

INTEGRAX BERHAD
Company No. : 49317 - W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 31 MARCH 2010

ABBREVIATIONS

In these interim financial statements, unless otherwise stated, the following abbreviations shall have the following meanings:-

“Act”	:	Companies Act, 1965
“DMT”	:	Dry Metric Tonnes of Nickel Ore
“EBIT”	:	Earnings before interest and tax
“EPS”	:	Earnings per share
“FRSs”	:	Financial Reporting Standards
“Group”	:	Integrax and its subsidiaries
“Integrax” or the “Company”	:	Integrax Berhad (<i>Company No. 49317-W</i>)
“IJE”	:	P.T. Integra Jasa Energi, a 95% owned subsidiary of Integrax established in the Republic of Indonesia
“INDX”	:	P.T. Indoexchange Tbk, a 70.31% owned subsidiary of Integrax listed on the Indonesia Stock Exchange (IDX) which has emerged as a result of a merger between the Jakarta Stock Exchange and Surabaya Stock Exchange in the Republic of Indonesia
“HRH”	:	Halim Rasip Holdings Sdn. Bhd. (<i>Company No. 64655-T</i>)
“LBT”	:	Lekir Bulk Terminal, a common-user bulk port facility
“LBTBSB”	:	Lekir Bulk Terminal Sdn. Bhd. (<i>Company No. 414060-T</i>), an 80% owned subsidiary of PLSB
“LBT Serial Bonds”	:	12½ years zero coupon Serial Bonds of RM445 million issued by LBTBSB
“LBT RCCPS”	:	Redeemable cumulative convertible preference share(s) of RM0.01 each in LBTBSB
“LMT”	:	Lumut Maritime Terminal, a common-user multi purpose port facility
“LMTSB”	:	Lumut Maritime Terminal Sdn. Bhd. (<i>Company No. 180480-D</i>)
“LMT RPS”	:	Redeemable preference share(s) of RM0.01 each in LMTSB which is convertible to ordinary shares of RM1.00 each in LMTSB as per the Memorandum and Articles of Association
“LPIP”	:	Lumut Port Industrial Park, the industrial properties division of LMTSB
“Lumut Port”	:	Lekir Bulk Terminal and Lumut Maritime Terminal collectively
“NAD”	:	Nanggroe Aceh Darussalam, Indonesia

“PLSB”	:	Pelabuhan Lumut Sdn. Bhd. (<i>Company No. 168205-M</i>), a wholly owned subsidiary of Integrax
“PATSC”	:	Profit attributable to shareholders of the Company
“PBT”	:	Profit Before Tax
“PKS”	:	Petrokapal Sdn. Bhd. (<i>Company No. 30921-D</i>), a wholly owned subsidiary of HRH
“ PT LINES”	:	P.T. Pelayaran Indx Lines, a 99% owned subsidiary of P.T. Indoexchange Tbk established in the Republic of Indonesia
“RAM”	:	Rating Agency Malaysia Berhad
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“RRSB”	:	Radikal Rancak Sdn Bhd (<i>Company No. 576210-X</i>), a wholly owned subsidiary of Integrax currently under process of disposal to INDX
“Number Q ”	:	The relevant quarter in a financial year stated

A1 COMMENTS ON UNAUDITED FINANCIAL RESULTS, PERFORMANCE AND PROSPECTS

A 1.1 REVIEW OF PERFORMANCE

Revenues comprise contractual revenues for the provision of port facilities cargo handling and vessel services under term arrangements.

The Group recorded revenues of RM 23.02 million in 1Q2010 compared to RM 21.27 million in 1Q2009. This increase of 8% in revenues was due to increased cargo throughput of 73.4% at LBT.

Revenues comprise contractual revenues for the provision of port facilities cargo handling and vessel services under term arrangements.

The Group achieved a PBT of RM 13.08 million in 1Q2010 which is an increase of 10% compared to 1Q2009 PBT of RM 11.9 million. This improvement in the Group's profitability is due to higher contributions from the Group's Associates.

Total cargo throughput in LMT and LBT increased by a significant 41.5%. This increased throughput together with some industrial land sales had caused LMT's contribution to the Group's results to increase by 39% compared to 1Q2009.

