

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30TH JUNE 2011**

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|--|----------------------|--------------------------------------|----------------------|---|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD TO DATE |
| | 30/6/11 | 30/6/10 | 30/6/11 | 30/6/10 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 337,988 | 235,656 | 616,400 | 427,778 |
| Operating expenses | (317,456) | (224,006) | (586,257) | (406,873) |
| Other expenses | (1,071) | (117) | (1,071) | (117) |
| Other income | - | - | 817 | 486 |
| Interest income | 21 | 28 | 50 | 53 |
| Finance cost | (4,089) | (3,298) | (7,769) | (6,365) |
| Share of results of associated company | - | - | (3) | - |
| Profit before tax | 15,393 | 8,263 | 22,167 | 14,962 |
| Taxation | 86 | (193) | (497) | (539) |
| Profit for the period | 15,479 | 8,070 | 21,670 | 14,423 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 15,479 | 8,070 | 21,670 | 14,423 |
| Profit and Total Comprehensive Income attributable to: | | | | |
| Equity holders of the Company | 15,479 | 8,070 | 21,670 | 14,423 |
| Profit for the period | 15,479 | 8,070 | 21,670 | 14,423 |
| Earnings per share (sen) | | | | |
| - Basic | 7.35 | 4.06 | 10.29 | 7.26 |
| - Diluted | 5.97 | N/A | 8.36 | N/A |

The Unaudited Condensed Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year ended 31st December 2010 and accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2011**

| | 30/6/11 RM'000 | 31/12/10 RM'000 |
|--|---------------------------------|----------------------------------|
| ASSETS | | |
| <u>Non-Current Assets</u> | | |
| Property, Plant & Equipment | 432,374 | 436,195 |
| Investment in Associate company | 8,063 | 8,066 |
| Other investment | 4,000 | 4,000 |
| | <u>444,437</u> | <u>448,261</u> |
| <u>Current Assets</u> | | |
| Stocks | 183,299 | 147,838 |
| Debtors | 180,126 | 179,799 |
| Taxation recoverables | 2,192 | 1,864 |
| Short term deposit | 6,000 | 4,243 |
| Cash & bank balances | 44,898 | 44,166 |
| | <u>416,515</u> | <u>377,910</u> |
| TOTAL ASSETS | <u><u>860,952</u></u> | <u><u>826,171</u></u> |
| EQUITY AND LIABILITIES | | |
| <u>Equity attributable to equity holders</u> | | |
| Share capital | 105,393 | 105,393 |
| Share premium | 31,198 | 31,198 |
| Revaluation reserves | 31,030 | 31,030 |
| Treasury shares | (204) | (30) |
| Warrants reserves | 40,044 | 40,044 |
| Retained profits | 289,746 | 270,919 |
| Total Equity | <u>497,207</u> | <u>478,554</u> |
| <u>Non-Current Liabilities</u> | | |
| Long term borrowings | 37,100 | 86,488 |
| | <u>37,100</u> | <u>86,488</u> |
| <u>Current Liabilities</u> | | |
| Creditors | 81,283 | 89,360 |
| Dividend payable | 2,843 | - |
| Taxation liabilities | 282 | 247 |
| Short term borrowings | 242,237 | 171,522 |
| | <u>326,645</u> | <u>261,129</u> |
| Total liabilities | <u>363,745</u> | <u>347,617</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>860,952</u></u> | <u><u>826,171</u></u> |
| Net Assets per share (RM) | 2.36 | 2.27 |

