

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

27 August 2008

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

UNAUDITED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2008.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	2008 Current quarter ended 30-Jun-08 RM'000	2007 Preceding corresponding quarter ended 30-Jun-07 RM'000	2008 Year ended 30-Jun-08 RM'000	2007 Preceding financial year ended 30-Jun-07 RM'000
Revenue	72,408	52,209	233,500	212,185
Cost of sales	(60,332)	(30,966)	(172,541)	(117,011)
Administrative expenses	(1,380)	(1,944)	(6,586)	(7,689)
Other operating expenses	(15,148)	(6,162)	(51,195)	(51,182)
Other income	6,795	6,443	20,591	25,802
Finance costs (see Note 1)	(1,325)	(713)	(3,008)	(2,934)
Exceptional items (see Note 2)	(1,542)	6,453	(1,703)	13,847
Share of profit less losses of associate companies	194	1,813	3,135	4,332
Profit/(Loss) before taxation (see Note 3)	(330)	27,133	22,193	77,350
Taxation	(1,508)	1,113	(2,629)	(1,377)
Profit/(Loss) for the year	(1,838)	28,246	19,564	75,973
Attributable to :				
Equity holders of the Company	(3,881)	27,751	15,060	74,377
Minority interests	2,043	495	4,504	1,596
	(1,838)	28,246	19,564	75,973
Earnings/(loss) per share (in sen)				
- Basic	(0.65)	4.62	2.52	12.37
- Diluted	(0.55)	3.94	2.15	10.55

Note 1

The Finance costs exclude the 8% Irredeemable Convertible Unsecured Loan Stock ("ICULS") interest for the year ended 30 June 2008 of RM8,313,000 (2007 : RM8,302,000). In accordance with the provisions of FRS 132 : Financial Instruments : Disclosure and Presentation, the ICULS interest of RM8,313,000 is disclosed as a distribution of equity in the Statement of Changes in Equity.

Note 2

Exceptional items represent:-

	Quarter ended 30/6/2008 RM'000	Quarter ended 30/6/2007 RM'000	Year ended 30/6/2008 RM'000	Year ended 30/6/2007 RM'000
Gain on disposal of investment property	332	4,614	780	4,614
Gain on capital repayment from an associate company	-	1,397	-	1,397
Reversal of impairment loss on investment property (Provision)/Writeback for diminution in value of quoted securities held for long term	329	2,704	329	2,704
	(2,203)	(2,262)	(2,812)	5,132

Note 3

Included in Profit/(Loss) before taxation are the following items :-

	Quarter ended 30/6/2008 RM'000	Quarter ended 30/6/2007 RM'000	Year ended 30/6/2008 RM'000	Year ended 30/6/2007 RM'000
(Provision)/Writeback for diminution in value of quoted marketable securities	(2,435)	2,925	(5,875)	9,884
(Loss)/Gain on disposal of quoted securities	(6,478)	1,224	(635)	12,641
Unrealised exchange (loss)/gain on translation of quoted securities held for long term	(298)	558	(2,603)	912

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007 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 YEAR ENDED 30 JUNE 2008.

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30/6/2008	As at preceding financial year ended 30/06/2007 (Audited)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	45,151	36,679
Investment properties	52,242	57,448
Prepaid land lease payments	583	596
Land held for development	37,572	37,718
Long term investments	58,703	69,160
Investment in associate companies	19,254	35,049
Intangible assets	24,586	26,211
Deferred tax assets	3,672	4,505
	<u>241,763</u>	<u>267,366</u>
Current Assets		
Property development costs	30,452	29,572
Inventories	21,957	16,409
Trade receivables	204,549	418,970
Accrued billings	5,930	4,229
Other receivables, deposits and prepayments	34,216	35,551
Short term investment	24,725	-
Marketable securities	50,466	67,021
Tax recoverable	9,817	12,939
Deposits with licensed banks and financial institutions	376,775	195,562
Cash and bank balances	24,451	32,448
	<u>783,338</u>	<u>812,701</u>
Non-current assets classified as held for sale	15,245	-
	<u>798,583</u>	<u>812,701</u>
TOTAL ASSETS	<u>1,040,346</u>	<u>1,080,067</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders of the Company		
Share capital	618,966	618,966
Reserves	68,964	67,515
8% Irredeemable Convertible Unsecured Loan Stocks 1999/2009	103,768	103,768
Accumulated losses	(39,883)	(46,630)
	<u>751,815</u>	<u>743,619</u>
Minority Interests	<u>16,273</u>	<u>12,107</u>
Total Equity	<u>768,088</u>	<u>755,726</u>
Non-current Liabilities		
Hire purchase and finance lease payable	8,852	5,553
Long term borrowings	4,930	2,779
Deferred tax liabilities	760	335
	<u>14,542</u>	<u>8,667</u>
Current Liabilities		
Trade payables	204,061	262,325
Progress billings	5,622	4,002
Other payables and accruals	35,635	32,294
Loans and borrowings	11,688	16,667
Tax payables	710	386
	<u>257,716</u>	<u>315,674</u>
TOTAL LIABILITIES	<u>272,258</u>	<u>324,341</u>
TOTAL EQUITY AND LIABILITIES	<u>1,040,346</u>	<u>1,080,067</u>
	0	
Net assets per share (RM)*	1.09	1.07

