

**KESM INDUSTRIES BERHAD**  
(Incorporated in Malaysia)

Company No : 13022-A

**UNAUDITED THIRD QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2013**

The Board of Directors is pleased to announce the following unaudited results of the Group for the financial quarter ended 30 April 2013.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 APRIL 2013**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (30/04/2013) RM'000	PRECEDING YEAR CORRESPONDING QUARTER (30/04/2012) * RM'000	CURRENT YEAR TO DATE (30/04/2013) RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE (30/04/2012) * RM'000
<b>Revenue</b>	60,272	58,582	183,202	167,216
<b>Other items of income</b>				
Interest income	604	589	1,869	1,929
Dividend income	57	82	260	290
Other income	1,262	1,430	3,692	8,389
<b>Items of expense</b>				
Raw materials and consumables used	(10,864)	(12,684)	(38,793)	(37,363)
Changes in work-in-progress and finished goods	(1,051)	(25)	(703)	(180)
Employee benefits expense	(19,254)	(17,384)	(54,836)	(47,163)
Depreciation of property, plant and equipment	(13,388)	(13,857)	(41,910)	(42,369)
Finance costs	(441)	(772)	(1,637)	(2,584)
Other expenses	(14,124)	(12,258)	(42,076)	(36,682)
Profit before tax	3,073	3,703	9,068	11,483
Income tax expense	(1,836)	(939)	(5,821)	(2,934)
Profit net of tax	1,237	2,764	3,247	8,549
Other comprehensive income:				
Foreign currency translation	(11)	(6)	701	2,717
Other comprehensive income for the period, net of tax	(11)	(6)	701	2,717
Total comprehensive income for the period	1,226	2,758	3,948	11,266
Profit attributable to:				
Owners of the parent	47	1,861	441	6,743
Non-controlling interests	1,190	903	2,806	1,806
	1,237	2,764	3,247	8,549
Total comprehensive income attributable to:				
Owners of the parent	36	1,855	1,142	9,460
Non-controlling interests	1,190	903	2,806	1,806
	1,226	2,758	3,948	11,266
Earnings per share attributable to owners of the parent (sen per share):				
- Basic	0.1	4.3	1.0	15.7

\* Certain comparative amounts have been reclassified to conform with current year's presentation to reflect a fairer presentation.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**

(Incorporated in Malaysia)

Company No : 13022-A

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2013**

	AS AT END OF CURRENT QUARTER 30/04/2013 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/07/2012 RM'000	AS AT 01/08/2011 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	141,358	150,273	162,768
Deferred tax assets	5,309	5,304	5,320
	<u>146,667</u>	<u>155,577</u>	<u>168,088</u>
<b>Current assets</b>			
Inventories	16,899	20,574	22,999
Trade and other receivables	57,423	65,097	67,128
Prepayments	1,135	1,772	1,203
Tax recoverable	410	1,064	1,106
Investment securities	8,697	10,631	11,315
Cash and bank balances	102,929	113,756	100,526
	<u>187,493</u>	<u>212,894</u>	<u>204,277</u>
Assets held for sale	-	421	-
	<u>187,493</u>	<u>213,315</u>	<u>204,277</u>
<b>Total assets</b>	<u><u>334,160</u></u>	<u><u>368,892</u></u>	<u><u>372,365</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	43,015	43,015	43,015
Other reserves	6,357	4,127	1,297
Retained earnings	180,509	182,887	180,016
	<u>229,881</u>	<u>230,029</u>	<u>224,328</u>
Non-controlling interests	28,570	25,764	22,542
<b>Total equity</b>	<u>258,451</u>	<u>255,793</u>	<u>246,870</u>
<b>Non-current liabilities</b>			
Obligations under finance leases	935	605	1,634
Long term loans	19,950	34,663	56,679
Deferred tax liabilities	2,714	2,714	3,296
	<u>23,599</u>	<u>37,982</u>	<u>61,609</u>
<b>Current liabilities</b>			
Trade and other payables	27,486	48,159	34,911
Obligations under finance leases	986	1,594	2,165
Term loans	20,793	25,364	26,364
Income tax payable	2,845	-	446
	<u>52,110</u>	<u>75,117</u>	<u>63,886</u>
<b>Total liabilities</b>	<u>75,709</u>	<u>113,099</u>	<u>125,495</u>
<b>Total equity and liabilities</b>	<u><u>334,160</u></u>	<u><u>368,892</u></u>	<u><u>372,365</u></u>
Net assets per share attributable to owners of the parent (RM)	<u>5.34</u>	<u>5.35</u>	<u>5.22</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
(Incorporated in Malaysia)