The Unaudited Condensed Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010 and accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30TH JUNE 2011**

| | Current year 01/01/11 to 30/6/11 RM'000 | Preceding Year 01/01/10 to 30/6/10 RM'000 |
|---|--|--|
| Profit before tax | 22,167 | 14,962 |
| Adjustment for: | | |
| Depreciation of property, plant and equipment | 10,040 | 8,675 |
| Others | 7,773 | 6,170 |
| Operating profit before changes in working capital | 39,980 | 29,807 |
| Changes in working capital | | |
| Net change in current assets | (35,788) | (14,941) |
| Net change in current liabilities | (8,078) | (13,023) |
| Cash (used)/generated from operations | (3,886) | 1,843 |
| Interest paid | (7,380) | (6,078) |
| Income tax paid | (790) | (753) |
| Net cash outflow in operating activities | (12,056) | (4,988) |
| Investing activities | | |
| Purchase of property, plant and equipment | (6,219) | (24,017) |
| Net cash outflow in investing activities | (6,219) | (24,017) |
| Financing activities | | |
| Bank borrowings | 28,086 | (1,859) |
| Issue of new shares (net of listing expenses) | - | 16,293 |
| Share buyback | (174) | - |
| Others | (390) | (92) |
| Net cash inflow from financing activities | 27,522 | 14,342 |
| Net increase/(decrease) in cash and cash equivalents | 9,247 | (14,663) |
| Cash and cash equivalents at beginning of the year | 36,031 | 43,701 |
| Cash and cash equivalents at end of the financial period | 45,278 | 29,038 |
| 1 Cash and cash equivalents at end of the financial period comprise : | | |
| Short term deposit | 6,000 | 5,493 |
| Cash and bank balances | 44,898 | 35,074 |
| Bank overdraft | (5,620) | (11,529) |
| | 45,278 | 29,038 |

The Unaudited Condensed Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010 and accompanying explanatory notes attached to the interim financial statements.

**THE UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30TH JUNE 2011**

| | Attributable to equity holders of the Company | | | | | | Total RM'000 |
|--|---|----------------------------|-------------------------------|-----------------------------------|-------------------------------|------------------------------|-----------------|
| | Non-distributable | | | Distributable | | | |
| | Share Capital RM'000 | Share Premium RM'000 | Warrant Reserves RM'000 | Revaluation Reserves RM'000 | Retained Profits RM'000 | Treasury Shares RM'000 | |
| <i>6 months ended 30th June 2011</i> | | | | | | | |
| At 1st January 2011 | 105,393 | 31,198 | 40,044 | 31,030 | 270,919 | (30) | 478,554 |
| Dividend declared in respect of financial year ended 31st December 2010 | - | - | - | - | (2,843) | - | (2,843) |
| Total comprehensive income | - | - | - | - | 21,670 | - | 21,670 |
| Treasury shares | - | - | - | - | - | (174) | (174) |
| At 30th June 2011 | <u>105,393</u> | <u>31,198</u> | <u>40,044</u> | <u>31,030</u> | <u>289,746</u> | <u>(204)</u> | <u>497,207</u> |
| <i>6 months ended 30th June 2010</i> | | | | | | | |
| At 1st January 2010 | 97,333 | 22,977 | - | 31,030 | 266,009 | (30) | 417,319 |
| Issue of shares (net of listing expenses) | 8,060 | 8,233 | - | - | - | - | 16,293 |
| Dividend declared in respect of financial year ended 31st December 2009 | - | - | - | - | (2,107) | - | (2,107) |
| Total comprehensive income | - | - | - | - | 14,423 | - | 14,423 |
| At 30th June 2010 | <u>105,393</u> | <u>31,210</u> | <u>-</u> | <u>31,030</u> | <u>278,325</u> | <u>(30)</u> | <u>445,928</u> |

The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010 and accompanying explanatory notes attached to the interim financial statements.

MALAYSIA STEEL WORKS (KL) BHD
(Company No. 7878-V)

SELECTED EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING FOR THE QUARTER ENDED 30TH JUNE 2011

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirement of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31st December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31st December 2010.