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 30 June 2007 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 ICULS and Minority 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 YEAR ENDED 30 JUNE 2008.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008.

	< ----- 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	Accumulated losses RM'000			
Year ended 30 June 2008										
As at 1 July 2007	618,966	66,394	103,768	1,200	8,860	(8,939)	(46,630)	743,619	12,107	755,726
Repurchase of shares	-	-	-	-	-	(1,193)	-	(1,193)	-	(1,193)
Currency translation differences	-	-	-	-	2,642	-	-	2,642	(45)	2,597
Distribution to holders of ICULS	-	-	-	-	-	-	(8,313)	(8,313)	-	(8,313)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(293)	(293)
Net profit for the year	-	-	-	-	-	-	15,060	15,060	4,504	19,564
Balance as at 30 June 2008	618,966	66,394	103,768	1,200	11,502	(10,132)	(39,883)	751,815	16,273	768,088
										0
Year ended 30 June 2007										
As at 1 July 2006	618,966	66,394	103,768	1,200	8,837	(5,713)	(112,705)	680,747	22,798	703,545
Repurchase of shares	-	-	-	-	-	(3,226)	-	(3,226)	-	(3,226)
Acquisition of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	7,311	7,311
Deemed disposal of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	(17,048)	(17,048)
Currency translation differences	-	-	-	-	23	-	-	23	38	61
Distribution to holders of ICULS	-	-	-	-	-	-	(8,302)	(8,302)	-	(8,302)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(2,588)	(2,588)
Net profit for the year	-	-	-	-	-	-	74,377	74,377	1,596	75,973
Balance as at 30 June 2007	618,966	66,394	103,768	1,200	8,860	(8,939)	(46,630)	743,619	12,107	755,726

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the Interim Financial Statements)

INSAS BERHAD
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UNAUDITED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2008.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008.