A1.2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group revenues for 1Q2010 is lower than that recorded in 4Q2009 of RM 24.41 million due to a slight softening of coal throughput in LBT.

PBT for the 1Q2010 decreased by 5% compared to 4Q2009 due to lower contribution from PGMC. Seasonal weather experienced by PGMC caused delays in the loading of nickel ore with only four shipments totaling 128,363 DMT achieved. Three of these shipments were of lower grade ore sold to Chinese buyers with one higher grade shipment to Australia. These delays caused PGMC to register a loss for 1Q2010.

A1.3 PROSPECTS GOING FORWARD

(a) Forward Looking Statements Disclaimer

Comments set out in this Quarterly Report include forward looking statements which are statements that cannot be sustained merely on historical facts and for which there exists no assurances as to their realization or occurrence or successful implementation. A forward looking statement predicts projects or sees future events as expectations or possibilities. A forward looking statement contains words such as "believe, estimate, anticipate, plan, predict, may, hope, can, will, should, expect, intend, is designed to, with the intent, potential", the negative of such words or such other variations or comparable word, may indicate forward looking statements, but their absence does not mean a statement is not forward looking.

(b) Port Operations

The cargo throughput at LMT in 2Q2010 continues to look steady overall. However, we have to remain cautious going forward based on how easily past and future expectations can go awry in the volatile business environment that exists currently and that is characterized by cargoes emerging from just a few key port users in the Agriculture, Mining and Construction Sectors. At LBT, the data available so far seems to indicate the strong throughput will continue into 2Q2010.

On 29 December 2009, LBT SB entered into a Conditional Trans-shipment Services Agreement with Vale International SA ("Vale") for the provision of transshipment services for iron ore cargo to Vale at LBT for a period of ten years. More information can be obtained from our announcement to Bursa Malaysia Berhad on 30 December 2009.

The Group is currently reviewing several port opportunities in Indonesia and India in line with its objectives of expanding into these regions.

(c) **Marine Services**

We continue to look at expansion opportunities and have identified certain opportunities of promise for our marine services especially in Indonesia subsequent to the completion of the sale of our marine services entity, RRSB, to what is now our Indonesian subsidiary, INDX.

(d) **Resources**

PGMC's focus is likely to remain fixed on its mining activities. Orders for nickel ore from new and existing contracts for approximately 4,300,000 WMT in total have been received for the year 2010. Mining production is now handled by a selected contractor, under PGMC supervision, that has opened up more ground for extraction purposes and put into place another export facility to bring the total number of such facilities to 3 so as to bring capacity up to 5,000,000 WMT per annum.

The smelters remain under a care and maintenance basis with staffing numbers taken to a minimum to reduce costs. PGMC remains in negotiations to lease or sell part of its smelter assets to prospective joint ventures to be formed with significant buyers of nickel ore /producers of ferro-nickel emerging from China.

The uncertainty from developments in the Eurozone has begun to impact on nickel prices, at present only marginally, and it is uncertain how such events on prices will turn out in the medium term. Interest from China, however, remains intact.

A1.4 PROJECT DEVELOPMENTS

Port Projects

The Company continues to make efforts to establish, participate in and / or operate and manage specialized and multipurpose / bulk port facilities outside Malaysia and now particularly in Indonesia. Please note, however, that projects of this nature take a considerable time to develop, promote, fund and build, assuming such are deemed viable propositions after due investigation.

(a) **Provinsi Aceh**

- (i) The status of this project remains unchanged from that reported in our 4Q2009 report and negotiations are ongoing.

(b) **Kalimantan**

The status of this project remains unchanged from that reported in our 4Q2009 report.

A1.5 REVIEW OF THE GROUP'S INVESTMENT PROCESS

In response to queries from shareholders at the 2009 AGM, the Company had appointed an independent legal consultant to conduct reviews of its investment process. The reviews are expected to be completed in the forthcoming 3rd Quarter.

A1.6 WEBSITE

The Company's website address is www.integrax.com.my

The Lumut Port website address is www.lumutport.com.my

A 2 INTERIM FINANCIAL STATEMENTS – BASIS OF PREPARATION

A2.1 These interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRSs”), FRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Bhd (Bursa Securities”). They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements for the year ended 31 December 2009.