A2. Accounting Policies and Methods of Computation

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the audited financial statements for the year ended 31st December 2010, except for the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretation which are applicable to its financial statements with effect from 1st January 2011:

| | |
|-----------------------|--|
| FRS 3 | Business Combinations |
| FRS 127 | Consolidated and Separate Financial Statements |
| IC Interpretation 4 | Determining Whether an Arrangement contains a Lease |
| IC Interpretation 12 | Service Concession Arrangements |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners |
| IC Interpretation 18 | Transfers of Assets from Customers |
| Amendments to FRS 1 | Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters |
| Amendments to FRS 1 | Additional Exemptions for First-time Adopters |
| Amendments to FRS 1 | First-time Adoption of Financial Reporting Standards |
| Amendments to FRS 2 | Share-based Payment |
| Amendments to FRS 2 | Group Cash-settled Share-based Payment Transactions |
| Amendments to FRS 3 | Business Combinations |
| Amendments to FRS 7 | Improving Disclosures about Financial Instruments |
| Amendment to FRS 101 | Presentation of Financial Statements |
| Amendment to FRS 121 | The Effects of Changes in Foreign Exchange Rates |
| Amendment to FRS 127 | Consolidated and Separate Financial Statements |
| Amendment to FRS 128 | Investments in Associates |
| Amendments to FRS 132 | Financial Instruments: Presentation |
| Amendments to FRS 134 | Interim Financial Reporting |
| Amendments to FRS 139 | Financial Instruments: Recognition and Measurement |
| Amendments to FRSs | Improvements to FRSs (2010) |

The application of the above FRSs, IC Interpretations and Amendments did not have significant impact on the financial statements of the Group.

Meanwhile, the Group has not applied the following FRS and IC Interpretations that have been issued but not yet effective.

| | |
|----------------------|---|
| Amendment to FRS 124 | Related Party Disclosures |
| IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments |

A3. Qualification of Financial Statements

The financial statements for the financial year ended 31st December 2010 was not qualified.

A4. Seasonal or Cyclical factors

The operations of the Company are subject to both cyclical factors in the construction industry as well as festive seasons.

A5. Extraordinary items

There are no extraordinary items for the financial period under review.

A6. Changes in Estimates

There have been no changes in the estimates of amount for the period under review.

A7. Debts and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayment of debts and equity securities for the current quarter under review, save as disclosed below.

On 6th and 10th June 2011, the Company had further purchased 40,000 and 27,000 shares as treasury shares at an average price of RM1.18 and RM1.21 per share respectively.

As at 30th June 2011, a total of 177,000 shares were held as treasury shares out of its total issued share capital of 210,786,666 shares at an average price of RM1.15 per share. The share buyback transactions were financed by internally generated funds.

A8. Dividend

There was no dividend paid by the company during the quarter under review.

A9. Valuation

The valuations of the freehold and leasehold land have been brought forward, without amendment, from the previous audited financial statements for the year ended 31st December 2010.

The property, plant and equipment are stated at cost except for the freehold and leasehold land which are stated at valuation, less accumulated depreciation. There was no valuation of property, plant and equipment for the current quarter under review and financial year-to-date.

A10. Material subsequent events

There are no material subsequent events between the end of the current quarter under review and the date of this report.

A11. Changes in the composition of the Group

Save for the below, there was no change in the composition of the Group during the current quarter under review.

Acquisition of shareholding in Metropolitan Commuter Network Sdn Bhd

On 6th January 2011, the Board announced that the Company had acquired two (2) ordinary shares of RM1.00 each at par representing the entire issued and paid up share capital of Metropolitan Commuter Network Sdn Bhd for a total cash consideration of RM2.00 thereby resulting in Metropolitan Commuter Network Sdn Bhd becoming a wholly-owned subsidiary of the Company.

A12. Changes in contingent liabilities

The following are pending litigation in respect of claims instituted against the Company:-

- (i) Arbitration for letter of demand against the Company for RM2.44 million had commenced and the parties have filed their respective claims and counterclaims. The Company had a counterclaim in excess of the claim. The solicitors of the Company are of the opinion that the Company chances of success in the claim proper are good. The Company had further filed an application in court for security for cost and was fixed for hearing on 14th June 2007. On 14th June 2007, the hearing proceeded and the decision was delivered on 21st June 2007. The Learned Judge allowed the application for security for costs of RM75,000. The Arbitrator had also stayed the arbitration proceedings pending the outcome of that application for security for cost.