	Current year ended 30/6/2008	Preceding corresponding year ended 30/6/2007
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	22,193	77,350
Adjustments for :		
Non-cash items	23,917	(21,385)
Finance costs	3,008	2,934
Interest income	(7,008)	(4,239)
Operating profit before working capital changes	42,110	54,660
Changes in working capital :-		
Net changes in current assets	188,633	(172,242)
Net changes in current liabilities	(52,642)	110,257
Cash generated from/(used in) operations	178,101	(7,325)
Finance costs	(11,321)	(11,235)
Interest income	7,008	4,239
Tax refunded/(paid)	2,798	(311)
Net cash generated from/(used in) operating activities	176,586	(14,632)
Cash flows from investing activities		
Net cash acquired on acquisition of equity interest in subsidiary companies	-	505
Cash outflow on deemed disposal of equity interests in subsidiary companies	-	(17,543)
Cash received from redemption of preference shares in an associate company	2,400	3,000
Cash received from divestment of an associate company	471	-
Acquisition of interests in associate companies	(1,115)	(500)
Dividend received from associate companies	1,902	-
Purchase of property, plant and equipment	(8,962)	(15,540)
Payment for investment properties	(1,280)	(6,607)
Proceeds from disposal of property, plant and equipment	626	2,929
Proceeds from disposal of investment properties	8,108	8,220
Proceeds from disposal of long term investments	-	275
Payment for development expenditure	(782)	(151)
Payment for intangible assets	(71)	-
Dividend received	2,312	2,337
Net cash generated from/(used in) investing activities	3,609	(23,075)
Cash flows from financing activities		
Monies held in trust	(16,187)	(26,684)
Fixed deposits pledged	(3,618)	2,195
Net cash used in share buyback	(1,193)	(3,226)
Loan drawdown	16,849	3,500
Repayment of loans and bank borrowings	(9,713)	(4,551)
Repayment of hire purchase and finance lease payable	(3,240)	(2,228)
Receipt from a shareholder for subscription of ordinary shares in an associate company	-	3,500
Receipt from the disposal of equity interests in a subsidiary company to minority interests	-	150
Subscription of ordinary shares in a subsidiary company by minority shareholders of a subsidiary company	-	2,450
Dividends paid to minority shareholders	(293)	(2,588)
Net cash used in financing activities	(17,395)	(27,482)
Net increase/(decrease) in cash and cash equivalents	162,800	(65,189)
Cash and cash equivalents at beginning of the year	46,585	112,236
Exchange differences	775	(462)
Cash and cash equivalents at end of the year	210,160	46,585
Cash and cash equivalents comprise of :-		
Overdrafts	(2,744)	(12,907)
Cash and bank balances	17,302	16,803
Deposits with licensed banks and financial institutions	195,602	42,689
	210,160	46,585

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the Interim Financial Statements)

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UNAUDITED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2008.

NOTES TO THE UNAUDITED FINANCIAL REPORT.

A1. Basis of Preparation

This set of financial report is unaudited and has been prepared in compliance with 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 2007.

A2. Changes in Accounting Policies

The accounting policies and methods of computation and presentation adopted by the Group in this quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 30 June 2007 except for the changes in accounting policies and presentation which are expected to be reflected in the financial statements for the financial year ending 30 June 2008 resulting from the adoption of the following new/revised FRS which are relevant to the Group's operations that are effective for the financial year beginning 1 July 2007 as follows:-

FRS 107: Cash Flow Statements
FRS 111: Construction Contracts
FRS 112: Income Taxes
FRS 117: Leases
FRS 118: Revenue
FRS 119: Employee Benefits
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance
FRS 124: Related Party Disclosures
FRS 126: Accounting and Reporting By Retirement Benefit Plans
FRS 134: Interim Financial Reporting
FRS 137: Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have significant impact on the Group other than the effects of the changes in accounting policy resulting from the adoption of FRS 117 as summarised below:-

FRS 117: Leases

Prior to 1 July 2007, leasehold land and building held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 has resulted in the change in the accounting policy relating to the classification of leases of land and buildings. Leasehold land and building are now classified separately where leasehold buildings can remain to be classified as property, plant and equipment. Leasehold land held for own use is now classified as operating lease. Where necessary the minimum lease payments or the up-front payments made are allocated between land and the building elements in proportion to the fair values for leasehold interests in the land element and building element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

The Group has applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. Upon the adoption of the revised FRS 117 at 1 July 2007, the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions of FRS 117. The classification of leasehold land as prepaid land lease payments has been accounted for retrospectively and the following comparative amounts as at 30 June 2007 have been restated as follows:-

A2. Changes in Accounting Policies (Cont'd)

	Previously stated	FRS 117	Restated
Balance sheet	RM'000	RM'000	RM'000
as at 30 June 2007			
Property, plant and equipment	37,275	(596)	36,679
Prepaid land lease payments	-	596	596
Income statement for the			
year ended 30 June 2007			
Amortisation of prepaid land lease payments	-	11	11
Depreciation of property, plant and equipment	7,798	(11)	7,787

A3. Declaration of Audit Qualification

There was no qualified report issued by the auditors in the financial statements of the Group for the financial year ended 30 June 2007.