A2.2 Changes In Accounting Policies

The interim financial statements have been prepared in accordance with the same accounting policies and method of computation adopted in audited financial statements for the year ended 31 December 2009, except for the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations:

- FRS 7, *Financial Instruments: Disclosures*
- FRS 8, *Operating Segments*
- FRS 101, *Presentation of Financial Statements* (revised)
- FRS 123, *Borrowing Costs* (revised)
- FRS 139, *Financial Instruments: Recognition and Measurement*
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*
- Amendments to FRS 7, *Financial Instruments: Disclosures*
- Amendments to FRS 101, *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to FRS 127, *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Amendments to FRS 132, *Financial Instruments: Presentation*
 - *Puttable Financial Instruments and Obligations Arising on Liquidation*
 - *Separation of Compound Instruments*
- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*
 - *Reclassification of Financial Assets*
 - *Collective Assessment of Impairment for Banking Institutions*
- Improvements to FRSs (2009)
- IC Interpretation 10, *Interim Financial Reporting and Impairment*

The adoption of the above new and revised FRSs, IC Interpretations and Amendments to FRSs and IC interpretations does not have a significant impact to the Group, except as described below:

(a) **FRS 101, *Presentation of Financial Statements* (revised)**

The Group applies FRS 101 (revised) which became effective as of 1 January 2010. Pursuant to the revised standard, the Group presents all non-owner changes in equity separately in the Consolidated Statement of Comprehensive Income.

The comparative information has been re-presented to conform with this revised standard.

(b) **FRS 139, *Financial Instruments: Recognition and Measurement***

Prior to the adoption of FRS 139, financial derivatives were recognized on their settlement dates. Outstanding derivatives at the balance sheet date were not recognized. With the adoption of FRS 139, all financial assets and financial liabilities, including derivatives, are recognized at contract dates when, and only when, the Company or any subsidiary becomes a party to the contractual provisions of the instruments.

The measurement bases applied to the financial assets and financial liabilities in the prior financial year are changed to conform to the measurement standards of the FRS 139 in the current quarter. At initial recognition, all financial assets and financial liabilities are measured at their fair value plus in the case of financial instruments not at fair value through profit or loss, transaction costs directly attributable to the

acquisition or issuance of the instruments. Subsequent to their initial recognition, the financial assets and financial liabilities are measured as follows:

Category	Measurement basis
Financial instruments at fair value through profit or loss	At fair value through profit or loss
Held-to-maturity investments	At amortised cost effective interest method
Loans and receivables	At amortised cost effective interest method
Available-for-sale investment	At fair value through other comprehensive income, unless fair value cannot be reliably measured, in which case, they are measured at cost
Loans and other financial liabilities	At amortised cost effective interest method

In accordance with FRS 139, the recognition, derecognition and measurement are applied prospectively from 1 January 2010. The effects of the re-measurement on 1 January 2010 of the financial assets and financial liabilities brought forward from the previous financial year are adjusted to the opening retained earnings as disclosed in the statement of changes in equity.

The adoption of the above new policies has the following effects:

	Retained earnings RM '000
At 1 January 2010, as previously stated	161,490
Adjustment arising from adoption of FRS 139 :	
-Fair value of embedded derivatives in an associate	(983)
-Amortisation of long term liabilities in an associate	(20)
	(1,003)
At 1 January 2010, as restated	160,487

A2.3 Foreign Currency Translation Rates

The principal closing rates as at 31 March 2010 used in the translation of foreign currency amounts to RM are as follows :-

1 US Dollar	- RM 3.2725
100 Indonesian Rupiah	- RM 0.0358
100 Philippine Peso	- RM 7.2350

A3 PRECEDING ANNUAL FINANCIAL STATEMENTS' AUDIT REPORT

The audit report of the preceding annual financial statements of the Group was not subject to any qualification.

A4 COMMENTS ON ASSETS, LIABILITIES, EQUITY AND CASH FLOWS

A4.1 GENERAL COMMENTS

The Group's cash position remains solid with all LBT Serial Bonds commitments more than adequately covered. The Group's gearing and current ratio continues to improve over time.

