

Financial ResultsReference No **II-100825-54636**

Company Name : **INSAS BERHAD**
 Stock Name : **INSAS**
 Date Announced : **25/08/2010**
 Financial Year End : **30/06/2010**
 Quarter : **4**
 Quarterly report for the financial period ended : **30/06/2010**
 The figures : **have not been audited**

Converted attachment :

Please attach the full Quarterly Report here:

[☛QRExcel June 2010-bursa.XLS](#)
[☛QReportword June 2010 - Bursa.doc](#)

Remark:

1)The basic earning per share for the 12 months ended 30 June 2010 has been calculated based on the profit attributable to ordinary equity holders of the parent company of RM46,709,000 (2009:RM51,905,000) and the weighted average number of ordinary shares in issue during the period of 675,437,000 shares (2009:612,897,000 shares) after taking into account the movement of shares bought back by the Company.

2)The fully diluted earnings per share is shown in Note13(b) to the Unaudited Interim Financial Report - Notes to the Unaudited Financial Report.

3) The net assets per share is calculated based on the Shareholders' Fund (excluding Minority Interests) divided by the number of ordinary shares in issue after deducting shares bought back by the Company.

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
30/06/2010

INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
YEAR	CORRESPONDING	TO DATE	YEAR
QUARTER	QUARTER		CORRESPONDING

	30/06/2010 \$\$'000	30/06/2009 \$\$'000	30/06/2010 \$\$'000	PERIOD 30/06/2009 \$\$'000
1 Revenue	122,169	75,863	423,685	241,865
2 Profit/(loss) before tax	4,088	27,530	53,635	61,133
3 Profit/(loss) for the period	5,762	24,211	54,290	57,097
4 Profit/(loss) attributable to ordinary equity holders of the parent	3,234	22,318	46,709	51,905
5 Basic earnings/(loss) per share (Subunit)	0.49	3.49	6.92	8.47
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)		1.1800		1.1600

Remarks :

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

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INSAS BERHAD
Company No. 4081-M
(Incorporated in Malaysia)

25 August 2010

BURSA MALAYSIA SECURITIES BERHAD
9th Floor, Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2010 Current financial quarter ended 30-Jun-10 RM'000	FY 2009 Preceding corresponding financial quarter ended 30-Jun-09 RM'000	FY 2010 Financial year ended 30-Jun-10 RM'000	FY 2009 Preceding financial year ended 30-Jun-09 RM'000
Revenue		122,169	75,863	423,685	241,865
Cost of sales		(106,687)	(60,762)	(350,219)	(186,781)
Administrative expenses		(6,811)	(2,317)	(24,769)	(20,470)
Other operating expenses	1	(5,819)	4,412	(35,637)	(54,114)
Other income	2	10,815	9,379	40,698	28,107
Finance costs	3	(1,638)	(1,042)	(4,922)	(3,492)
Exceptional items	4	(8,247)	1,927	5,337	56,302
Share of profit less losses of associate companies		162	70	(58)	(284)
Share of profit less losses of jointly controlled entities		144	-	(480)	-
Profit before taxation		4,088	27,530	53,635	61,133
Taxation		1,674	(3,319)	655	(4,036)
Profit for the financial year		5,762	24,211	54,290	57,097
Attributable to :					
Equity holders of the Company		3,234	22,318	46,709	51,905
Minority interests		2,528	1,893	7,581	5,192
		5,762	24,211	54,290	57,097
Earnings per share (in sen)					
- Basic		0.49	3.49	6.92	8.47
- Diluted		n/a	n/a	n/a	n/a

	Quarter ended 30/6/2010 RM'000	Quarter ended 30/6/2009 RM'000	Year ended 30/6/2010 RM'000	Year ended 30/6/2009 RM'000
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Note 1

Included in Other operating expenses are the following items :-

(Allowance for)/Writeback of diminution in value of marketable securities	(26)	13,377	(26)	(8,039)
Allowance for bad and doubtful debts	(474)	(143)	(474)	(12,843)
Gain/(Loss) on disposal of quoted securities	178	(5,858)	(5,710)	(6,247)

Note 2

Included in Other income is the following item:-

Writeback of allowance for diminution in value of marketable securities	1,994	6,049	17,186	6,049
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Note 3

In the preceding financial year ended 30 June 2009, the finance costs excluded the 8% Irredeemable Convertible Unsecured Loan Stock ("ICULS") interest for the financial year ended 30 June 2009 of RM4,767,000. In accordance with the provisions of FRS 132 : Financial Instruments : Disclosure and Presentation, the ICULS interest was disclosed as a distribution of equity in the Statement of Changes in Equity. There is no ICULS interest payable for the financial year ended 30 June 2010 as the ICULS expired on 19 April 2009.

