

Financial ResultsReference No **II-100224-30192**

Company Name : **INSAS BERHAD**
 Stock Name : **INSAS**
 Date Announced : **24/02/2010**
 Financial Year End : **30/06/2010**
 Quarter : **2**
 Quarterly report for the financial period ended : **31/12/2009**
 The figures : **have not been audited**

Converted attachment :

Please attach the full Quarterly Report here:

[☞QRExcel Dec09.XLS](#)[☞QReportword Dec09.doc](#)

Remark:

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
31/12/2009

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2009 \$\$'000	31/12/2008 \$\$'000	31/12/2009 \$\$'000	31/12/2008 \$\$'000
1Revenue	119,650	45,649	202,548	105,308
2Profit/(loss) before tax	11,435	27,623	47,334	29,236
3Profit/(loss) for the period	11,128	27,477	46,317	28,202
4Profit/(loss) attributable to ordinary equity	10,003	26,967	42,784	26,142

holders of the parent				
5Basic earnings/ (loss) per share (Subunit)	1.52	4.54	6.43	4.40
6Proposed/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	
7Net assets per share attributable to ordinary equity holders of the parent (\$\$)		1.2300		1.1600

Remarks :

- 1) The basic earnings per share for the 6 months ended 31 December 2009 has been calculated based on the profit attributable to ordinary equity holders of the parent company of RM42,784,000 (2008:RM26,142,000) and the weighted average number of ordinary shares in issue during the period of 665,429,000 shares (2008 :594,343,000 shares) after taking into account the movement of shares bought back by the Company.
- 2) The fully diluted earnings per share is shown in Note 13(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) and the number of ordinary shares in issue after deducting shares bought back by the Company.

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)

UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 31/12/2009	As at preceding financial year ended 30/06/2009 (Audited)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	64,168	66,527
Investment properties	56,925	51,495
Prepaid land lease payments	4,837	4,893
Land held for development	37,576	37,576
Long term investments	106,425	97,705
Associate companies	15,381	15,140
Investment in jointly controlled entities	28,202	-
Intangible assets	20,658	21,497
Deferred tax assets	1,570	1,570
	<u>335,742</u>	<u>296,403</u>
Current Assets		
Property development costs	29,979	42,298
Inventories	19,065	20,245
Trade receivables	165,740	169,118
Accrued billings	12,961	9,602
Amount due from associate companies	8,383	4,761
Other receivables, deposits and prepayments	28,784	36,581
Short term investments	38,186	59,204
Marketable securities	63,425	53,641
Tax recoverable	3,816	4,366
Deposits with licensed banks and financial institutions	455,748	430,611
Cash and bank balances	70,244	30,717
	<u>896,331</u>	<u>861,144</u>
TOTAL ASSETS	<u>1,232,073</u>	<u>1,157,547</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders of the Company		
Share capital	693,334	693,334
Reserves	65,869	67,969
Retained profit	56,220	13,436
	<u>815,423</u>	<u>774,739</u>
Minority Interests	21,494	20,328
Total Equity	<u>836,917</u>	<u>795,067</u>
Non-current Liabilities		
Hire purchase payables	9,034	8,232
Loans and borrowings	6,594	3,314
Deferred tax liabilities	252	976
	<u>15,880</u>	<u>12,522</u>
Current Liabilities		
Trade payables	201,919	210,746
Progress billings	-	63
Amount due to an associate company	-	10,304
Other payables and accruals	45,958	48,361
Loans and borrowings	130,145	80,259
Tax payable	1,254	225
	<u>379,276</u>	<u>349,958</u>
TOTAL LIABILITIES	<u>395,156</u>	<u>362,480</u>
TOTAL EQUITY AND LIABILITIES	<u>1,232,073</u>	<u>1,157,547</u>
	0	
Net assets per share attributable to equity holders of the Company (RM)*	1.23	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
(Incorporated in Malaysia)

UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

	< ----- 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			
Period ended 31 December 2009										
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	-	-	-	-	-	(1,599)	-	(1,599)	-	(1,599)
Disposal of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	(75)	(75)
Currency translation differences	-	-	-	-	(501)	-	-	(501)	5	(496)
Repayment of advances to minority shareholders	-	-	-	-	-	-	-	-	(1,907)	(1,907)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(390)	(390)
Net profit for the financial period	-	-	-	-	-	-	42,784	42,784	3,533	46,317
Balance as at 31 December 2009	<u>693,334</u>	<u>66,394</u>	<u>-</u>	<u>1,200</u>	<u>11,186</u>	<u>(12,911)</u>	<u>56,220</u>	<u>815,423</u>	<u>21,494</u>	<u>836,917</u>
										(0)
Period ended 31 December 2008										
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
Gain arising from cancellation of ICULS	-	-	(4,676)	-	-	-	4,676	-	-	-
Repurchase of shares	-	-	-	-	-	(1,157)	-	(1,157)	-	(1,157)
Currency translation differences	-	-	-	-	911	-	-	911	29	940
Distribution to holders of ICULS	-	-	-	-	-	-	(2,992)	(2,992)	-	(2,992)
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 period	-	-	-	-	-	-	26,142	26,142	2,060	28,202
Balance as at 31 December 2008	<u>618,966</u>	<u>66,394</u>	<u>74,367</u>	<u>1,200</u>	<u>11,552</u>	<u>(11,289)</u>	<u>(10,551)</u>	<u>750,639</u>	<u>17,172</u>	<u>767,811</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)

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

24 February 2010

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

UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2010 Current financial quarter ended 31-Dec-09 RM'000	FY 2009 Preceding corresponding financial quarter ended 31-Dec-08 RM'000	FY 2010 Financial period ended 31-Dec-09 RM'000	FY 2009 Preceding financial period ended 31-Dec-08 RM'000
Revenue		119,650	45,649	202,548	105,308
Cost of sales		(96,973)	(35,533)	(160,436)	(79,558)
Administrative expenses	1	(5,753)	(4,915)	(12,257)	(11,967)
Other operating expenses	2	(8,529)	(35,635)	(18,092)	(50,048)
Other income	3	4,692	4,256	25,103	11,444
Finance costs	4	(1,102)	(633)	(2,239)	(1,249)
Exceptional items	5	(1,339)	54,582	13,181	54,795
Share of profit less losses of associate companies		690	(148)	242	511
Share of profit less losses of jointly controlled entities		99	-	(716)	-
Profit before taxation		11,435	27,623	47,334	29,236
Taxation		(307)	(146)	(1,017)	(1,034)
Profit for the financial period		11,128	27,477	46,317	28,202
Attributable to :					
Equity holders of the Company		10,003	26,967	42,784	26,142
Minority interests		1,125	510	3,533	2,060
		11,128	27,477	46,317	28,202
Earnings per share (in sen)					
- Basic		1.52	4.54	6.43	4.40
- Diluted		n/a	4.03	n/a	3.91

	Quarter ended 31/12/2009 RM'000	Quarter ended 31/12/2008 RM'000	Period ended 31/12/2009 RM'000	Period ended 31/12/2008 RM'000
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Note 1

Included in Administrative expenses is the following item :-

Staff cost including directors' remuneration	(3,757)	(3,502)	(7,397)	(6,996)
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Note 2

Included in Other operating expenses are the following items :-

Staff cost including directors' remuneration	(2,622)	(2,413)	(4,834)	(4,634)
Allowance for diminution in value of marketable securities	-	(10,106)	-	(18,082)
Allowance for bad and doubtful debts	-	(12,700)	-	(12,700)
Unrealised exchange loss on translation of quoted securities held for long term	(33)	(3,199)	(911)	(4,035)
Loss on disposal of quoted securities	(16)	(5)	(2,312)	(5)

Note 3

Included in Other income are the following items:-

Writeback of allowance for diminution in value of marketable securities	1,024	-	10,438	-
Interest income	2,036	2,183	4,554	5,240
Unrealised exchange gain	(336)	51	5,433	2,143

Note 4

In the preceding financial period ended 31 December 2008, the finance costs excluded the 8% Irredeemable Convertible Unsecured Loan Stock ("ICULS") interest for the financial period ended 31 December 2008 of RM2,992,000. 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 6 months ended 31 December 2009 as the ICULS expired on 19 April 2009.

