

Financial ResultsReference No **II-110224-44110**

Company Name : **INSAS BERHAD**
 Stock Name : **INSAS**
 Date Announced : **24/02/2011**
 Financial Year End : **30/06/2011**
 Quarter : **2**
 Quarterly report for the financial period ended : **31/12/2010**
 The figures : **have not been audited**

Converted attachment :

Please attach the full Quarterly Report here:

☞ [QReportword Dec2010-Bursa.doc](#)

☞ [QRExcel Dec2010-Bursa.xls](#)

Remark:

1) The basic earnings per share for the 6 months period ended 31 December 2010 has been calculated based on the profit attributable to owners of the company of RM39,061,000(2009: RM42,784,000)and the weighted average number of ordinary shares in issue during the period of 686,711,000 shares (2009: 665,429,000 shares) after taking into account the movement of shares bought back by the Company.

2) The fully diluted earnings per share is not computed as there is no dilutive potential on the ordinary shares during the reporting periods.

3) The net assets per share is calculated based on the Shareholders' Fund (excluding non-controlling 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
31/12/2010

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

	31/12/2010		31/12/2009		PERIOD	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	\$\$'000	\$\$'000	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	45,480	119,650	121,345	202,548		
2 Profit/(loss) before tax	12,916	11,435	40,210	47,334		
3 Profit/(loss) for the period	12,157	11,128	39,131	46,317		
4 Profit/(loss) attributable to ordinary equity holders of the parent	12,042	10,003	39,061	42,784		
5 Basic earnings/(loss) per share (Subunit)	1.76	1.52	5.69	6.43		
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 (\$\$)		1.2500		1.1700		

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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24 February 2011

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

UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS PERIOD ENDED 31 DECEMBER 2010

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2011 Current financial quarter ended 31-Dec-10 RM'000	FY 2010 Preceding corresponding financial quarter ended 31-Dec-09 RM'000	FY 2011 Financial period ended 31-Dec-10 RM'000	FY 2010 Preceding financial period ended 31-Dec-09 RM'000
Revenue		45,480	119,650	121,345	202,548
Cost of sales		(34,471)	(96,973)	(96,546)	(160,436)
Administrative expenses		(5,226)	(5,753)	(13,436)	(12,257)
Other operating expenses	1	(9,988)	(8,529)	(21,680)	(18,092)
Other income	2	14,095	4,692	46,644	25,103
Finance costs		(1,240)	(1,102)	(2,364)	(2,239)
Exceptional items	3	-0	(1,339)	285	13,181
Share of profit less losses of associate companies		4,097	690	5,818	242
Share of profit less losses of jointly controlled entities		169	99	144	(716)
Profit before taxation		12,916	11,435	40,210	47,334
Taxation		(759)	(307)	(1,079)	(1,017)
Profit after taxation		12,157	11,128	39,131	46,317
Profit attributable to :					
Owners of the Company		12,042	10,003	39,061	42,784
Non-controlling interests		115	1,125	70	3,533
		12,157	11,128	39,131	46,317
Earnings per share (in sen)					
- Basic		1.76	1.52	5.69	6.43
- Diluted		n/a	n/a	n/a	n/a

	Quarter ended 31/12/2010 RM'000	Quarter ended 31/12/2009 RM'000	Period ended 31/12/2010 RM'000	Period ended 31/12/2009 RM'000
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Note 1

Included in Other operating expenses are the following items :-

Gain/(Loss) on disposal of quoted securities	<u>4</u>	<u>(16)</u>	<u>(1,007)</u>	<u>(2,312)</u>
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Note 2

Included in Other income is the following item:-

Writeback of allowance for diminution in value of financial assets at fair value through profit or loss	<u>4,966</u>	<u>1,024</u>	<u>12,299</u>	<u>10,438</u>
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Note 3

Exceptional items represent:-

Gain on capital repayment by an associate company	-	-	-	13,049
Gain on dilution of equity interest in subsidiary companies (Allowance for)/Writeback of allowance for diminution in value of quoted securities held for long term	-	-	<u>285</u>	-
	<u>-</u>	<u>(1,339)</u>	<u>-</u>	<u>132</u>