Note 4

Exceptional items represent:-

Gain on disposal of associate companies	-	12	-	56,782
Gain on capital repayment by an associate company	-	-	13,049	-
Gain on disposal of investment properties	4	1	11	364
Goodwill written off	(184)	-	(184)	-
Foreign exchange loss on translation - unrealised	(48)	-	(1,772)	-
(Allowance for)/Writeback of diminution in value of quoted securities held for long term	(8,019)	1,914	(5,767)	(844)
	(8,247)	1,927	5,337	56,302

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)

INSAS BERHAD
Company No. 4081-M
(Incorporated in Malaysia)

UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30/6/2010	As at preceding financial year ended 30/06/2009 (Audited)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	62,460	66,527
Investment properties	66,065	51,495
Prepaid land lease payments	4,781	4,893
Land held for development	37,576	37,576
Long term investments	96,647	97,705
Associate companies	36,579	15,140
Investment in jointly controlled entities	28,437	-
Intangible assets	19,646	21,497
Deferred tax assets	4,353	1,570
	<u>356,544</u>	<u>296,403</u>
Current Assets		
Property development costs	6,955	42,298
Inventories	33,584	20,245
Trade receivables	171,745	169,118
Accrued billings	5,918	9,602
Amount due from associate companies	-	4,761
Other receivables, deposits and prepayments	28,729	36,581
Short term investments	5,883	59,204
Marketable securities	71,643	53,641
Tax recoverable	2,293	4,366
Deposits with licensed banks and financial institutions	525,999	430,611
Cash and bank balances	73,703	30,717
	<u>926,452</u>	<u>861,144</u>
TOTAL ASSETS	<u>1,282,996</u>	<u>1,157,547</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders of the Company		
Share capital	693,334	693,334
Reserves	57,965	67,969
Retained profit	60,145	13,436
	<u>811,444</u>	<u>774,739</u>
Minority Interests	<u>19,549</u>	<u>20,328</u>
Total Equity	<u>830,993</u>	<u>795,067</u>
Non-current Liabilities		
Hire purchase payables	9,418	8,232
Redeemable convertible preference shares	4,611	-
Loans and borrowings	6,260	3,314
Deferred tax liabilities	419	976
	<u>20,708</u>	<u>12,522</u>
Current Liabilities		
Trade payables	198,493	210,746
Progress billings	-	63
Amount due to an associate company	-	10,304
Other payables and accruals	39,452	48,361
Loans and borrowings	192,544	80,259
Tax payable	806	225
	<u>431,295</u>	<u>349,958</u>
TOTAL LIABILITIES	<u>452,003</u>	<u>362,480</u>
TOTAL EQUITY AND LIABILITIES	<u>1,282,996</u> 0	<u>1,157,547</u>
Net assets per share attributable to equity holders of the Company (RM)*	1.18	1.16

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)

* Net assets per share attributable to equity holders of the Company is computed based on Total Shareholders' Funds (excluding Minority Interests) divided by the total number of ordinary shares, net of shares bought back.

INSAS BERHAD
Company No. 4081-M
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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