Note 5

Exceptional items represent:-

Gain on disposal of an associate company	-	56,770	-	56,770
Gain on capital repayment by an associate company	-	-	13,049	-
Gain on disposal of investment property	-	-	-	363
Writeback of /(Allowance for) diminution in value of quoted securities held for long term	(1,339)	(2,188)	132	(2,338)

(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
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UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

	Current financial period ended 31/12/2009	Preceding corresponding financial period ended 31/12/2008
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	47,334	29,236
Adjustments for :		
Non-cash items	(15,044)	(12,014)
Finance costs	2,239	1,249
Interest income	(4,554)	(5,240)
Operating profit before working capital changes	29,975	13,231
Changes in working capital :-		
Net changes in current assets	2,636	26,659
Net changes in current liabilities	(11,611)	(8,708)
Cash generated from operations	21,000	31,182
Finance costs	(2,239)	(4,241)
Interest income	4,554	5,240
Tax paid	(110)	(910)
Net cash generated from operating activities	23,205	31,271
Cash flows from investing activities		
Proceeds from capital repayment by an associate company	13,049	-
Subscription of shares in associate companies	-	(40)
Dividend received from an associate company	-	1,000
Purchase of property, plant and equipment	(4,383)	(13,999)
Payment on investment properties	(5,797)	(6,500)
Prepaid land lease payments	-	(4,378)
Purchase of long term investments	(10,201)	(5,438)
Purchase of short term investments	(10,192)	-
Proceeds from disposal of property, plant and equipment	706	17
Proceeds from disposal of long term investments	332	-
Proceeds from disposal of short term investments	33,061	-
Proceeds from disposal of non-current assets held for sale	-	73,493
Payment for intangible assets	(11)	(19)
Investment in jointly controlled entities	(22,903)	-
Dividend received	419	1,306
Net cash (used in)/generated from investing activities	(5,920)	45,442
Cash flows from financing activities		
Increase in monies held in trust	(7,051)	(5,720)
Increase in fixed deposits pledged	(91,920)	(100)
Decrease in cash and bank balances pledged	20	-
Net cash used in share buyback	(1,599)	(1,157)
Loan drawdown	155,038	25,828
Repayment of loans and borrowings	(101,250)	(8,217)
Repayment of hire purchase payables	(2,074)	(1,846)
Repayment of advances to minority shareholders	(1,907)	(1,470)
Subscription of redeemable convertible preference shares in a subsidiary company by a minority shareholder	-	300
Payment to minority shareholder for acquisition of equity interest in a subsidiary company	(75)	-
Dividends paid to minority shareholders of subsidiary companies	(390)	(2,499)
Net cash (used in)/generated from financing activities	(51,208)	5,119
Net (decrease)/increase in cash and cash equivalents	(33,923)	81,832
Cash and cash equivalents at beginning of the period	229,495	209,747
Exchange differences	(151)	593
Cash and cash equivalents at end of the period	195,421	292,172
Cash and cash equivalents comprise of :-		
Bank overdrafts	(969)	(979)
Cash and bank balances	66,590	28,050
Deposits with licensed banks and financial institutions	129,800	265,101
	195,421	292,172

(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
(Incorporated in Malaysia)

UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND 6 MONTHS ENDED 31 DECEMBER 2009.

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.

The financial results for the second quarter and 6 months ended 31 December 2009 has been reviewed by the Company’s auditors in accordance with International Standards on Review Engagements (“ISRE”) 2410 – Review of the Interim Financial Information Performed by the Independent Auditor of the Entity.

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 unusual 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-2009	31-December-2008	31-December-2009	31-December-2008
	RM'000	RM'000	RM'000	RM'000
Gain on disposal of an associate company	-	56,770	-	56,770
Gain on capital repayment by an associate company	-	-	13,049	-
Gain on disposal of investment property	-	-	-	363
Writeback of /(Allowance for) diminution in value of quoted securities held for long term	(1,339)	(2,188)	132	(2,338)
Writeback of/(Allowance for) diminution in value of marketable securities	1,024	(10,106)	10,438	(18,082)
Unrealised exchange loss on translation of quoted securities held for long term	(33)	(3,199)	(911)	(4,035)
Total	(348)	41,277	22,708	32,678

Recognised directly in Equity

	Individual	Quarter	Cumulative	Quarter
	Quarter ended	Quarter ended	Period ended	Period ended
	31-December-2009	31-December-2008	31-December-2009	31-December-2008
	RM'000	RM'000	RM'000	RM'000
Gain arising from cancellation of ICULS	-	-	-	4,676
Total	-	-	-	4,676

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 period as compared to the previous corresponding financial quarter and financial period.