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

UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2010.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY 2011 Current financial quarter ended 30-Sep-10 RM'000	FY 2010 Preceding corresponding financial quarter ended 30-Sep-09 RM'000	FY 2011 Financial period ended 30-Sep-10 RM'000	FY 2010 Preceding financial period ended 30-Sep-09 RM'000
Profit after taxation for the financial period	26,974	35,189	26,974	35,189
Other comprehensive income/(loss)				
Reversal of fair value gain on available for sale investment to profit or loss upon derecognition	(231)	-	(231)	-
Unrealised gain on revaluation of available for sale investment	1,326	-	1,326	-
Exchange translation reserve movement	(847)	(439)	(847)	(439)
Total other comprehensive gain/(loss) for the financial period	248	(439)	248	(439)
Total comprehensive income for the financial period	27,222	34,750	27,222	34,750
Profit attributable to :				
Owners of the Company	27,420	32,318	27,420	32,318
Non-controlling interests	(198)	2,432	(198)	2,432
	27,222	34,750	27,222	34,750

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the Interim Financial Statements)

UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2010.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30/9/2010	(Audited) As at preceding financial year ended 30/06/2010 (Restated)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	32,995	62,460
Investment properties	56,891	58,092
Prepaid land lease payments	-	4,781
Land held for development	37,576	37,576
Available for sale investments	43,213	43,194
Held to maturity investments	49,898	53,260
Associate companies	34,324	15,064
Investment in jointly controlled entities	24,097	24,122
Intangible assets	19,227	19,644
Deferred tax assets	3,424	4,644
Total non-current assets	301,645	322,837
Current Assets		
Property development costs	5,029	6,955
Inventories	22,878	33,584
Trade receivables	149,445	171,960
Accrued billings	-	5,918
Amount due from associate companies	29,201	21,497
Other receivables, deposits and prepayments	25,404	29,469
Held to maturity investments	5,804	5,943
Financial assets at fair value through profit or loss	75,728	71,643
Tax recoverable	2,299	2,293
Deposits with licensed banks and financial institutions	594,902	525,999
Cash and bank balances	73,678	73,704
	984,368	948,965
Non-current assets classified as held for sale	9,216	8,166
Total current assets	993,584	957,131
TOTAL ASSETS	1,295,229	1,279,968
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the Company		
Share capital	693,334	693,334
Treasury shares	(3,074)	(2,963)
Reserves	63,774	56,613
Retained profit	86,917	59,898
	840,951	806,882
Non-controlling interests	7,307	19,549
Total Equity	848,258	826,431
Non-current Liabilities		
Hire purchase payables	7,953	9,418
Redeemable convertible preference shares	-	4,611
Loans and borrowings	500	6,260
Deferred tax liabilities	368	814
	8,821	21,103
Current Liabilities		
Trade payables	204,132	198,495
Other payables and accruals	29,859	40,589
Loans and borrowings	203,962	192,544
Tax payable	197	806
	438,150	432,434
TOTAL LIABILITIES	446,971	453,537
TOTAL EQUITY AND LIABILITIES	1,295,229	1,279,968
	0	
Net assets per share attributable to owners of the Company (RM)*	1.22	1.17

(The Condensed Consolidated Statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the Interim Financial Statements)

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

INSAS BERHAD
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND 3 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER AND 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2010.

	<----- Attributable to Owners of the Company ----->							Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Available for sale investment fair value reserve RM'000	Reserve fund RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained profit RM'000			
Period ended 30 September 2010										
As at 1 July 2010										
- As previously reported	693,334	54,489	-	1,200	924	(2,963)	59,898	806,882	19,549	826,431
- Adoption of FRS 139	-	-	6,760	-	-	-	-	6,760	-	6,760
As restated	693,334	54,489	6,760	1,200	924	(2,963)	59,898	813,642	19,549	833,191
Repurchase of shares	-	-	-	-	-	(111)	-	(111)	-	(111)
Dilution of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	(12,044)	(12,044)
Total comprehensive income/ (loss) for the period	-	-	1,095	-	(694)	-	27,019	27,420	(198)	27,222
Balance as at 30 September 2010	693,334	54,489	7,855	1,200	230	(3,074)	86,917	840,951	7,307	848,258
										0
Period ended 30 September 2009										
As at 1 July 2009	693,334	66,394	-	1,200	11,687	(11,312)	13,436	774,739	20,328	795,067
Advances from non-controlling interests	-	-	-	-	-	-	-	-	667	667
Total comprehensive income/ (loss) for the period	-	-	-	-	(463)	-	32,781	32,318	2,432	34,750
Balance as at 30 September 2009	693,334	66,394	-	1,200	11,224	(11,312)	46,217	807,057	23,427	830,484

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the Interim Financial Statements)

INSAS BERHAD
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2010.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER AND 3 MONTHS PERIOD ENDED 30 SEPTEMBER 2010.