The supplier had filed an appeal to the Court of Appeal against this order for security for cost. Both parties had filed leave applications to the Court of Appeal on 22nd April 2008 and leave was granted for both parties to file the Appeal within 14 days. On 30th April 2008 the Company had filed their Notice of Appeal. The Supplier had served their Record of Appeal and the Company have filed and served our Record of Appeal on 6th July 2009. Both the appeals were dismissed on 19th October 2010.

- (ii) Claims of RM7.56 million for goods sold and delivered together with interest. The solicitors of the Company are of the opinion that such a claim would fail in court since there appears to be no agreements whatsoever, nor any prior demand or claim made by supplier regarding the interests and that so long as the supplier has accepted periodical payments by the Company unequivocally, they cannot now insist that interest are due to them. The supplier had filed their Statement of Claim to which the Company had filed a Statement of Defence and Counterclaim. The supplier had filed their Defence to the Counterclaim on 1st September 2006 and their Summary Judgment Application on 19th June 2007. The said application was fixed for mention on 26th August 2008 and on this date this matter had been further adjourned to 23rd September 2008 for hearing. This matter was fixed for mention before the Deputy Registrar on 21st January 2009 and on this date this matter had been further adjourned to 22nd April 2009 for hearing. On 22nd April 2009, the court had directed the parties file their respective submissions in court and fixed this matter for Decision on 13th August 2009. On 13th August 2009, the High Court had dismissed Plaintiff's Summary Judgment application with costs. This matter was proceeded with Trial on 20th and 21st October 2010. On 26th November 2010, the High Court gave judgment in favour of the Plaintiff for the amount of RM4,341,746.71 and on 18th February 2010, the Company filed and served the Record of Appeal at the Court of Appeal. The Company is still awaiting a hearing date to be fixed by the Court of Appeal for the said appeal.

The solicitors of the Company are of the opinion that the Company has fair chance of success on the appeal. This amount of RM4,341,746.71 has been accrued in the accounts for the financial year ended 31st December 2010. This matter is now fixed for hearing on 25th October 2011.

A13. Related Party Transactions

Significant transactions with the related party are as follows:

| Purchase of goods from: | 6 months ended 30/6/11 RM'000 |
|--|--|
| Soon Seng Co (Penang) Enterprise in which substantial Sdn Bhd interest is owned by a substantial shareholder of the Company. | - <hr/> <hr/> |

PART B:- ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

The Group reported a profit before tax of RM15.39 million on the revenue of RM337.99 million for the current quarter compared to a profit before tax of RM8.26 million on the revenue of RM235.66 million for the previous year corresponding quarter. The increase in revenue is mainly attributed to higher volume and prices. The Company recorded an increase in profit mainly due to higher margin.

B2. Comparisons with immediate preceding quarter's results

The Group's revenue for the current quarter recorded an increase of RM59.58 million to RM337.99 million in the current quarter due to increase in sales volume and prices. The Group recorded a higher profit before tax of RM15.39 million, as compared to RM6.77 million recorded in the immediate preceding quarter mainly due to higher margin.

B3. Prospects

The underlying demand for the company's steel product remains strong with prices strengthening for most part of the third quarter. The company is also experiencing positive revenue growth.

The local housing construction activities remain robust augmented by the demand from public projects. Traditional seasonal festivities such as Hari Raya in late August and China national holidays in October will cause some softening of demand.

In the near term, a certain degree of demand volatility is anticipated due to external global factors, however the extent of effects on demand and the fluctuation of cost of material remains to be seen.

The management is on track in the implementation of the technology package to negate the cost increase from the recent tariff price adjustments and steadfastly remains vigilant over the challenges and opportunities that might emerge from the fast changing economic conditions in the near to medium term.

B4. Profit forecast

The disclosure requirements for explanatory notes are not applicable as no profit forecast was published.