	< ----- Attributable to Equity Holders of the Company ----- >							Total	Minority interests	Total equity
	Share capital RM'000	Share premium RM'000	ICULS-equity component RM'000	Reserve fund RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained profit/ (Accumulated losses) RM'000			
Financial year ended 30 June 2010										
As at 1 July 2009	693,334	66,394	-	1,200	11,687	(11,312)	13,436	774,739	20,328	795,067
Repurchase of shares	-	-	-	-	-	(3,556)	-	(3,556)	-	(3,556)
Disposal of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	(75)	(75)
Currency translation differences	-	-	-	-	(6,448)	-	-	(6,448)	(576)	(7,024)
Repayment of advances to minority shareholders	-	-	-	-	-	-	-	-	(1,907)	(1,907)
Share dividends paid to shareholders of the Company	-	(11,905)	-	-	-	11,905	-	-	-	-
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(5,802)	(5,802)
Net profit for the financial year	-	-	-	-	-	-	46,709	46,709	7,581	54,290
Balance as at 30 June 2010	<u>693,334</u>	<u>54,489</u>	<u>-</u>	<u>1,200</u>	<u>5,239</u>	<u>(2,963)</u>	<u>60,145</u>	<u>811,444</u>	<u>19,549</u>	<u>830,993</u>
0										
Financial year ended 30 June 2009										
As at 1 July 2008	618,966	66,394	79,043	1,200	10,641	(10,132)	(38,377)	727,735	18,752	746,487
Conversion of ICULS to ordinary shares	74,368	-	(74,368)	-	-	-	-	-	-	-
Gain arising from cancellation of ICULS	-	-	(4,675)	-	-	-	4,675	-	-	-
Repurchase of shares	-	-	-	-	-	(1,180)	-	(1,180)	-	(1,180)
Currency translation differences	-	-	-	-	1,046	-	-	1,046	53	1,099
Distribution to holders of ICULS	-	-	-	-	-	-	(4,767)	(4,767)	-	(4,767)
Repayment of advances to minority shareholders	-	-	-	-	-	-	-	-	(1,470)	(1,470)
Subscription of redeemable convertible preference shares in a subsidiary company by a minority shareholder	-	-	-	-	-	-	-	-	300	300
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(2,499)	(2,499)
Net profit for the financial year	-	-	-	-	-	-	51,905	51,905	5,192	57,097
Balance as at 30 June 2009	<u>693,334</u>	<u>66,394</u>	<u>-</u>	<u>1,200</u>	<u>11,687</u>	<u>(11,312)</u>	<u>13,436</u>	<u>774,739</u>	<u>20,328</u>	<u>795,067</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)

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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2010.

	Current financial year ended 30/6/2010	Preceding corresponding financial year ended 30/6/2009
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	53,635	61,133
Adjustments for :		
Non-cash items	(6,068)	(29,973)
Finance costs	4,922	3,492
Interest income	(11,536)	(6,723)
Operating profit before working capital changes	<u>40,953</u>	<u>27,929</u>
Changes in working capital :-		
Net changes in current assets	(21,683)	17,924
Net changes in current liabilities	(21,961)	16,554
Cash (used in)/generated from operations	<u>(2,691)</u>	<u>62,407</u>
Finance costs	(4,922)	(8,259)
Interest income	11,536	6,723
Tax refund	20	3,820
Net cash generated from operating activities	<u>3,943</u>	<u>64,691</u>
Cash flows from investing activities		
Proceeds from capital repayment by an associate company	13,049	-
Proceeds from divestment of interest in an associate company	-	62
Subscription of shares in associate companies	-	(400)
Purchase of property, plant and equipment	(9,328)	(32,178)
Payment on investment properties	(17,111)	(6,550)
Prepaid land lease payments	-	(4,378)
Purchase of long term investments	(7,888)	(44,909)
Purchase of short term investments	13,713	(59,353)
Proceeds from disposal of property, plant and equipment	1,873	752
Proceeds from disposal of investment properties	2,218	7,351
Proceeds from disposal of long term investments	5,894	-
Proceeds from disposal of short term investments	39,436	-
Proceeds from disposal of non-current assets held for sale	-	73,323
Payment for intangible assets	(21)	(22)
Payment for development expenditure	-	(21)
Investment in jointly controlled entities	(22,903)	-
Dividend received	4,067	2,797
Net cash generated from/(used in) investing activities	<u>22,999</u>	<u>(63,526)</u>
Cash flows from financing activities		
Decrease/(Increase) in monies held in trust	7,954	(7,191)
Increase in fixed deposits pledged	(190,717)	(34,727)
Decrease in cash and bank balances pledged	(18,435)	-
Net cash used in share buyback	(3,556)	(1,180)
Drawdown of loans and borrowings	354,233	106,772
Repayment of loans and borrowings	(230,214)	(38,447)
Repayment of hire purchase payables	(4,367)	(3,827)
Repayment of advances to minority shareholders	(1,907)	(1,470)
Subscription of redeemable convertible preference shares in a subsidiary company by minority shareholders	4,611	300
Payment to minority shareholder for acquisition of equity interest in a subsidiary company	(75)	-
Dividends paid to minority shareholders of subsidiary companies	(5,802)	(2,499)
Net cash (used in)/generated from financing activities	<u>(88,275)</u>	<u>17,731</u>
Net (decrease)/increase in cash and cash equivalents	(61,333)	18,896
Cash and cash equivalents at beginning of the financial year	229,495	209,747
Exchange differences	(1,005)	852
Cash and cash equivalents at end of the financial year	<u>167,157</u>	<u>229,495</u>
Cash and cash equivalents comprise of :-		
Bank overdrafts	(694)	(1,180)
Cash and bank balances	51,517	27,717
Deposits with licensed banks and financial institutions	116,334	202,958
	<u>167,157</u>	<u>229,495</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the Interim Financial Statements)

INSAS BERHAD
Company No. 4081-M
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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2010.