	Current financial period ended 30/9/2010 RM'000	Preceding corresponding financial period ended 30/9/2009 RM'000
Cash flows from operating activities		
Profit before taxation	27,294	35,899
Adjustments for :		
Non-cash items	(30,688)	(21,928)
Finance costs	1,124	1,137
Interest income	(1,289)	(2,518)
Operating (loss)/profit before working capital changes	<u>(3,559)</u>	<u>12,590</u>
Changes in working capital :-		
Net changes in current assets	17,487	10,085
Net changes in current liabilities	25,300	(19,915)
Cash generated from operations	<u>39,228</u>	<u>2,760</u>
Finance costs	(1,124)	(1,137)
Interest income	1,289	2,518
Tax refund	(362)	(190)
Net cash generated from operating activities	<u>39,031</u>	<u>3,951</u>
Cash flows from investing activities		
Proceeds from capital repayment by an associate company	-	13,049
Purchase of property, plant and equipment	(1,251)	(3,547)
Payment on investment properties	-	(5,841)
Purchase of long term investments	-	(8,122)
Purchase of short term investments	-	(9,995)
Purchase of held to maturity investments	(1,319)	-
Proceeds from disposal of property, plant and equipment	284	1,373
Proceeds from disposal of available for sale investments	6,699	-
Proceeds from redemption of held to maturity investments	4,962	-
Proceeds from disposal of short term investments	-	18,813
Payment for intangible assets	(1)	(2)
Payment for development expenditure	(1)	-
Investment in jointly controlled entities	-	(22,903)
Dividend received	405	127
Net cash outflow from dilution of equity interest in subsidiary companies	(260)	-
Net cash generated from/(used in) investing activities	<u>9,518</u>	<u>(17,048)</u>
Cash flows from financing activities		
Increase in monies held in trust	(12,254)	(8,937)
Increase in fixed deposits pledged	(41,960)	(44,062)
(Increase)/decrease in cash and bank balances pledged	(1,935)	20
Net cash used in share buyback	(111)	-
Drawdown of loans and borrowings	77,544	63,964
Repayment of loans and borrowings	(56,022)	(29,971)
Repayment of hire purchase payables	(1,205)	(1,085)
Net cash used in financing activities	<u>(35,943)</u>	<u>(20,071)</u>
Net increase/(decrease) in cash and cash equivalents	12,606	(33,168)
Cash and cash equivalents at beginning of the financial period	168,337	229,495
Exchange differences	(422)	43
Cash and cash equivalents at end of the financial period	<u>180,521</u>	<u>196,370</u>
Cash and cash equivalents comprise of :-		
Bank overdrafts	(1,237)	(985)
Cash and bank balances	50,713	47,597
Deposits with licensed banks and financial institutions	131,045	149,758
	<u>180,521</u>	<u>196,370</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 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 SECOND QUARTER AND 6 MONTHS PERIOD
ENDED 31 DECEMBER 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 (“MASB”) 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 2010. 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 2010.

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 2010 except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and Issues Committee Interpretations (“IC Interpretations”) issued by the MASB that become effective and are relevant to the Group for the financial year beginning 1 July 2010:-

Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations.
FRS 7	Amendment relating to disclosures of non-current assets (or disposal groups) classified as held for sale or discontinued operations
Amendments to FRS 7	Financial Instruments : Disclosures
Amendment to FRS 8	Financial Instruments : Disclosures. Amendments relating to financial assets
FRS 101	Operating Segments. Amendment relating to disclosure information about segment assets
Amendment to FRS 107	Presentation of financial statements
Amendment to FRS 108	Statement of Cash Flows. Amendment relating to classification of expenditures on unrecognised assets
Amendment to FRS 110	Accounting Policies, Changes in Accounting Estimates and Errors. Amendment relating to selection and application of accounting policies
Amendment to FRS 116	Events After the Reporting Period. Amendment relating to reason for dividend not recognised as a liability at the end of the reporting period
Amendment to FRS 117	Property, Plant and Equipment. Amendment relating to derecognition of asset
Amendment to FRS 118	Leases. Amendment relating to classification of leases
Amendment to FRS 119	Revenue. Amendment relating to Appendix of this standard and recognition and measurement
FRS 123	Employee Benefits. Amendment relating to definition, curtailment and settlements
Amendment to FRS 123	Borrowing Costs
	Borrowing Costs. Amendment relating to components of borrowing costs

A1. Basis of Preparation (Cont'd)

Amendment to FRS 127	Consolidated and Separate Financial Statements. Amendment relating to cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 128	Investment in Associates. Amendment relating to impairment losses in application of the equity method and the scope of this standard
Amendment to FRS 131	Interests in Joint Ventures. Amendment relating to additional disclosure required for joint venture that does not apply FRS 131
Amendments to FRS132	Financial Instruments : Presentation. Amendment relating to puttable financial instruments
Amendment to FRS 134	Interim Financial Reporting. Amendment relating to disclosure of earnings per share
Amendment to FRS 136	Impairment of Assets. Amendment relating to the disclosure of recoverable amount
Amendment to FRS 138	Intangible Assets. Amendment relating to recognition of an expense
FRS 139	Financial Instruments : Recognition and Measurement
Amendments to FRS 139	Financial Instruments : Recognition and Measurements. Amendments relating to eligible hedged items, reclassification of financial assets and embedded derivatives
Amendment to FRS 140	Investment Property. Amendment relating to inability to determine fair value reliably
IC Interpretation 9	Reassessment of Embedded Derivatives
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
Amendments to FRS 132	Financial Instruments : Presentation. Amendments relating to classification of rights issues
FRS 3	Business Combinations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations. Amendment relating to the inclusion of non-current assets as held for distribution to owners in the standards
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets. Amendments relating to the revision to FRS 3
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives. Amendments relating to the scope of the IC Int and revision to FRS 3
IC Interpretation 17	Distributions of Non-cash Assets to Owners

The adoption of the above FRSs, amendments to FRSs and IC Interpretations do not have significant impact on the financial statements of the Group other than the application of FRS 101, FRS 7 and FRS 139 summarised below:

(a) FRS 101 : Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. With the adoption of this FRS, the consolidated statement of changes in equity will only include details of transactions with owners. All non-owners changes in equity are presented as a single line labelled as total comprehensive income.

The standard also introduces the statement of comprehensive income; presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, the adoption of the standard has resulted in the consolidated balance sheet now being renamed as consolidated statement of financial position.

This standard affects the presentation of the financial statements and does not have any impact on the financial position and results of the Group.

A1. Basis of Preparation (Cont'd)

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations do not have significant impact on the financial statements of the Group other than the application of FRS 101, FRS 7 and FRS 139 summarised below (Cont'd) :-

(b) FRS 7 : Financial Instruments : Disclosures

FRS 7 requires disclosures in the financial statements that enable users to evaluate the significance of financial instruments on the entity's financial position and performance, and the nature and extent of risks arising from financial instruments to which an entity is exposed during the period and at the reporting date, and how the entity manages those risks. The principles in this FRS complement the principles for presenting, recognising and measuring financial instruments in FRS 132 Financial Instruments : Presentation and FRS 139 Financial Instruments : Recognition and Measurements.

The adoption of FRS 7 does not have any impact on the financial position and results of the Group.

(c) FRS 139 : Financial Instruments – Recognition and Measurements

FRS 139 sets out the new requirements for the classification, recognition and measurement of the Group's financial assets and liabilities.

Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The designation depends on the nature of the financial assets and liabilities and the purpose for which the financial assets/liabilities were acquired/incurred. Set out below are the changes in classifications of financial assets and liabilities of the Group as a result of adopting FRS 139 :-

(i) Financial assets at fair value through profit or loss

Prior to the adoption of FRS 139, quoted securities intended for short term investments were accounted for at the lower of cost and market value. With the application of FRS 139, short term quoted equity investment are now measured at fair value on the date of transaction and subsequently re-measured at fair value with changes in fair value recognised in the income statement.

