend income and profit from investing activities	(321)	(2,389)
Operating profit before working capital changes	78,596	35,995
Changes in working capital :		
Net change in current assets	(60,074)	(67,625)
Net change in current liabilities	26,761	31,444
Cash generated from / (used in) operations	45,283	(186)
Dividend and interest received	27,963	26,865
Tax paid	(13,981)	(6,542)
Tax refund	1,386	206
Net cash generated from operating activities	60,651	20,343
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investment in a subsidiary company	(15)	–
Acquisition of a subsidiary company, net of cash acquired	–	(925)
Investment in short term, portfolio and other investments	–	(9,168)
Proceed from disposal of shares in subsidiary company	–	199
Proceeds from disposal of short term and portfolio investments	370	44,871
Proceed from disposal of property, plant and equipment	1,978	348
Net change in fixed deposits with licensed bank	1,490	9,545
Proceeds from redemption of preferences shares by an associated company	–	16,500
Payments of prepaid lease for land	(16,967)	(5,005)
Purchase of other investment	(60)	(1,559)
Net purchase of property, plant and equipment	(63,442)	(28,363)
Net cash (used in) / generated from investing activities	(76,646)	26,443

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008 (CONT'D)

	30/06/2008 RM'000	30/06/2007 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances to jointly controlled entities	(9,536)	–
Advances from a shareholder of a jointly controlled entity	50,668	–
Interest and dividend paid	(24,258)	(36,265)
Proceeds from issue of shares	–	11,630
Proceeds from shares issued to minority shareholders	96	2,339
Repayment of hire purchase financing	(838)	(309)
Net proceeds from term loans drawdown	23,881	–
Share issue expenses	(104)	(111)
Shares repurchased	(447)	(13,013)
	<hr/>	<hr/>
Net cash generated from / (used in) financing activities	39,462	(35,729)
	<hr/>	<hr/>
Effects of exchange rate changes	(3,714)	(21)
	<hr/>	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,753	11,036
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		
As previously reported	56,051	45,399
Effects of exchange rate changes on cash and cash equivalents	3,565	(384)
	<hr/>	<hr/>
As restated	59,616	45,015
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	79,369	56,051
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(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and accompanying explanatory notes attached to the Interim Financial Statements.)

INTERIM FINANCIAL REPORT

NOTES TO THE INTERIM FINANCIAL REPORT

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Financial Reporting Standards (“FRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa”) Listing Requirements and should be read in conjunction with the Group’s annual audited financial report for the financial year ended 30 June 2007. 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 30 June 2007.

A2 Auditors’ report of preceding annual audited 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

During the current financial year, the Company repurchased a total of 280,000 ordinary shares of RM0.10 each from the open market for a total consideration of RM447,030. The repurchased 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.

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A EXPLANATORY NOTES PURSUANT TO FRS 134 – CONT'D**A7 Dividends paid**

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

- i) A final dividend of 12% per ordinary share of RM0.10 each, less 27% tax, amounting to RM12,252,356 in respect of the previous financial year was paid on 28 December 2007.
- ii) An interim dividend of 11% per ordinary share of RM0.10 each, less 26% tax, amounting to RM11,384,202 in respect of the current financial year was paid on 27 June 2008.

A8 Segment information

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

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

	Revenue 12 months ended 30-06-08 RM'000	Profit before tax 12 months ended 30-06-08 RM'000
Malaysia	420,232	45,193
Asia Pacific and other countries	<u>377,040</u>	<u>20,640</u>
	<u>797,272</u>	65,833
Share of profit after tax of associated companies		<u>31,439</u>
		<u>97,272</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 2008 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

There were no changes in the composition of the Group during the current quarter ended 30 June 2008.

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INTERIM FINANCIAL REPORT**A EXPLANATORY NOTES PURSUANT TO FRS 134 – CONT'D****A12 Capital commitments**

	30-06-08
	RM'000
Capital expenditures in respect of property, plant and equipment :	
- contracted but not provided for	13,262
- approved but not contracted for	149,599
Operating lease commitments :	
- not later than one year	1,924
- later than one year and not later than five years	395
	2,319
	<u>165,180</u>

A13 Changes in contingent liabilities and contingent assets

The Company provides corporate guarantee up to a total amount of RM379,883,000 (as at 30.06.07: RM158,343,025) 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 totaling RM113,939,449 (as at 30.06.07: RM53,084,922).

The Company has also given corporate guarantees amounting to RM40,340,000 (as at 30.06.07: RM42,560,000) to third parties for supply of goods and warehouse licenses for certain subsidiary companies.

The Company also provides corporate guarantee amounting to RM 110,000,000 (as at 30.06.07: RM nil) to a joint venture partner for facilities extended by the joint venture partner to a jointly controlled entity. Consequently, the Company is contingently liable for the outstanding advances totaling RM47,404,500 (as at 30.06.07: RM nil).