B5. Taxation

i) Taxation comprises:

| | Current Quarter Ended RM'000 | Current Year To-date Ended RM'000 |
|-----------------------------|---|--|
| <u>Malaysian income tax</u> | | |
| Current year's provision | <u>(86)</u> | <u>497</u> |

ii) Reconciliation of income tax expenses

| | Current Quarter Ended RM'000 | Current Year To-date Ended RM'000 |
|--|---|--|
| Profit before taxation | 15,393 | 22,167 |
| Taxation at tax rate of 25% | 3,848 | 5,542 |
| Expenses not subject to tax | 342 | 882 |
| Utilization of unutilized reinvestment allowance | (3,022) | (4,674) |
| Over provision in prior years | (1,255) | (1,255) |
| Others | 1 | 2 |
| | <u>(86)</u> | <u>497</u> |

B6. Sale of unquoted investments and/or properties

There was no sale of any unquoted investments and/or properties during the current period under review.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of any quoted securities during the current period under review.

B8. (a) Status of corporate proposals

i) Private Placement

On 18 January 2011, OSK Investment Bank Berhad (“OSK”) had on behalf of the Company announced that the Company proposes to implement a private placement of up to 31.62 million new ordinary shares of RM0.50 each, representing not more than ten percent (10%) of the issued and paid-up share capital of the Company, to investors to be identified (“Private Placement”). The application was approved by Bursa Securities and the Ministry of International Trade and Industry on 10 February 2011 and 2 March 2011 respectively. The approval has lapsed on 2nd August 2011 and no shares were issued/placed out.

ii) Head of Joint venture Agreement (“Proposed Joint-Venture”)

On 19 January 2011, the Board announced that the Company has entered into Head of Joint Venture Agreement with KUB Malaysia Berhad (“KUB”), a company listed on the Main Market of Bursa Malaysia Securities Berhad wherein the Company and KUB have agreed to combine their capabilities and resources related to the objective stated herein and are desirous to co-operate and collaborate with each other in the joint-venture company, Metropolitan Commuter Network Sdn Bhd pursue the rail transit network project in the Iskandar Malaysia.

(b) Status of utilization of proceed raised

Not applicable

B9. Borrowings

| | 30/6/11 |
|-----------------------|----------------|
| | RM'000 |
| <u>Secured:-</u> | |
| Short term borrowings | 242,237 |
| Long term borrowings | 37,100 |
| | <hr/> |
| Total borrowings | <u>279,337</u> |

The above borrowings are denominated in the following currencies:

| | '000 | RM'000 |
|------------------|-------------|----------------|
| Ringgit Malaysia | - | 273,217 |
| US Dollar | 2,000 | 6,120 |
| | | <hr/> |
| | | <u>279,337</u> |

B10. Off balance sheet financial instruments

The Company does not have any off balance sheet financial instruments as at the date of this quarterly report.

B11. Material litigations

The material litigations pending during the current period under review are as per disclosed in the followings:-

- (i) Arbitration for letter of demand against the Company for RM2.44 million is now commenced and the parties have filed their respective claims and counterclaims. The Company had a counterclaim in excess of the claim. The solicitors of the Company are of the opinion that the Company chances of success in the claim proper are good. The Company had further filed an application in court for security for cost and was fixed for hearing on 14th June 2007. The Arbitrator had also stayed the arbitration proceedings pending the outcome of that application for security for cost. On 14th June 2007, the hearing proceeded and the decision was delivered on 21st June 2007. The Learned Judge allowed the application for security for costs of RM75,000. The Arbitrator had also stayed the arbitration proceedings pending the outcome of that application for security for cost.

The supplier had filed an appeal to the Court of Appeal against this order for security for cost. Both parties had filed leave applications to the Court of Appeal on 22nd April 2008 and leave was granted for both parties to file the Appeal within 14 days. On 30th April 2008 the Company had filed their Notice of Appeal. The Supplier had served their Record of Appeal and the Company have filed and served our Record of Appeal on 6th July 2009. Both the appeals were dismissed on 19th October 2010.