NOTES TO THE UNAUDITED FINANCIAL REPORT.

A1. Basis of Preparation

This set of financial report is unaudited and has been prepared in compliance with the reporting requirements outlined in the Financial Reporting Standard (“FRS”) 134 :Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

This report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2009. The explanatory notes attached to this financial report 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 2009.

The accounting policies and methods of computation and presentation adopted by the Group in this quarterly report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2009 except for the adoption of the FRS 8:Operating Segments which became effective for financial period beginning on or after 1 July 2009.

FRS 8 : Operating Segments

FRS 8, which replaces FRS 114²⁰⁰⁴ Segment Reporting, requires an entity to report financial and descriptive information about its operating segments. Under FRS 8, the disclosure on the operating segments is based on the internal reporting segments adopted by the entity or group for purpose of evaluation of performances and allocation of resources. The application of FRS 8 will not have any financial impact on the financial statements of the Group.

A2. Declaration of Audit Qualification

There was no qualified report issued by the auditors in the audited financial statements of the Group for the financial year ended 30 June 2009.

A3. Seasonality and Cyclicity of Interim Operations

The performance of the Group was not significantly affected by seasonal and cyclical fluctuation.

A4. Exceptional / Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The following are the exceptional items that occurred during the current financial quarter and financial year under review which affect the assets, liabilities, equity, net income or cash flows of the Group:-

Recognised in the Income Statements

	Individual	Quarter	Cumulative	Quarter
	Quarter ended	Quarter ended	Year ended	Year ended
	30-June-2010	30-June-2009	30-June-2010	30-June-2009
	RM'000	RM'000	RM'000	RM'000
Gain on disposal of an associate company	-	12	-	56,782
Gain on capital repayment by an associate company	-	-	13,049	-
Gain on disposal of investment properties	4	1	11	364
Foreign exchange loss on translation - unrealised	(48)	-	(1,772)	-
Writeback of / (Allowance for) diminution in value of quoted securities held for long term	(8,019)	1,914	(5,767)	(844)
Goodwill written off	(184)	-	(184)	-
Total	(8,247)	1,927	5,337	56,302

Recognised directly in Equity

	Individual	Quarter	Cumulative	Quarter
	Quarter ended	Quarter ended	Year ended	Year ended
	30-June-2010	30-June-2009	30-June-2010	30-June-2009
	RM'000	RM'000	RM'000	RM'000
Gain arising from cancellation of ICULS	-	-	-	4,675
Total	-	-	-	4,675

A5. Material changes in Estimates

There is no material change in accounting estimates used in the preparation of the financial statements in the current financial quarter and current financial year as compared to the previous corresponding financial quarter and financial year.

A6. Debts and Equity Securities

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting of the Company held on 24 December 2009, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year ended 30 June 2010, the Company repurchased 6,299,400 of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.5644 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act 1965. Of the total 693,333,633 issued and fully paid up ordinary shares, 6,005,152 shares are being held as treasury shares by the Company as at 30 June 2010. On 3 February 2010, the Company distributed share dividend to the shareholders on the basis of one treasury share for every twenty five existing ordinary shares of RM1.00 each held in the Company wherein a total of 26,558,148 treasury shares were distributed to the shareholders.

Other than the above, there were no issuance and repayment of equity and debts securities, share cancellations and resale of treasury shares for the financial year ended 30 June 2010.

A7. Dividends paid

On 3 February 2010, the Company distributed share dividend on the basis of one treasury share for every twenty five existing ordinary shares of RM1.00 each held in the Company. Other than this, there was no dividend paid for the current financial quarter and financial year to date.