A4. Seasonality and Cyclicity of Interim Operations

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

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

	Individual	Quarter	Cumulative	Quarter
	Quarter ended	Quarter ended	Year ended	Year ended
	30-June-2008	30-June-2007	30-June-2008	30-June-2007
	RM'000	RM'000	RM'000	RM'000
(Loss)/Gain on disposal of quoted securities	(6,478)	1,224	(635)	12,641
(Provision)Writeback for diminution in value of quoted marketable securities	(2,435)	2,925	(5,875)	9,884
Unrealised exchange (loss)/gain on translation of long term investment	(298)	558	(2,603)	912
Total	(9,211)	4,707	(9,113)	23,437

A6. Material changes in Estimates

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

A7. Debts and Equity Securities

- (i) The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting of the Company held on 12 December 2007, 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.

A7. Debts and Equity Securities (Cont'd)

- (i) During the year ended 30 June 2008, the Company repurchased 1,941,100 of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.6149 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 618,966,467 issued and fully paid ordinary shares, 22,394,300 shares are being held as treasury shares by the Company as at 30 June 2008.
- (ii) On 30 June 2008, the Company announced that the Company proposed to cancel a total of RM29,400,700 nominal amount of ICULS held by a wholly-owned subsidiary of the Company ("Proposed Cancellation").

The total outstanding ICULS before the Proposed Cancellation was RM103,767,866. The ICULS are convertible into new ordinary shares of the Company by surrendering RM1 nominal amount of ICULS for 1 new ordinary share of RM1 each credited as fully paid in the capital of the Company ("Conversion Price").

Pursuant to the Trust Deed dated 9 February 1999, any ICULS outstanding at the expiry date on 19 April 2009 shall be converted into fully paid ordinary shares of RM1 each of the Company at the Conversion Price.

The aforesaid Proposed Cancellation of the ICULS has been completed on 5 August 2008. The total number of outstanding ICULS after the cancellation is RM74,367,166 nominal amount of ICULS.

Other than the above, there were no issuance and repayment of equity and debts securities, share cancellations and resale of treasury shares for the year ended 30 June 2008.

A8. Dividends paid

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

A9. Segment Information

The segment analysis for the Group for the financial year ended 30 June 2008 is as follows:-

	Financial services and Credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	IT related trading and services	Elimination	Consolidated total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	22,974	34,210	42,020	8,173	126,123	-	233,500
Inter-segment revenue	3,057	3,078	7,721	1,346	5,944	(21,146)	-
Total segment revenue	26,031	37,288	49,741	9,519	132,067	(21,146)	233,500
Results							
Segment profit from operations	10,200	8,240	(13,450)	1,152	13,457	(2,838)	16,761
Interest income							7,008
Finance costs							(3,008)
Exceptional items		780	(2,483)				(1,703)
Share of results of associate companies	-	-	2,878	257	-	-	3,135
Profit before taxation							22,193
Taxation							(2,629)
Profit for the year							19,564

A10. 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 2007.

A11. Material Subsequent Events

There were no material events subsequent to 30 June 2008 to the date of this report that have not been reflected in the financial statements for the current financial year.

A12. Changes in the composition of the Group

The changes in the composition of the Group for the current quarter and financial year, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations are as follows:-

- (i) On 16 July 2007, the Company announced that Dawnfield Pte Ltd, an indirect wholly-owned subsidiary company, has incorporated a wholly-owned subsidiary company, Cellar-1 (S) Pte Ltd ("Cellar-1"). The issued and paid-up share capital of Cellar-1 is S\$1.00. The intended principal activity of Cellar-1 is general trading including trading of alcoholic and non-alcoholic beverages.
- (ii) On 12 September 2007, the Company announced that Insas Pacific Rent-A-Car Sdn Bhd ("IPRAC"), an indirect wholly-owned subsidiary company, has entered into a Subscription and Shareholders' Agreement with A.B. Melwani Pte Ltd ("ABM") and the founding shareholders of Roset Limousines Services Pte Ltd ("Roset") for the subscription by IPRAC of 62,763 new ordinary shares representing 41% of the enlarged share capital in Roset for a cash consideration of S\$442,163. ABM shall simultaneously subscribe for 15,307 new ordinary shares representing 10% of the enlarged share capital in Roset and the founding shareholders shall retain the balance 49% share in Roset. Roset is a private limited company incorporated in Singapore on 1 June 2004. The principal activity of Roset is provision of premium limousines services.