Company No : 13022-A

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 APRIL 2013**

FY2013	< ----- Attributable to owners of the parent ----- >						Non-controlling interests	Total equity
	Share capital	< ----- Non-distributable ----- >			Distributable			
		Share premium	Foreign currency translation reserve	Statutory reserve fund	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2012	43,015	663	2,559	905	182,887	230,029	25,764	255,793
Total comprehensive income	-	-	701	-	441	1,142	2,806	3,948
<b>Transaction with owners</b>								
Transfer to statutory reserve fund	-	-	-	1,529	(1,529)	-	-	-
Dividend	-	-	-	-	(1,290)	(1,290)	-	(1,290)
<b>At 30 April 2013</b>	<b>43,015</b>	<b>663</b>	<b>3,260</b>	<b>2,434</b>	<b>180,509</b>	<b>229,881</b>	<b>28,570</b>	<b>258,451</b>

FY2012	< ----- Attributable to owners of the parent ----- >						Non-controlling interests	Total equity	
	Share capital	< ----- Non-distributable ----- >			Distributable				
		Share premium	Foreign currency translation reserve	Asset revaluation reserve	Statutory reserve fund	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 August 2011	43,015	663	(271)	12,915	905	167,101	224,328	22,542	246,870
Effects of transition to MFRS	-	-	-	(12,915)	-	12,915	-	-	-
<b>At 1 August 2011, as restated</b>	<b>43,015</b>	<b>663</b>	<b>(271)</b>	<b>-</b>	<b>905</b>	<b>180,016</b>	<b>224,328</b>	<b>22,542</b>	<b>246,870</b>
Total comprehensive income	-	-	2,717	-	-	6,743	9,460	1,806	11,266
<b>Transaction with owners</b>									
Dividend	-	-	-	-	-	(1,290)	(1,290)	-	(1,290)
<b>At 30 April 2012</b>	<b>43,015</b>	<b>663</b>	<b>2,446</b>	<b>-</b>	<b>905</b>	<b>185,469</b>	<b>232,498</b>	<b>24,348</b>	<b>256,846</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial statements.

**KESM INDUSTRIES BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 APRIL 2013**

	<b>Current year to date 30/04/2013</b>	<b>Preceding year corresponding year to date 30/04/2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	9,068	11,483
Adjustments for:		
Depreciation of property, plant and equipment	41,910	42,369
Property, plant and equipment written off	-	16
Gain on disposal of property, plant and equipment *	(423)	(201)
(Gain)/loss on disposal of investment securities held for trading	(737)	15
Net fair value loss/(gain) on investment securities held for trading	1,693	(246)
Unrealised exchange gain	(504)	(1,334)
Inventories written down	160	600
Dividend income	(260)	(290)
Interest income	(1,869)	(1,929)
Finance costs	1,637	2,584
<b>Operating cash flows before working capital changes</b>	<b>50,675</b>	<b>53,067</b>
Decrease in inventories	3,515	1,227
Decrease in prepayment, trade and other receivables	8,311	3,245
Decrease in trade and other payables	(21,286)	(2,902)
<b>Cash generated from operations</b>	<b>41,215</b>	<b>54,637</b>
Income taxes paid	(2,338)	(4,708)
Interest paid	(1,637)	(2,584)
Interest received	1,869	1,929
<b>Net cash generated from operating activities</b>	<b>39,109</b>	<b>49,274</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of investment securities	978	1,149
Dividend income	260	290
Purchase of property, plant and equipment	(28,880)	(15,052)
Proceeds from disposal of property, plant and equipment	800	570
<b>Net cash used in investing activities</b>	<b>(26,842)</b>	<b>(13,043)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of obligations under finance leases	(2,502)	(1,699)
Repayment of term loans	(19,844)	(22,481)
Proceeds from term loans	736	2,575
Dividend paid on ordinary shares	(1,290)	(1,290)
<b>Net cash flows used in financing activities</b>	<b>(22,900)</b>	<b>(22,895)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(10,633)</b>	<b>13,336</b>
Effects of exchange rate changes	(194)	(1,836)
Cash and cash equivalents at beginning of year	113,756	100,526
<b>Cash and cash equivalents at end of the period</b>	<b>102,929</b>	<b>112,026</b>

\* Included in the gain on disposal of property, plant and equipment was a gain on disposal of assets held for sale of RM376,000.