A4.2 INVESTMENTS

This now represents the carrying value of the Group's investment in its associates LMTSB and PGMC.

(a) INVESTMENT IN ASSOCIATES

This now represents the carrying value of the Group's investment in its associates LMTSB and PGMC.

(b) INVESTMENT IN INDONESIA

(i) The Company's investment in INDX remains unchanged at 70.31% since 31 December 2009. INDX serves as the Indonesian flagship for the Company for its expansion in Indonesia. INDX has identified the sectors of infrastructure (being ports and terminals in partnership with the Company) and marine services as its current primary business objectives.

In line with its objective of expanding its marine services business, INDX had on 4 May 2010 incorporated a 99% owned subsidiary, PT Pelayaran INDX Lines ("PT LINES"). The remaining 1% is held by an Indonesian national.

INDX is listed on Bursa Efek Indonesia with stock code INDX and its closing price on 31 March 2010 was Rp 130 per share subsequent to the approval of completion of the quasi reorganization of its capital from the Minister of Justice and Human Rights of Indonesia on 5 April 2010.

(ii) The Company's advances to INDX for costs, expenses and project deposits since the involvement of the Company in INDX amounted to approximately RM 5.0 million as at 31 March 2010 which includes the preliminary costs covered by the letters of indemnity issued to INDX as disclosed in Note 4.8 consequent to the Company being the originator of the projects and to protect the interests of minority shareholders of INDX.

INDX is focusing on building a marine services business in Indonesia by way of acquisition or natural growth, initially utilizing the Rights Issue proceeds while still pursuing its port sector objectives for the long term.

Announcements in respect of such projects and other projects will be made as and when appropriate.

The status as at 31 March 2010 of the utilization of proceeds raised by INDX from its Rights Issue is as follows :-

Purpose	Proposed Utilisation		Actual Utilisation		Intended Timeframe for Utilisation
	Rp(Million)	RM ('000)	Rp(Million)	RM ('000)	
Acquisition of RRSB	8,000	2,680	8,020	2,687	Completed
Acquisition of tugs and / or barges & ancillary equipment to be engaged in marine services to ports & terminals and logistics activities	22,000	7,359	Nil	Nil	Within 3 months subject to extension by shareholders
Rights issue expenses & working capital requirements	6,800	2,275	4,410	1,475	Within 3 months
Total	36,800	12,314	12,430	4,162	

A4.3 OTHER INVESTMENT

This represents the Group's investment in LMT RPS of RM10.03 million which is redeemable and dividend bearing at the option of LMTSB.

A4.4 EQUITY AND CONVERTIBLE DEBT SECURITIES

There were no cancellations, repurchases, resale and repayments of equity and debt securities during the current quarter other than those shown in these interim financial statements.

A4.5 LOANS AND BORROWINGS

	As at 31.03.10 RM '000 Non-Current	As at 31.03.10 RM '000 Current	As at 31.03.10 RM '000 Total
<i>Secured</i>			
LBT Serial Bonds			
Bond liability	80,000	44,000	124,000
Interest in suspense	(47,851)	(24,312)	(72,163)
Bond Principal Sum	32,149	19,688	51,837
Finance lease liability	120	29	149
<i>Unsecured</i>			
Redeemable Preference Shares			
Preference share capital	40	-	40
Preference share capital premium	3,960	-	3,960
	4,000	-	4,000
Total loans and borrowings	36,269	19,717	55,986

The balance of LBT Serial Bonds as at 31.03.2010 comprises 5 series (i.e. series no. 15 to 19) of zero coupon bonds with an aggregate nominal value of RM 124 million (inclusive of interest). RAM Rating Services Berhad reaffirmed their **AA1** rating for these Serial Bonds in August 2009. These bonds are secured by a charge over the assets and project agreements of LBTSB and bear the following maturities:-

	As at 31.03.10 RM'000
Less than one year	44,000
Between one and five years	80,000
Total	124,000

The redeemable preference shares comprise of LBT RCCPs of RM 0.01 each issued with a premium of RM 0.99 each held by Minority Interests in LBTSB. None of these LBT RCCPs were redeemed by LBTSB during the current quarter.