(ii) Loans and receivables

Prior to the adoption of FRS 139, loans and receivables were measured at invoiced amount less allowance for doubtful debts and subject to impairment. With the adoption of FRS 139, loans and receivables are now measured at fair value plus transaction costs and subsequently at amortised cost using effective interest method and subject to impairment.

Gains or losses arising from derecognition of the loans and receivables, effective interest rate amortisation and impairment losses are recognised in the income statement.

A1. Basis of Preparation (Cont'd)

(c) FRS 139 : Financial Instruments – Recognition and Measurements (Cont'd)

(iii) Available for sale investments

Prior to the adoption of FRS 139, non-current investments were accounted for at cost less impairment. Upon the adoption of FRS 139, available for sale investments are initially measured at fair value plus transaction costs and subsequently at fair value. Investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are measured at cost. Changes in fair value of available for sale investments measured at fair value are recognised in other comprehensive income, together with the related currency translation differences, until the investments are disposed or until the investments are determined to be impaired, at which time the cumulative gain or losses previously reported in other comprehensive income are included in the income statement.

(iv) Held to Maturity investments

Investments which have fixed or determinable payments and fixed maturity are designated as held to maturity investments when the Group has the intention and ability to hold the investments till maturity. Such investments are initially recognised at fair value including transaction costs and subsequently measured at amortised cost using effective interest method and subject to impairment.

Any changes in relation to amortisation and impairment are recognised in the income statement.

(v) Financial liabilities measured at amortised cost

The Group's financial liabilities includes trade and other payables and loans and borrowings. Under FRS 139, these financial liabilities are measured initially at fair value and subsequently carried at amortised cost using the effective interest method.

In accordance with the transitional provisions for the first time adoption of FRS 139, the effects arising from the adoption of this Standard has been accounted for prospectively and the comparatives period results and financial positions are not restated. Accordingly, the changes have been accounted for by adjusting and/or reclassifying the following opening balances in the Statement of financial position as at 1 July 2010 : -

	Balance as at		Balance as at
Statement of financial position	30.6.2010	Effect of adoption	1.7.2010
	<u>As previously reported</u>	<u>of FRS 139</u>	<u>As restated</u>
	RM'000	RM'000	RM'000
Non-current assets			
Long term investments	96,454	(96,454)	-
Available for sale investments	-	43,194	43,194
Held to maturity investments	-	53,260	53,260
Current assets			
Short term investments	5,943	(5,943)	-
Marketable securities	71,643	(71,643)	-
Held to maturity investments		5,943	5,943
Financial assets at fair value through profit or loss	-	71,643	71,643
Equity			
Available for sale investment reserves	-	6,760	6,760

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 2010.

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 period 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	Period ended	Period ended
	31-December-2010	31-December-2009	31-December-2010	31-December-2009
	RM'000	RM'000	RM'000	RM'000
Gain on capital repayment by an associate company	-	-	-	13,049
Gain on dilution of equity interest in subsidiary companies	-	-	285	-
Writeback of allowance for diminution in value of financial assets at fair value through profit or loss	4,966	1,024	12,299	10,438
(Allowance for)/writeback of allowance for diminution in value of quoted securities held for long term	-	(1,339)	-	132
Total	4,966	(315)	12,584	23,619

A5. Material changes in Estimates

There are no material changes in accounting estimates used in the preparation of the financial statements in the current financial quarter and current financial period as compared to the previous corresponding financial quarter and financial period.

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 21 December 2010, 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 6 months period ended 31 December 2010, the Company repurchased 866,900 of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.5339 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, 6,872,052 shares are being held as treasury shares by the Company as at 31 December 2010.

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 period ended 31 December 2010.

A7. Dividends paid

No dividend has been paid for the current financial quarter and financial period to date.