A14 Significant related party transactions

	12 months ended
	30-06-08
	RM'000
Contract revenue from jointly controlled entities	35,964
Services rendered by a jointly controlled entity	5,089
Gross dividend received from an associated company	36,986
	<u>78,039</u>

A15 Cash and cash equivalents

	30-06-08
	RM'000
Deposits, cash and bank balances	81,822
Less: Deposits pledged to a licensed bank	(2,453)
	<u>79,369</u>

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A EXPLANATORY NOTES PURSUANT TO FRS 134 – CONT'D**A16 Trade receivables****30-06-08
RM'000**

Trade receivables	<u>143,703</u>
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As at the date of this report, the Group has subsequently collected RM96.9 million from the trade receivables which represents 67% of the total outstanding balance.

A17 Other payables and accruals**30-06-08
RM'000**

Amount due to a shareholder of a jointly controlled entity	50,668
Accrual	2,570
Other payables	<u>24,401</u>
	<u>77,639</u>

Included in the above amount due to a shareholder of a jointly controlled entity is RM47,404,500, being advance which is secured by the Company's corporate guarantee.

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

The Group posted a 67% growth in revenue to RM797.3 million from RM476.6 million recorded last year. Operating profit before tax increased by 117% from RM30.4 million to RM65.8 million with improved operating margin. Correspondingly, net profit after tax was also up by 58% to a record profit of RM81.6 million as compared to RM51.6 million last year.

The outstanding results were attributable to the growth experienced in all divisions, in particular the Plant Maintenance and Specialist Products & Services divisions, both in Malaysia and other regional countries.

The revenue and net profit after tax for the current financial quarter of RM182.6 million and RM17.4 million was 9% and 32% higher respectively when compared to the same quarter last year. The better results were mainly due to higher contributions from Plant Maintenance, Specialist Products & Services and share of profit after tax from the associated companies.

B2 Variation of results against preceding quarter

During the current quarter, the Group recognised a lower revenue for the ongoing new projects and some completed projects from EPCC and Plant Maintenance divisions. In line with lower revenue, the Group's profit before tax was also lower when compared to the preceding quarter.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD – CONT'D**B3 Prospects**

The Group will continue to grow businesses with long term recurring income through its investments in centralised tankage facilities both locally and overseas, expansion of catalyst handling services worldwide and expansion of plant maintenance services regionally. The Group's presence in overseas market as an integrated specialist technical services provider will facilitate the Group to achieve this strategy.

In addition, the Group shall continue to strengthen the engineering capability in order to support the growing demand for EPCC, fabrication and plant maintenance activities.

Barring any unforeseen circumstances, the Group is very optimistic that its performance will be favourable for the financial year ending 30 June 2009.

B4 Profit forecast and profit guarantee

The Group did not announce any profit forecast nor profit guarantee for the current financial year.

B5 Taxation

	3 months ended	12 months ended
	30-06-08	30-06-08
	RM'000	RM'000
Current tax expense	3,022	16,863
Deferred tax (income) / expense	320	(857)
Over provision in prior years	(198)	(293)
Total tax expense	<u>3,144</u>	<u>15,713</u>

The tax charge of the Group for the period ended 30 June 2008 took into consideration an effective tax rate which incorporates the gradual reduction for the changes of local statutory tax rate from 27% to 26%. Overall effective tax rates of the current quarter and the financial year are still lower than the statutory tax rate of 26%, due to lower tax rate applicable to small and medium size subsidiary companies and lower tax rate in certain foreign jurisdictions.

B6 Unquoted investment and properties

There were no disposals of unquoted investment and/or properties during the current financial year.

B7 Quoted securities

In Quarter 1 of the current financial year, the Group disposed of all its investments in quoted securities. The sales proceed from the disposal was RM370,000 and the loss arising from the disposal was RM30,703.

Other than the above, there were no other purchase nor disposal of quoted securities during the current financial year.

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

B8 Status of corporate proposals

There was no corporate proposal announced but not completed as at the date of this announcement.