A8. Segment Information (Cont'd)

The segment analysis for the Group for the financial period ended 31 December 2008 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	7,414	24,618	4,769	4,752	63,755	-	105,308
Inter-segment revenue	2,649	2,193	2,342	290	7,139	(14,613)	-
Total segment revenue	10,063	26,811	7,111	5,042	70,894	(14,613)	105,308
Results							
Segment profit/(loss) from operations	(16,804)	1,965	(18,710)	(158)	4,652	(1,006)	(30,061)
Interest income							5,240
Finance costs							(1,249)
Exceptional items		363	54,432				54,795
Share of results of associate companies	-	-	829	(318)	-	-	511
Profit before taxation							29,236
Taxation							(1,034)
Profit for the financial period							28,202
Attributable to :							
Equity holders of the Company							26,142
Minority interests							2,060

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 31 December 2009 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 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 RM52,044,000 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 2009 are as follows :-

	RM'000
To acquire properties	1,050
To acquire property, plant and equipment	1,441
To acquire shares in a company	5,000
To acquire quoted shares to be held for trading	<u>3,445</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 RM119.7 million and a pre-tax profit of RM11.4 million in the current financial quarter ended 31 December 2009 as compared with revenue of RM45.6 million and a pre-tax profit of RM27.6 million reported in the preceding year's corresponding financial quarter.

The higher revenue reported in the current financial quarter ended 31 December 2009 is mainly due to higher revenue reported by the Group's property development, investment and IT manufacturing units.

The higher pre-tax profit of RM27.6 million in the preceding year's corresponding financial quarter was arrived at after taking into account the exceptional gain on disposal of an associate company of RM56.8 million (2009 : Nil) after setting off allowance for diminution in value of quoted securities of RM12.3 million (2009 : Allowance for diminution in value of quoted securities of RM0.3 million).

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

For the six month ended 31 December 2009, the Group reported revenue of RM202.5 million and a pre-tax profit of RM47.3 million as compared with revenue of RM105.3 million and a pre-tax profit of RM29.2 million in the preceding year's corresponding financial period.

The higher revenue and pre-tax profit in the current financial period is mainly contributed by the Group's property development, investment and IT manufacturing units.

The pre-tax profit in the current financial period is arrived at after taking into account an exceptional gain on capital repayment by an associate company of RM13.0 million (2008 : Nil), writeback of allowance for diminution in value of quoted securities of RM10.6 million (2008: Allowance for diminution in value of quoted securities of RM20.4 million) notwithstanding there was an exceptional gain on disposal of an associate company of RM56.8 million in the preceding year's financial period (2009 : Nil).

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 RM119.7 million and a pre-tax profit of RM11.4 million in the current financial quarter as compared to revenue of RM82.9 million and a pre-tax profit of RM35.9 million in the immediate preceding financial quarter.

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

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

The higher pre-tax profit of RM35.9 million in the preceding financial quarter was arrived at after taking into account the exceptional gain on capital repayment by an associate company of RM13.0 million (Current quarter : Nil) and the write back of allowance for diminution in value of quoted securities of RM10.9 million (Current quarter : Allowance for diminution in value of quoted securities of RM0.3 million).

B3. Prospects for the current financial year ending 30 June 2010

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

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

This note is not applicable for the financial period 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 period ended 31 December 2009 is as follows:-