A4.6 DEFERRED TAXATION

	As at 31.03.10 RM'000
Balance at 1 January 2010	54,890
Transferred to the income statement	(270)
Total	54,620

A4.7 INCOME TAX EXPENSE

	YTD 31.03.10 RM'000
Current year - Malaysian tax	2,943
Prior year - Malaysian tax	-
Current year - Foreign tax	36
Deferred tax	(270)
Total	2,709

A4.8 CONTINGENCIES

- (a) A right has been granted to the single minority shareholder of LBTSSB to sell (put) to the Company its 20% stake or 13,600,000 ordinary shares of RM 1.00 each in LBTSSB at fair value upon the redemption of all classes of preference shares issued by LBTSSB after 15 years from 21 May 2002 provided it remains the sole beneficial owner of the 20% stake. The Directors are of the opinion that the value of this put option cannot be reliably measured.
- (b) The Company has issued letters of indemnity to INDX, a 70.3% subsidiary of the Company, in respect of preliminary costs incurred by INDX on evaluating potential projects in Indonesia originating from the Company so as to protect the interests of minority shareholders of INDX. The Company will reimburse INDX the costs incurred on these projects if these amounts are not recoverable. The total preliminary costs incurred by INDX as at 31 March 2010 amounted to RM 3,359,798. This is inclusive of the advances mentioned in Note A 1.4(b).

A5 SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business. No segment information on the basis of geographical segments is presented as all operations and segment assets are located in Malaysia. The primary format and business segments are based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms broadly based on market conditions and circumstances.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest revenue and financing costs.

Business segments

- | | | |
|-----------------------|---|---|
| Port operations | - | Ownership and operation of two port facilities, the LMT (dry and liquid bulk, break bulk and containers) and the LBT (dry and liquid bulk) comprising Lumut Port. |
| Marine services | - | Provision of tuggage and related marine services |
| Investment holding | - | Investment in LBT RCCPS, LMT RPS |
| Industrial Properties | - | Sale of industrial property by LMTSSB |
| Metals business | - | Mining and Smelting activities via current investment in PGMC |

A5 SEGMENTAL INFORMATION – GROUP (continued)

3 Months Ended 31.03.10 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Metals Business	Eliminations	Consolidated
Business segments							
Revenue from external customers	21,522	1,501	-	-	-	-	23,023
Inter-segment revenue	-	-	400	-	-	(400)	-
Share of revenue of associates	8,055	-	-	1,773	1,742	-	11,570
Total gross revenue	29,577	1,501	400	1,773	1,742	(400)	34,593
Share of revenue of associates	(8,055)	-	-	(1,773)	(1,742)	-	(11,570)
Total revenue	21,522	1,501	400	-	-	(400)	23,023
Segment result	11,926	113	(319)	-	-	(400)	11,320
Operating profit							11,320
Financing costs							(2,288)
Interest income							791
Share of profit after tax of associates							3,258
Profit before taxation							13,081
Tax expense							(2,709)
Minority interests							(1,471)
Profit for the period attributable to Owners of the Parent							8,901

A5 SEGMENTAL INFORMATION – GROUP (continued)

3 Months Ended 31.03.09 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Metals Business	Eliminations	Consolidated
Business segments							
Revenue from external customers	19,901	1,365	-	-	-	-	21,266
Inter-segment revenue	-	-	400	-	-	(400)	-
Share of revenue of associate	6,750	-	-	1,503	-	-	8,253
Total gross revenue	26,651	1,365	400	1,503	-	(400)	29,519
Share of revenue of associate	(6,750)	-	-	(1,503)	-	-	(8,253)
Total revenue	19,901	1,365	400	-	-	(400)	21,266
Segment result	12,650	166	43	-	-	(400)	12,459
Operating profit							12,459
Financing costs							(2,950)
Interest income							848
Share of profit after tax of associates							1,554
Profit before taxation							11,911
Tax expense							(2,699)
Minority interests							(1,462)
Profit for the period attributable to shareholders							7,750

A6 SUBSEQUENT MATERIAL EVENTS

On 5 April 2010, INDX obtained approval from the Ministry of Justice and Human Rights Indonesia for its quasi reorganization.

There were no subsequent material events other than the above.