B9 Borrowings and debt securities

As at 30 June 2008, the Group's secured borrowings are as follows:

	Currency	FC'000	RM'000
Short term borrowing:			
Hire purchase creditors	GBP	23	149
Hire purchase creditors	SGD	314	780
Hire purchase creditors	THB	336	35
Term loan	SGD	406	983
Term loan	GBP	200	1,306
Term loan	RM	7,700	7,700
Long term borrowing:			
Hire purchase creditors	GBP	20	132
Hire purchase creditors	SGD	891	2,126
Hire purchase creditors	THB	378	38
Term loan	SGD	538	1,292
Term loan	RM	12,600	12,600
			<u>27,141</u>

B10 Off balance sheet financial instruments

As at 14 August 2008, 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		Contract	Contract	Contract	Outstanding	
	Amount	Date				Type	Period
	FC'000					FC'000	RM'000
<u>Receivables</u>							
USD	345	14.01.08	Optional		14.01.08 – 28.11.08	106	343
USD	1,500 to 3,000	20.03.08	Multi Optional		20.03.08 – 30.09.08	500 to 1,000	1,630 to 3,260
USD	140	15.04.08	Optional		15.04.08 – 31.12.08	140	443
USD	1,250	25.04.08	Optional		25.04.08 – 16.10.08	750	2,443
SGD	510	02.05.08	Optional		02.05.08 – 06.11.08	510	1,180
SGD	1,028	30.05.08	Optional		30.05.08 – 09.10.09	1,028	2,437
SGD	276	03.06.08	Optional		03.06.08 – 05.12.08	276	650
USD	88	14.07.08	Optional		14.07.08 – 16.10.08	88	285
GBP	9	22.07.08	Optional		22.07.08 – 24.10.08	9	58

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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 (Cont'd)**

Currency	Contract Amount FC'000	Contract Date	Contract Type	Contract Period	Outstanding Contract Amount	
					FC'000	RM'000
<u>Payables</u>						
USD	124	05.09.07	Optional	05.09.07 – 30.09.08	124	394
USD	1,267	01.07.08	Optional	01.07.08 – 30.11.08	1,267	4,141
GBP	200	02.07.08	Optional	02.07.08 – 05.01.09	100	654
USD	26	03.07.08	Optional	03.07.08 – 30.09.08	26	86
SGD	528	11.07.08	Optional	11.07.08 – 15.08.08	528	1,264
GBP	295	14.07.08	Optional	14.07.08 – 30.12.08	295	2,032
GBP	17	15.07.08	Optional	15.07.08 – 30.12.08	17	118
GBP	362	15.07.08	Optional	15.07.08 – 30.12.08	362	2,494
USD	300	22.07.08	Optional	28.07.08 – 28.08.08	300	976
USD	300	22.07.08	Optional	28.08.08 – 29.08.08	300	975
EUR	153	23.07.08	Optional	23.07.08 – 26.01.09	153	782
EUR	64	23.07.08	Optional	23.07.08 – 31.03.09	64	328
EUR	140	23.07.08	Optional	23.07.08 – 30.12.08	140	757
EUR	9	25.07.08	Optional	25.07.08 – 28.11.08	9	47
USD	121	31.07.08	Optional	31.07.08 – 31.12.08	121	394
SGD	31	05.08.08	Optional	05.08.08 – 19.08.08	31	73
USD	1,300	05.08.08	Optional	05.08.08 – 22.08.08	1,300	4,264
USD	55	06.08.08	Optional	06.08.08 – 15.08.08	55	179
USD	341	06.08.08	Optional	06.08.08 – 10.11.08	341	1,121
USD	270	08.08.08	Optional	08.08.08 – 03.12.08	270	895
USD	151	11.08.08	Optional	11.08.08 – 15.09.08	151	502

There is no cash requirement for the above forward foreign exchange contract. These contracts are recognised in the accounts upon settlement.

B11 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceeding that might materially affect the financial position or business of the Group.

B12 Dividends

- (a) The Board recommends a final dividend of 20% less 26% tax (preceding year : 12% less 27% 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 dividend for the current financial year will be 31% which comprises of the following:-
- (i) Interim dividend of 11% less 26% tax per ordinary share of RM0.10 each; and
 - (ii) Proposed final dividend of 20% less 26% tax per ordinary share of RM0.10 each.

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

B13 Earnings per share

The basic earnings per share for the current quarter is calculated based on profit attributable to the equity holders of the parent of RM16,448,037 and weighted average number of ordinary shares in issue of 1,398,550,447 (previous corresponding period: RM12,778,315 and 1,373,127,646 shares).

The diluted earnings per share for the current quarter is calculated based on profit attributable to the equity holders of the parent of RM16,448,037 and on the adjusted weighted average number of ordinary shares issued and issuable of 1,398,871,014 (previous corresponding period: RM12,778,315 and 1,376,626,730 shares). 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. The ordinary shares to be issued under ESOS are based on the assumed proceeds on the difference between share price and exercise price.

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 :

	30-06-08
Weighted average number of ordinary shares in issue	1,398,673,917
Weighted average number of ordinary shares deemed to have been issued for no consideration upon exercise of ESOS	1,580,917
Weighted average number of ordinary shares for diluted earnings per share	<u>1,400,254,834</u>

Date: 21 August 2008