	Individual Quarter ended 31-December-2009 RM'000	Quarter Quarter ended 31-December-2008 RM'000	Cumulative Period ended 31-December-2009 RM'000	Quarter Period ended 31-December-2008 RM'000
Taxation for the current financial quarter/period to date	1,014	125	1,724	1,013
Underprovision in respect of prior financial quarter/period to date	18	21	18	21
Transfer to deferred taxation	(725)	-	(725)	-
	<u>307</u>	<u>146</u>	<u>1,017</u>	<u>1,034</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 31-December-2009 RM'000	Quarter Quarter ended 31-December-2008 RM'000	Cumulative Period ended 31-December-2009 RM'000	Quarter Period ended 31-December-2008 RM'000
Profit before taxation	11,435	27,623	47,334	29,236
Income tax at Malaysian statutory tax rate	2,858	6,906	11,833	7,309
<u>Tax effect in respect of :</u>				
Allowable expenses				
- ICULS interest paid taken direct to reserve	-	(374)	-	(748)
Non-allowable expenses	395	3,476	585	4,967
Income not subject to tax	(1,626)	(10,201)	(9,685)	(10,534)
Effect of income subject to tax rate of 20% for small and medium size enterprises	-	336	-	360
Effect of different tax rates in other countries	118	603	(343)	823
Overseas tax paid for dividend income	2	28	3	126
Tax savings from utilisation of capital allowances	226	(313)	(208)	(324)
Tax savings from utilisation of tax losses	(1,260)	(437)	(2,034)	(1,397)
Deferred tax not recognised in the financial statements	(424)	101	848	431
Tax expenses for the financial quarter /period to date	289	125	999	1,013
Underprovision in respect of prior financial quarter/ period	18	21	18	21
	<u>307</u>	<u>146</u>	<u>1,017</u>	<u>1,034</u>

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

The Group did not report any gain or loss (2008 : gain of RM0.36 million) on the disposal of investment properties for the financial period ended 31 December 2009.

There were no disposal of unquoted investment for the current financial quarter and financial period ended 31 December 2009.

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 2009 are as follows :-

(a) Total purchases and proceeds from disposals and gain arising thereon for the financial period ended 31 December 2009:-

	RM'000
Total purchases	54,336
Total proceeds from disposal	62,433
Gain on disposal	6,964

(b) Investment in quoted securities as at 31 December 2009 are as follows :-

	RM'000
Total investments at cost	105,392
Total investments at carrying value/book value (after allowance for diminution in value)	85,453
Total investments at market value	102,781

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 2009.

	Foreign Currency ('000)	RM'000
Short Term Borrowings		
Secured Borrowings		
- in Australian dollar	5,288	16,234
- in US dollars	25,478	87,377
- in Singapore dollars	4,646	11,340
- in Swiss Franc	271	898
- in Malaysian Ringgit	<hr/>	14,296
		<hr/>
		130,145
Long Term Borrowings		
Secured Borrowings – in Ringgit		6,594
		<hr/>
		136,739

B10. Off Balance Sheet Financial Instruments

There is no material off balance sheet arrangement entered into nor were there any off balance sheet financial instruments issued that will significantly affect the risk or performance of the Group as at the date of issue 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 2009.

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 31-December-2009 RM'000	Quarter ended 31-December-2008 RM'000	Period ended 31-December-2009 RM'000	Period ended 31-December-2008 RM'000
Net profit attributable to equity holders of the Company for the financial quarter and period to date (RM'000)	10,003	26,967	42,784	26,142
Weighted average number of ordinary shares in issue, after accounting for effect of shares bought back during the financial period ('000)	665,429	594,343	665,429	594,343
Basic earnings per share (Sen)	1.52	4.54	6.43	4.40

B13. Earnings per share (Cont'd)

(b) Diluted earnings per share

No diluted earnings per share is calculated for the current financial quarter and period to date as there is no potential dilution on the ordinary shares of the Company as at 31 December 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.

The diluted earnings per ordinary share for the preceding financial quarter and period to date is calculated by dividing the net profit attributable to equity holders of the Company for the preceding financial quarter and period to date by the adjusted weighted average number of ordinary shares in issue during the previous financial quarter and period to date plus the weighted average number of ordinary shares which would be issued on the conversion of the 74,367,166 nominal amount of ICULS into ordinary shares. The ICULS are deemed converted into ordinary shares at the beginning of the preceding financial period.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 31-December-2009 RM'000	Quarter ended 31-December-2008 RM'000	Period ended 31-December-2009 RM'000	Period ended 31-December-2008 RM'000
Net profit attributable to equity holders of the Company for the financial quarter and period to date (RM'000)	10,003	26,967	42,784	26,142
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back during the financial period ('000)	665,429	594,343	665,429	594,343
Adjusted for assumed conversion of ICULS ('000)	-	74,367	-	74,367
Adjusted number of ordinary shares in issue and issuable ('000)	665,429	668,710	665,429	668,710
Diluted earnings per share (Sen)	n/a	4.03	n/a	3.91