A7 CHANGES IN GROUP COMPOSITION

Refer to Note A 4.2(b)(i).

There were no other changes in the Group composition during the current quarter.

A8 CHANGES IN CONTINGENT ASSETS AND LIABILITIES

Refer to Note A4.8.

There were no changes in contingent assets and liabilities during the quarter.

A9 CAPITAL COMMITMENTS

No capital commitments were contracted for by the Company during the current quarter.

A10 RELATED PARTY TRANSACTIONS

Set out below are the significant related party transactions occurring in the normal course of business for the financial year and which were carried out on terms and conditions not more materially different from those obtainable in transactions with unrelated parties.

	Value of Transactions		Balance Outstanding As At	
	YTD 1Q2010 RM '000	YTD 1Q2009 RM '000	31.03.10 RM '000	31.03.09 RM '000
Operations and Maintenance fees payable to LMTSB	6,818	5,535	10,098	8,572
Management fees receivable from LMTSB.	150	150	100	100
Marine services revenue receivable from LMTSB.	1,501	1,365	976	910
Office facilities fees receivable from PKS, a company wholly owned by HRH.	41	41	-	-

A11 COMPARATIVE FIGURES

The following comparative figures have been reclassified as a consequence of RRSB being a 70.31% owned subsidiary via the Company's investment in INDX, and the adoption of Amendments to FRS 117, Leases :-

	As previously stated 31.03.2009 RM '000	Reclassification RM '000	As restated 31.03.2009 RM '000
Consolidated Statement of Comprehensive Income :-			
Revenue	19,901	1,365	21,266
Cost of sales	(5,535)	(1,197)	(6,732)
Depreciation	(1,361)	(47)	(1,408)
Administrative expenses	(700)	45	(655)
Interest income	846	2	848
Tax expenses	(2,694)	(5)	(2,699)
Profit from discontinued operation	163	(163)	-
Consolidated Statement of Financial Position :-			
Property, plant and equipment	339,550	17,416	356,966
Prepaid lease payments	17,416	(17,416)	-
Trade and other receivables	22,575	1,087	23,662
Cash and cash equivalents	131,164	405	131,569
Assets classified as held for sale	1,492	(1,492)	-
Trade and other payables	33,402	420	33,822
Liabilities classified held for sale	420	(420)	-
Consolidated Statement of Cash Flow :-			
Net cash from operating activities	16,813	234	17,047
Net cash from investing activities	846	2	848
Net cash generated from continuing operation	(4,573)	236	(4,337)
Net cash generated from discontinued operation	236	(236)	-

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 REVIEW OF PERFORMANCE

Refer to Notes A1.1 and A1.2.

B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER

Refer to Note A1.2.

B3 PROSPECTS

Refer to Note A1.3.

B4 PROFIT FORECAST

No profit forecast has been made in a public document.

B5 TAX EXPENSE

Refer to Note A4.7.

B6 DISPOSAL OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no other disposals of unquoted investments and properties during the current quarter.

B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no purchases or disposals of quoted securities during the current quarter.

B8 STATUS OF CORPORATE PROPOSALS

Refer to Notes A4.2(b)(ii). No other corporate proposals are in existence at this time.

B9 BORROWING AND DEBT SECURITIES

Refer to Notes A4.5.

B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Company has not entered into any financial instruments with off balance sheet risk to the date of this announcement.

B11 CHANGES IN MATERIAL LITIGATION

The Company and Group are not involved in any material litigation.

B12 DIVIDENDS

The Directors have recommended a final ordinary dividend of 3 sen per share less tax of 25% in respect of the financial year ended 31 December 2009 (1Q2009: NIL). This is subject to shareholders' approval being obtained at the Company's Annual General Meeting to be held in June 2010.

B13 BASIC EARNINGS PER ORDINARY SHARE

The basic earnings per ordinary share is calculated by dividing the PATSC for the period by the weighted average number of ordinary shares in issue during the period.

	YTD1Q2010 RM'000
PATSC for the period	8,901
Weighted average number of ordinary shares in issue	300,806
Basic earnings per ordinary share (sen)	2.96

B14 CAPITAL COMMITMENTS

Refer to Note A 9.