A13. Contingent Assets or Liabilities

As at the date of this report, the Company has issued guarantees amounting to RM58,696,000 to financial institutions in respect of banking and credit facilities granted to its subsidiaries.

A14. Commitments

Commitments not provided for in the financial statements as at 30 June 2008 are as follows :-

	RM'000
(a) Contractual commitment on acquisition of investment properties	1,050
(b) Contractual commitment on acquisition of shares in a company	5,000
(c) Contractual commitment on land and development expenditure	400

A15. 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. Approval for recurrent related party transactions has been obtained under the Shareholders' Mandate for Recurrent Related Party Transactions at the general meeting of the Company held on 12 December 2007 in accordance with the Listing Requirements of the Bursa Malaysia Securities Berhad.

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

B1. Review of Performance

Current quarter against preceding year's corresponding quarter

The Group reported revenue of RM72.41 million and pre-tax loss of RM0.33 million in the current quarter ended 30 June 2008 as compared to revenue of RM52.21 million and pre-tax profit of RM27.13 million reported in the preceding year's corresponding quarter.

The higher revenue in the current quarter was primarily due to higher revenue registered by the investment trading, property development and the IT units. Despite higher revenue, the Group reported pre-tax loss in the current quarter due to losses reported by the stock broking and investment trading units as a result of the poor stock market condition in the current quarter as compared to the preceding year's corresponding quarter.

B1. Review of Performance (Cont'd)

Current quarter against preceding year's corresponding quarter (Cont'd)

The pre-tax loss in the current quarter was arrived at after taking into account loss on disposal of quoted securities of RM6.48 million (2007: gain on disposal of quoted securities of RM1.22 million) and provision for diminution in value of quoted marketable securities of RM2.44 million (2007: writeback for diminution in value of quoted marketable securities of RM2.93 million).

Financial year to date against preceding year

For the year ended 30 June 2008, the Group reported revenue of RM233.50 million and pre-tax profit of RM22.19 million as compared to revenue of RM212.19 million and pre-tax profit of RM77.35 million in the preceding year.

The lower pre-tax profit in the current financial year was primarily due to lower profit reported by the stock broking and investment trading units as a result of the poor market sentiments in the financial year under review.

The lower pre-tax profit in the current financial year was arrived at after taking into account provision for diminution in value of quoted marketable securities of RM5.88 million (2007: writeback for diminution in value of quoted marketable securities of RM9.88 million), loss on disposal of quoted securities of RM0.64 million (2007 : gain on disposal of quoted securities of RM12.64 million) and unrealised exchange loss on translation of long term investment of RM2.60 million (2007 : unrealised exchange gain on translation of long term investment of RM0.91 million).

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

The Group reported revenue of RM72.41 million and pre-tax loss of RM0.33 million in the current quarter as compared with revenue of RM52.72 million and pre-tax loss of RM2.23 million in the immediate preceding quarter.

The higher revenue in the current quarter was mainly due to higher revenue registered by the investment trading, property development and the IT units.

The pre-tax loss in the current quarter was arrived at after taking into account loss on disposal of quoted securities of RM6.48 million (immediate preceding quarter : gain on disposal of quoted securities of RM0.44 million), provision for diminution in value of quoted marketable securities of RM2.44 million (immediate preceding quarter : provision for diminution in value of quoted marketable securities of RM8.41 million) and unrealised exchange loss on translation of long term investment of RM0.30 million (immediate preceding quarter : unrealised exchange loss on translation of long term investment of RM0.94 million).

B3. Prospects for the forthcoming financial year ending 30 June 2009

The Board of Directors is of the view that the Group's revenue and operating performance for the forthcoming financial year will be dependant on the performance of the Bursa Malaysia and the global market conditions.