A8. Segment Information

The segment analysis for the Group for the 6 months period ended 31 December 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	7,700	11,670	77,878	6,232	17,865	-	121,345
Inter-segment revenue	1,800	2,022	575	200	539	(5,136)	-
Total segment revenue	9,500	13,692	78,453	6,432	18,404	(5,136)	121,345
Results							
Segment profit from operations	3,754	3,818	22,866	1,153	809	(537)	31,863
Interest income							4,464
Finance costs							(2,364)
Exceptional items					285	-	285
Share of results of associate companies	-	-	1,700	1,345	2,773	-	5,818
Share of results of jointly controlled entities	-	144	-	-	-	-	144
Profit before taxation							40,210
Taxation							(1,079)
Profit for the financial period							39,131
Attributable to :							
Owners of the Company							39,061
Non-controlling interests							70

The segment analysis for the Group for the 6 months period ended 31 December 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	7,509	35,032	65,943	4,740	89,324	-	202,548
Inter-segment revenue	4,739	2,499	2,190	298	6,712	(16,438)	-
Total segment revenue	12,248	37,531	68,133	5,038	96,036	(16,438)	202,548
Results							
Segment profit from operations	3,687	3,466	16,539	870	8,873	(1,123)	32,312
Interest income							4,554
Finance costs							(2,239)
Exceptional items			13,181				13,181
Share of results of associate companies	-	-	(145)	387	-	-	242
Share of results of jointly controlled entities	-	-	(716)	-	-	-	(716)
Profit before taxation							47,334
Taxation							(1,017)
Profit for the financial period							46,317
Attributable to :							
Owners of the Company							42,784
Non-controlling interests							3,533

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 2010.

A10. Material Subsequent Events

There were no material events subsequent to 31 December 2010 to the date of this Report that have not been reflected in the financial statements for the current financial period.

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 period, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations other than as disclosed below:-

- (a) On 5 August 2010, Insas Technology Berhad ("ITB"), a wholly-owned subsidiary company diluted its equity interest in Inari Technology Sdn Bhd ("Inari Tech") from 51% to 42.43% following the conversion of 1,515,000 Redeemable Convertible Preference Shares ("RCPS") held by the RCPS holders in Inari Tech into 1,515,000 ordinary shares in Inari Tech. The conversion of the RCPS was made in accordance with the terms and conditions contained in the subscription agreements entered into between Inari Tech and its shareholders and the RCPS holders.
- (b) On 20 September 2010, ITB and the other shareholders of Inari Tech entered into a Sale and Purchase Agreement with Inari Berhad ("Inari") for the disposal of their combined 100% equity interest in Inari Tech to Inari for a total consideration of RM24,160,860 which were satisfied in full by the allotment of 241,608,600 ordinary shares of RM0.10 each in Inari in proportion to their respective shareholdings in Inari Tech. Arising thereof, Inari Tech became a wholly owned subsidiary company of Inari, and Inari became a 42.43% associate company of the Group.

Inari was incorporated in Malaysia on 5 May 2010 as a public limited company under the Companies Act, 1965. The principal activity of Inari is investment holding.

- (c) On 21 September 2010, ITB entered into a Sale and Purchase agreement to dispose its 100% equity interest in Simfoni Bistari Sdn Bhd ("Simfoni") to Inari for a total cash consideration of RM1,000,000. In addition, Inari will repay the amount owing by Simfoni to ITB of RM10,000,000 by way of issuance of 7,000,000 new ordinary shares in Inari to ITB at an issue price of RM0.35 per Inari share and the balance owing of RM7,550,000 is to be repayable over a period of 12 months subject to interest payment of 8% per annum until the date of full repayment.

Simfoni was incorporated in Malaysia on 18 February 2003 as a private limited company under the Companies Act, 1965. The principal activities of Simfoni are investment holding, property investment and letting out of properties.

On the completion of the transactions stated in A11 (a), (b) and (c) above, ITB holds 44.05% equity interest in Inari, Inari Tech and Simfoni. It is the intention of Inari to undertake an initial public offering ("IPO"), listing and quotation of its shares on the ACE Market of the Bursa Malaysia Securities Berhad and the transactions stated in A11 (a), (b) and (c) were carried out to streamline the corporate structure of Inari to facilitate the proposed IPO.