- (ii) Claims of RM7.56 million for goods sold and delivered together with interest. The solicitors of the Company are of the opinion that such a claim would fail in court since there appears to be no agreements whatsoever, nor any prior demand or claim made by supplier regarding the interests and that so long as the supplier has accepted periodical payments by the Company unequivocally, they cannot now insist that interest are due to them. The supplier had filed their Statement of Claim to which the Company had filed a Statement of Defence and Counterclaim. The supplier had filed their Defence to the Counterclaim on 1st September 2006 and their Summary Judgment Application on 19th June 2007. The said application was fixed for mention on 26th August 2008 and on this date this matter had been further adjourned to 23rd September 2008 for hearing. This matter was fixed for mention before the Deputy Registrar on 21st January 2009 and on this date this matter had been further adjourned to 22nd April 2009 for hearing. On 22nd April 2009, the court had directed the parties file their respective submissions in court and fixed this matter for Decision on 13th August 2009. On 13th August 2009, the High Court had dismissed Plaintiff's Summary Judgment application with costs. This matter was proceeded with Trial on 20th and 21st October 2010. On 26th November 2010, the High Court gave judgment in favour of the Plaintiff for the amount of RM4,341,746.71 and on 18th February 2010, the Company filed and served the Record of Appeal at the Court of Appeal. The Company is still awaiting a hearing date to be fixed by the Court of Appeal for the said appeal. The solicitors of the Company are of the opinion that the Company has fair chance of success on the appeal. This amount of RM4,341,746.71 has been accrued in the financial year ended 31st December 2010. This matter is now fixed for hearing on 25th October 2011.

B12. Dividend

A first and final single tier dividend of 1.35 sen per share had been proposed in respect of the financial year ended 31st December 2010 and was approved by the shareholders at the 39th Annual General Meeting of the Company held on 23th June 2011. The entitlement date for the said dividend was on 7th July 2011 and was paid on 26th July 2011.

For the previous corresponding period in respect of the financial year ended 31st December 2009, a first and final single tier dividend of 1.00 sen per share was paid to shareholders on 23rd July 2010.

No dividend has been proposed or declared by the Company during the current quarter under review.

B13. Earnings per share ("EPS")

- (a) *Basic earnings per share*

The basic earnings per share of the Company is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

| | Current Quarter Ended | Current Year To-date Ended |
|---|--------------------------------------|---|
| Profit attributable to ordinary shareholders (RM'000) | <u>15,479</u> | <u>21,670</u> |
| Weighted average number of ordinary shares in issue ('000) | <u>210,610</u> | <u>210,610</u> |
| Basic Earnings Per Share (sen) | <u>7.35</u> | <u>10.29</u> |

(b) *Diluted earnings per share*

For the purpose of calculating diluted earnings per share, the weighted average number of shares in issue have been adjusted for the dilutive effects of all potential conversion of any convertible securities issued during the period as set out below:-

| | Current Quarter Ended | Current Year To-date Ended |
|--|--------------------------------------|---|
| Profit attributable to ordinary shareholders (RM'000) | <u>15,479</u> | <u>21,670</u> |
| Weighted average number of ordinary shares in issue ('000) | 210,610 | 210,610 |
| Effects of dilution ('000) | 48,697 | 48,697 |
| Adjusted weighted average number of ordinary shares in issue and issuable ('000) | <u>259,307</u> | <u>259,307</u> |
| Diluted Earnings Per Share (sen) | <u>5.97</u> | <u>8.36</u> |

B14. Realised and unrealised profits/losses disclosure

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows :-

| | As at 30 June 2011 RM'000 | As at 31 December 2010 RM'000 |
|--|--|--|
| Total retained profits of the Company and its subsidiary : | | |
| - Realised | 290,324 | 269,354 |
| - Unrealised | (253) | 1,887 |
| | <u>290,071</u> | <u>271,241</u> |
| Total share of accumulated losses from associate : | | |
| - Realised | (325) | (322) |
| Total Group retained profits as per consolidated accounts | <u>289,746</u> | <u>270,919</u> |

B15. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

By order of the Board