A8. Segment Information

The segment analysis for the Group for the financial year ended 30 June 2010 is as follows:-

	Financial services and Credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	IT-related manufacturing, trading and services	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	21,264	73,021	147,430	10,730	171,240		423,685
Inter-segment revenue	8,154	4,971	4,124	537	9,991	(27,777)	-
Total segment revenue	29,418	77,992	151,554	11,267	181,231	(27,777)	423,685
Results							
Segment profit from operations	11,784	4,617	10,664	1,872	15,501	(2,215)	42,223
Interest income							11,535
Finance costs							(4,922)
Exceptional items	-	11	6,237	-	(911)	-	5,337
Share of results of associate companies	-	-	369	(427)	-	-	(58)
Share of results of jointly controlled entities	-	-	-	(480)	-	-	(480)
Profit before taxation							53,635
Taxation							655
Profit for the financial year							54,290
Attributable to :							
Equity holders of the Company							46,709
Minority interests							7,581

A8. Segment Information (Cont'd)

The segment analysis for the Group for the financial year ended 30 June 2009 is as follows:-

	Financial services and Credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	IT-related manufacturing, trading and services	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	17,862	44,758	25,982	9,336	143,927	-	241,865
Inter-segment revenue	5,888	4,222	2,913	538	12,239	(25,800)	-
Total segment revenue	23,750	48,980	28,895	9,874	156,166	(25,800)	241,865
Results							
Segment profit/(loss) from operations	(9,555)	2,316	(2,873)	844	13,111	(1,959)	1,884
Interest income							6,723
Finance costs							(3,492)
Exceptional items	-	364	55,938	-	-	-	56,302
Share of results of associate companies	-	-	938	(1,222)	-	-	(284)
Profit before taxation							61,133
Taxation							(4,036)
Profit for the financial year							57,097
Attributable to :							
Equity holders of the Company							51,905
Minority interests							5,192

A9. Valuation of Property, Plant and Equipment

The valuation of land and building held under property, plant and equipment has been brought forward without amendment from the annual financial statements of the Group for the financial year ended 30 June 2009.

A10. Material Subsequent Events

There were no material events subsequent to 30 June 2010 to the date of this Report that have not been reflected in the financial statements for the current financial year.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter and financial year, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations other than as disclosed below:-

- (a) On 23 June 2009, Montego Assets Limited ("Montego"), a wholly-owned indirect subsidiary company, entered into a Members' Agreement with Clan (CH) LLP and Native Land Limited wherein Montego agreed to invest 50% interest in Chantrey House LLP, a limited liability partnership registered in England and Wales. Chantrey House LLP is formed to invest in 99.5% of the equity funding requirements in Eccleston Belgravia LLP, a limited liability partnership registered in England and Wales.

A11. Changes in the composition of the Group (Cont'd)

(a) (Cont'd)

On the same date, Montego entered into a Members' Agreement made between Clan (CH) LLP, Native Land Limited, Montego, Chantrey House LLP and Eccleston Belgravia LLP for Eccleston Belgravia LLP to acquire and own a property known as Chantrey House situated at Eccleston Street, London SW1 for a cash consideration of GBP 20,750,000.

The transaction was completed on 6 July 2009.

- (b) On 28 July 2009, the Group, through its 40% equity interest in Winfields Development Sdn Bhd, had subscribed for 1 ordinary share of S\$1 each representing 100% of the total issued and paid up share capital of Winfields Development Pte Ltd ("Winfields P/L"). Winfields P/L is a private limited company incorporated in Singapore. The principal activities of Winfields P/L are property investment, rental of properties, investment holding and trading in shares, bonds and other financial instruments.
- (c) On 15 December 2009, Insas Properties Sdn Bhd, a 90% owned subsidiary company, increased its equity holding in Premium Yield Sdn Bhd ("Premium Yield") from 72.5% to 80.0% via the acquisition of 75,000 ordinary shares of RM1.00 each in Premium Yield from a minority shareholder for a consideration of RM75,000. Premium Yield was incorporated in Malaysia on 7 September 2004 and its principal activity is investment holding.

A12. Contingent Assets or Liabilities

As at the date of this Report, the Company has issued guarantees amounting to RM42,993,000 to financial institutions in respect of banking and credit facilities granted to its subsidiary companies.

A13. Commitments

Contractual commitments not provided for in the financial statements as at 30 June 2010 are as follows :-

	RM'000
To acquire properties	1,050
To subscribe equity interest in a company	1,913
To acquire shares in a company	5,000
To acquire quoted shares to be held for trading	<u>12,316</u>

A14. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business that had been undertaken at arm's length basis on normal commercial terms.