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

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

- (d) On 22 October 2010, the Company increased its equity interest in Noble Builders Sdn Bhd ("Noble Builders") from 75% to 100% via the acquisition of 250,000 ordinary shares of RM1.00 each in Noble Builders from the minority shareholders for a consideration of RM1.00. Noble Builders was incorporated in Malaysia on 11 May 1993 and its principal activities were in property investment and F&B business. Noble Builders is now a dormant company.
- (e) On 21 December 2010, the Company announced that Contibina Sdn Bhd ("Contibina"), a 60% indirect subsidiary company, had on 17 December 2010 commenced Members' Voluntary Winding-up pursuant to Section 254 (1)(b) of the Companies Act 1965.

Contibina was incorporated on 19 August 1994 with an issued and paid up share capital of RM200,000 comprising 200,000 ordinary shares of RM1.00 each.

The winding-up of Contibina was initiated as it has ceased business operations in year 1997. Contibina had since remained dormant and has no intention to carry on business activities in the future.

A12. Contingent Assets or Liabilities

As at the date of this Report, the Company has issued guarantees amounting to RM78,564,000 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 31 December 2010 are as follows :-

	RM'000
To acquire investment properties	1,050
To acquire property, plant and equipment	411
To acquire unquoted shares in companies	<u>6,913</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 RM45.5 million and a pre-tax profit of RM12.9 million in the current financial quarter ended 31 December 2010 as compared with revenue of RM119.7 million and a pre-tax profit of RM11.4 million reported in the preceding year's corresponding financial quarter.

B1. Review of Performance

Current financial quarter against preceding year's corresponding financial quarter (cont'd)

The revenue reported in the current financial quarter was lower due to lower revenue reported by the property development, investment and IT units. Revenue for the IT unit decline due to deconsolidation of the results for Inari Tech with effect from 5 August 2010 arising from the dilution of the Group's equity interest in Inari Tech from 51% to 44.05% as stated in Note A11(a), (b) and (c).

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

For the six month ended 31 December 2010, the Group reported revenue of RM121.3 million and a pre-tax profit of RM40.2 million as compared with revenue of RM202.5 million and a pre-tax profit of RM47.3 million in the preceding year's corresponding financial period.

The lower revenue reported in the current financial period was mainly due to lower revenue reported by the property development and IT units. The IT unit reported lower revenue in the current financial period due to deconsolidation of Inari Tech's results with effect from 5 August 2010 arising from the dilution of the Group's equity interest in Inari Tech from 51% to 44.05% as stated in Note A11(a), (b) and (c).

The pre-tax profit of RM47.3 million in the preceding year's corresponding financial period ended 31 December 2009 includes gain on capital repayment by an associate company of RM13.0 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 RM45.5 million and a pre-tax profit of RM12.9 million in the current financial quarter as compared to revenue of RM75.9 million and a pre-tax profit of RM27.3 million in the immediate preceding financial quarter.

The lower revenue reported in the current financial quarter was mainly due to lower revenue reported by the investment and IT units. The IT unit reported lower revenue in the current financial quarter due to the deconsolidation of Inari Tech's results with effect from 5 August 2010 arising from the dilution of the Group's equity interest in Inari Tech from 51% to 44.05% as stated in Note A11(a), (b) and (c).

The lower pre-tax profit in the current financial quarter was mainly due to lower profits reported by the investment unit.

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

The Board of Directors is cautiously 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 financial period ended 31 December 2010 is as follows:-

	Individual Quarter ended 31-December-2010 RM'000	Quarter Quarter ended 31-December-2009 RM'000	Cumulative Period ended 31-December-2010 RM'000	Quarter Period ended 31-December-2009 RM'000
Taxation for the financial quarter/period to date	759	1,014	1,021	1,724
Underprovision in respect of prior financial quarter/period to date	-	18	-	18
Transfer to/(from) deferred taxation	-	(725)	58	(725)
	<u>759</u>	<u>307</u>	<u>1,079</u>	<u>1,017</u>