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

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

B5. Taxation

The taxation charge for the current quarter and for the financial year ended 30 June 2008 is as follows:-

	Individual Quarter ended 30-June-2008 RM'000	Quarter Quarter ended 30-June-2007 RM'000	Cumulative Year ended 30-June-2008 RM'000	Quarter Year ended 30-June-2007 RM'000
Taxation for the current quarter / year to date	211	(388)	1,576	2,103
Under/(Over)provision in respect of prior quarter/year	41	(4,665)	(203)	(4,666)
Deferred taxation	1,256	3,940	1,256	3,940
	1,508	(1,113)	2,629	1,377

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

	Individual Quarter ended 30-June-2008 RM'000	Quarter Quarter ended 30-June-2007 RM'000	Cumulative Year ended 30-June-2008 RM'000	Quarter Year ended 30-June-2007 RM'000
Profit/(Loss) before taxation	(330)	27,133	22,193	77,350
Income tax at Malaysian statutory tax rate	(86)	7,325	5,770	20,884
<u>Tax effect in respect of :</u>				
Allowable expenses				
- ICULS interest paid taken direct to reserve	(536)	(558)	(2,161)	(2,241)
Non-allowable expenses	2,525	(43)	3,208	434
Income not subject to tax	(1,409)	191	(3,117)	(5,538)
Effect of income subject to tax rate of 20% for small and medium size enterprises	808	(291)	704	(772)
Effect of different tax rates in other countries	69	(2,130)	(336)	(2,396)
Overseas tax paid for dividend income	138	51	181	88
Tax savings from utilisation of capital allowances	(591)	(428)	(601)	(428)
Tax savings from utilisation of tax losses	(3,840)	(213)	(5,512)	(4,826)
Deferred tax not recognised in the financial statements	4,389	(352)	4,696	838
Tax expenses for the quarter/year to date	1,467	3,552	2,832	6,043
Under/(Over)provision in respect of prior quarter/year	41	(4,665)	(203)	(4,666)
	1,508	(1,113)	2,629	1,377

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

The Group reported a gain of RM0.78 million (2007 : RM4.61 million) on the disposal of investment properties in the financial year ended 30 June 2008.

There were no disposal of unquoted investment for the current quarter and financial year ended 30 June 2008.

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 year ended 30 June 2008 are as follows :-

(a) Total purchases and disposals and gains for the year ended 30 June 2008 :-

	RM'000
Total purchases	54,013
Total disposal	39,337
Loss on disposal	2,059

(b) Investment in quoted securities as at 30 June 2008 are as follows :-

	RM'000
Total investments at cost	96,571
Total investments at carrying value/book value (after provision for diminution in value)	77,109
Total investments at market value	79,707

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

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

B9. Group Borrowings and Debts Securities as at 30 June 2008.

	RM'000
Short Term Liabilities	
Secured Borrowings – in Ringgit	11,688
Long Term Liabilities	
Secured Borrowings – in Ringgit	4,930
	<hr/>
	16,618
	<hr/>

B10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk at 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 year ended 30 June 2008.

B13. Earnings per share

(a) Basic earnings/(loss) per share

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

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-June-2008 RM'000	Quarter ended 30-June-2007 RM'000	Year ended 30-June-2008 RM'000	Year ended 30-June-2007 RM'000
Net profit/(loss) attributable to equity holders of the Company for the quarter and year to date (RM'000)	(3,881)	27,751	15,060	74,377
Weighted average number of ordinary shares in issue, after accounting for effect of shares bought back during the year ('000)	597,618	601,380	597,618	601,380
Basic earnings/(loss) per share (Sen)	(0.65)	4.62	2.52	12.37

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per ordinary share is calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the Company for the quarter and year to date by the adjusted weighted average number of ordinary shares in issue during the quarter and year to date plus the weighted average number of ordinary shares which would be issued on the conversion of the 103,767,866 nominal amount of 8% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") into ordinary shares. The ICULS are deemed converted into ordinary shares at the beginning of the financial year.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-June-2008 RM'000	Quarter ended 30-June-2007 RM'000	Year ended 30-June-2008 RM'000	Year ended 30-June-2007 RM'000
Net profit/(loss) attributable to equity holders of the Company for the quarter and year to date (RM'000)	(3,881)	27,751	15,060	74,377
Weighted average number of ordinary shares in issue, after accounting for the effect of the shares bought back during the year ('000)	597,618	601,380	597,618	601,380
Adjusted for assumed conversion of ICULS ('000)	103,768	103,768	103,768	103,768
Adjusted number of ordinary shares in issue and issuable ('000)	701,386	705,148	701,386	705,148
Diluted earnings/(loss) per share (Sen)	(0.55)	3.94	2.15	10.55