ADDITIONAL INFORMATION REQUIRED BY PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

Current financial quarter against preceding year's corresponding financial quarter

The Group reported revenue of RM122.2 million and a pre-tax profit of RM4.1 million in the current financial quarter ended 30 June 2010 as compared with revenue of RM75.9 million and a pre-tax profit of RM27.5 million reported in the preceding year's corresponding financial quarter.

The higher revenue reported in the current financial quarter ended 30 June 2010 is mainly due to higher revenue reported by the Group's property development and investment units.

Despite higher revenue, the Group reported a lower pre-tax profit in the current financial quarter as compared to the preceding year's corresponding financial quarter primarily due to allowance for diminution in value of quoted securities of RM6.1 million incurred in the current financial quarter (2009 : Writeback of allowance for diminution in value of quoted securities of RM21.3 million).

Financial period to date against preceding year's corresponding financial period

For the financial year ended 30 June 2010, the Group reported revenue of RM423.7 million and a pre-tax profit of RM53.6 million as compared with revenue of RM241.9 million and a pre-tax profit of RM61.1 million in the preceding financial year.

The higher revenue in the current financial year is mainly contributed by higher revenue reported by the Group's property development, investment and IT units.

The higher pre-tax profit in the preceding financial year is arrived at after taking into account gain on disposal of associated companies of RM56.8 million.

B2. Comments on material changes in the revenue and profit before taxation for the financial quarter as compared with the immediate preceding financial quarter

The Group reported revenue of RM122.2 million and a pre-tax profit of RM4.1 million in the current financial quarter as compared to revenue of RM98.9 million and a pre-tax profit of RM2.2 million in the immediate preceding financial quarter.

The higher revenue and pre-tax profit in the current financial quarter is mainly contributed by higher revenue and pre-tax profit reported by the Group's investment and IT units.

B3. Prospects for the next financial year ending 30 June 2011

The Board of Directors is optimistic and expects the Group's revenue and operating performance for the financial year ending 30 June 2011 to be satisfactory.

B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

This note is not applicable for the financial year under review as the Group did not enter into any scheme that requires it to present forecast results or guarantee any profits.

B5. Taxation

The taxation charge for the current financial quarter and for the financial year ended 30 June 2010 is as follows:-

	Individual Quarter ended 30-June-2010 RM'000	Quarter Quarter ended 30-June-2009 RM'000	Cumulative Year ended 30-June-2010 RM'000	Quarter Year ended 30-June-2009 RM'000
Taxation for the financial quarter/ year	931	253	2,820	1,300
Underprovision in respect of prior financial quarter/ year	99	442	117	112
Transfer (to)/from deferred taxation	(2,704)	2,624	(3,592)	2,624
	<u>(1,674)</u>	<u>3,319</u>	<u>(655)</u>	<u>4,036</u>

B5. Taxation (Cont'd)

The reconciliation between the statutory tax rate and the effective tax rate on the pre-tax profit of the Group are as follows:-

	Individual Quarter ended 30-June-2010 RM'000	Quarter Quarter ended 30-June-2009 RM'000	Cumulative Year ended 30-June-2010 RM'000	Quarter Year ended 30-June-2009 RM'000
Profit before taxation	4,088	27,530	53,635	61,133
Income tax at Malaysian statutory tax rate	1,022	6,882	13,409	15,283
<u>Tax effect in respect of :</u>				
Allowable expenses				
- ICULS interest paid taken direct to reserve	-	(77)	-	(1,192)
Double deduction of expenses		(1)		(1)
Non-allowable expenses	3,616	(2,462)	4,016	2,753
Income not subject to tax	(5,877)	(4,297)	(15,534)	(14,826)
Effect of different tax rates in other countries	523	(417)	267	526
Overseas tax paid for dividend income	167	5	178	169
Tax savings from utilisation of capital allowances	(310)	(540)	(525)	(554)
Tax savings from utilisation of tax losses	(792)	(664)	(3,481)	(4,103)
Deferred tax not recognised in the financial statements	(122)	4,448	898	5,869
Tax expenses for the financial quarter /year to date	(1,773)	2,877	(772)	3,924
Underprovision in respect of prior financial quarter/ year	99	442	117	112
	(1,674)	3,319	(655)	4,036

B6. Profit/(Loss) on Sale of Unquoted Investments and Properties

The Group reported a gain of RM11,000 (2009 : gain of RM2.54 million) on the disposal of investment properties for the financial year ended 30 June 2010.