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 31-December-2010 RM'000	Quarter Quarter ended 31-December-2009 RM'000	Cumulative Period ended 31-December-2010 RM'000	Quarter Period ended 31-December-2009 RM'000
Profit before taxation	<u>12,916</u>	<u>11,435</u>	<u>40,210</u>	<u>47,334</u>
Income tax at Malaysian statutory tax rate	3,230	2,858	10,053	11,833
<u>Tax effect in respect of :</u>				
Non-allowable expenses	114	395	402	585
Income not subject to tax	(949)	(1,626)	(7,018)	(9,685)
Effect of different tax rates in other countries	(15)	118	(161)	(343)
Overseas tax paid on dividend income	10	2	17	3
Tax savings from utilisation of capital allowances	14	226	(2)	(208)
Tax savings from utilisation of tax losses	(1,528)	(1,260)	(2,592)	(2,034)
Deferred tax not recognised in the financial statements	<u>(117)</u>	<u>(424)</u>	<u>380</u>	<u>848</u>
Tax expenses for the financial quarter/period to date	759	289	1,079	999
Underprovision in respect of prior financial quarter/period to date	-	18	-	18
	<u>759</u>	<u>307</u>	<u>1,079</u>	<u>1,017</u>

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

The Group reported a gain of RM0.43 million (Preceding corresponding period : Nil) on disposal of investment properties for the financial period ended 31 December 2010.

There were no sale of unquoted investments for the current financial quarter and financial period ended 31 December 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 period ended 31 December 2010 are as follows :-

- (a) Total purchases and proceeds from disposals and gain arising thereon for the financial period ended 31 December 2010:-

	RM'000
Total purchases	68,248
Total proceeds from disposal	67,722
Gain on disposal	4,288

- (b) Investment in quoted securities as at 31 December 2010 are as follows :-

	RM'000
Total investments at cost	113,239
Total investments at carrying value (after allowance for diminution in value)	123,887
Total investments at market value	123,887

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

There is no corporate proposal that has been announced but has not been completed as at the date of this Report.

B9. Group Borrowings and Debts Securities as at 31 December 2010

	Foreign Currency ('000)	RM'000
Short Term Borrowings		
Secured Borrowings		
- in Euro dollars	4,550	18,612
- in US dollars	26,063	80,547
- in Australian dollars	1,030	3,245
- in Singapore dollars	2,378	5,685
- in Swiss Francs	154	503
- in Ringgit Malaysia		3,389
		<hr/> 111,981
Long Term Borrowings		
Secured Borrowings – in Ringgit Malaysia		500
		<hr/> 112,481

B10. Disclosure pursuant to implementation of FRS 139 : Recognition and Measurement

With the adoption of FRS 139 Financial Instruments : Recognition and Measurement, off balance sheet financial instruments are now recognised on the financial statements.

There were no contracts involving off balance sheet risk as at the end of the reporting period and the date of this Report.

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 period ended 31 December 2010.

B13. Earnings per share

(a) Basic earnings per share

The basic earnings per share for the current financial quarter and period to date have been calculated by dividing the net profit attributable to owners 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 31-December-2010 RM'000	Quarter ended 31-December-2009 RM'000	Period ended 31-December-2010 RM'000	Period ended 31-December-2009 RM'000
Net profit attributable to owners of the Company for the financial quarter and period to date (RM'000)	12,042	10,003	39,061	42,784
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	686,711	665,429	686,711	665,429
Basic earnings per share (Sen)	1.76	1.52	5.69	6.43

(b) Diluted earnings per share

Diluted earnings per share is not computed as there were no dilutive potential on the ordinary shares during the reporting periods.

B14. DISCLOSURE ON RETAINED EARNINGS REALISED AND UNREALISED PROFITS AND LOSSES

The Group's retained profits as at 31 December 2010 and 30 September 2010 are analysed as follows:

	As at 31.12.2010 RM'000	As at 30.9.2010 RM'000
<u>Total retained profits of the Company and its subsidiaries</u>		
- Realised	20,506	14,798
- Unrealised	29,358	27,073
	<u>49,864</u>	<u>41,871</u>
<u>Total share of retained profits from associate companies</u>		
- Realised	14,480	9,877
- Unrealised	(804)	(298)
	<u>13,676</u>	<u>9,579</u>
<u>Total share of accumulated losses from jointly controlled Entities</u>		
- Realised	(336)	(505)
- Unrealised	-	-
	<u>(336)</u>	<u>(505)</u>
Less : Consolidated adjustments	<u>35,755</u>	<u>35,972</u>
Total Group retained profits as per consolidated financial statements	<u>98,959</u>	<u>86,917</u>