The Group did not report any gain or loss on the sale of unquoted investment during the financial year ended 30 June 2010.

B7. Quoted Securities

The particulars of purchases and disposals of quoted securities incurred by the Group excluding those of the stock broking subsidiaries for the financial year ended 30 June 2010 are as follows :-

(a) Total purchases and proceeds from disposals and gain arising thereon for the financial year ended 30 June 2010:-

	RM'000
Total purchases	123,760
Total proceeds from disposal	129,714
Gain on disposal	7,797

(b) Investment in quoted securities as at 30 June 2010 are as follows :-

	RM'000
Total investments at cost	107,374
Total investments at carrying value/book value (after allowance for diminution in value)	94,791
Total investments at market value	101,552

B8. Status of Corporate Proposal announced but not completed as at the date of this Report

On 5 May 2010, the Board of Directors of the Company announced that Insas Technology Berhad, a wholly-owned subsidiary company had on 4 May 2010 entered into a conditional Subscription Agreement for the proposed subscription of 637,500 new ordinary share of RM1.00 each, representing 51% equity interest in the enlarged share capital in J & C Pacific Sdn Bhd ("J & C") for a total subscription price of RM1,912,500. J & C is a private limited company incorporated in Malaysia on 14 April 1997 and its principal activities is the provision of total communication services, solutions and products.

The proposed subscription has not been completed as at the date of this Report.

B9. Group Borrowings and Debts Securities as at 30 June 2010

	Foreign Currency (‘000)	RM'000
Short Term Borrowings		
Secured Borrowings		
- in Australian dollars	577	1,600
- in Euro dollars	3,100	12,349
- in US dollars	49,651	162,433
- in Singapore dollars	4,397	10,237
- in Swiss Francs	204	617
- in Malaysian Ringgit		5,308
		<u>192,544</u>
Long Term Borrowings		
Secured Borrowings – in Malaysian Ringgit		6,260
		<u>198,804</u>

B10. Off Balance Sheet Financial Instruments

In the normal course of business, the Group entered into foreign currency forward contracts as part of the Group's investment activities. The notional amount of the Group's outstanding foreign currency forward contracts as at the balance sheet date was RM13.5 million. The settlement dates of these foreign exchange forward contracts are below 12 months.

The Group does not anticipate any significant exposure to credit risk arising from the dealings in the foreign currency forward contracts as the contracts were transacted through reputable financial institutions. The Group is of the view any receivables due to the Group arising from these contracts will be settled.

The Group has not adopted FRS 139 Financial Instruments : Recognition and Measurement in line with the implementation of FRS 139 to entities with annual periods beginning on or after 1 January 2010. The foreign exchange forward contracts are valued at the forward rates applicable to their respective maturity dates and are recognised in the financial statements in the period the contracts mature.

B11. Material Litigation

There is no material progress/changes on pending material litigation since the last annual balance sheet date up to the date of this Report. The Group was not engaged in any litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

B12. Dividend

The Directors do not recommend the payment of any dividend for the financial year ended 30 June 2010.

B13. Earnings per share

(a) Basic earnings per share

The basic earnings per ordinary share for the current financial quarter and period to date have been calculated by dividing the net profit attributable to equity holders of the Company for the financial quarter and period to date by the weighted average number of ordinary shares in issue during the financial quarter and period to date.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-June-2010 RM'000	Quarter ended 30-June-2009 RM'000	Year ended 30-June-2010 RM'000	Year ended 30-June-2009 RM'000
Net profit attributable to equity holders of the Company for the financial quarter and period to date (RM'000)	3,234	22,318	46,709	51,905
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back during the financial year ('000)	675,437	612,897	675,437	612,897
Basic earnings per share (Sen)	0.49	3.49	6.92	8.47

B13. Earnings per share (Cont'd)

(b) Diluted earnings per share

No diluted earnings per share is calculated for the current financial quarter and current financial year and the preceding year's financial quarter and preceding financial year as there is no potential dilution on the ordinary shares of the Company as at 30 June 2010 and as at 30 June 2009 following the completion of the conversion of the ICULS into ordinary shares of the Company upon the ICULS's expiry on 19 April 2009.