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 July 2012 and the accompanying explanatory notes attached to the interim financial statements.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 and Part A of Appendix 9B of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 July 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 July 2012.

### 2. Significant accounting policies

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 July 2012, except for the adoption of Malaysian Financial Reporting Standards (MFRS), Amendments to MFRS and IC Interpretations effective for financial year beginning 1 August 2012.

The application of the new/revised MFRS, Amendments to MFRS and IC Interpretations did not result in any material financial impact to the Group, except for below changes.

#### ***First time adoption of MFRS***

These condensed consolidation interim financial reports are the Group's first MFRS condensed consolidated interim financial reports for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 July 2013. *MFRS 1: First time adoption of Malaysian Financial Reporting Standards ("MFRS 1")* has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 August 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with Financial Reporting Standards ("FRS"). An explanation of how the transition from FRS to MFRS has affected the Company's financial position is as set out below. These notes include reconciliations of equity for the comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has not had a material impact on the consolidated statement of comprehensive income and consolidated statement of cash flows.

#### ***Measurement of leasehold land and buildings at deemed cost***

The Group's and the Company's leasehold land and buildings were revalued based on a valuation conducted by Colliers, Jordan Lee & Jaafar, a firm of independent professional valuers in April 2009. The valuers used the comparison method of valuation to determine the market value of the leasehold land and buildings. The surplus arising from this revaluation had been credited to revaluation reserve.

Upon transition to MFRS, the Group elected to measure its leasehold land and buildings using the cost model under *MFRS 116 Property, Plant and Equipment*. At the date of transition to MFRS, the Group elected to regard the revalued amount as deemed cost as these amounts were broadly comparable to fair value at that date. Consequently, the asset revaluation reserve of RM12,915,000 was transferred to retained earnings on the date of transition to MFRS.

## 2. Significant accounting policies (cont'd)

The reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:

### i. Reconciliation of equity as at 1 August 2011 (date of transition)

	FRS as at 1 August 2011 RM'000	Effects of adopting MFRS RM'000	MFRS as at 1 August 2011 RM'000
Asset revaluation reserve	12,915	(12,915)	-
Retained earnings	167,101	12,915	180,016

### ii. Reconciliation of equity as at 30 April 2012

	FRS as at 30 April 2012 RM'000	Effects of adopting MFRS RM'000	MFRS as at 30 April 2012 RM'000
Asset revaluation reserve	12,915	(12,915)	-
Retained earnings	172,554	12,915	185,469

### iii. Reconciliation of equity as at 31 July 2012

	FRS as at 31 July 2012 RM'000	Effects of adopting MFRS RM'000	MFRS as at 31 July 2012 RM'000
Asset revaluation reserve	12,915	(12,915)	-
Retained earnings	169,972	12,915	182,887

## Segmental reporting

The Group has changed its basis of segmentation from two segments to one segment. From 1 August 2012 onwards, the only operating segment of the Group is burn-in, testing and electronic manufacturing services which is evaluated regularly by management in deciding how to allocate resources and in assessing performance of the Group.

In the annual report for the financial year ended 31 July 2012, investment holding segment is disclosed in the segment information which comprises Group-level corporate services, treasury functions and investment in marketable securities, and consolidation adjustments which are not directly attributable to the burn-in, testing and electronic manufacturing services segment. The investment holding segment is not significant to be separately reported and evaluated by management.

**3. Audit report of preceding annual financial statements**

The audit report of the Group's most recent audited financial statements for the year ended 31 July 2012 was not qualified.

**4. Seasonality or cyclical nature of operations**

There was no material seasonal or cyclical fluctuation in the operations of the Group.

**5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the reporting period.

**6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in prior financial years.

**7. Issues, repurchases, and repayments of debt and equity securities**

There were no issues, repurchases and repayments of debt and equity securities for the current financial year-to-date.

**8. Dividends paid**

A first and final tax exempt dividend of 3 sen per ordinary share, amounting to RM1,290,000, in respect of the previous financial year ended 31 July 2012, was paid on 6 February 2013.

**9. Events not reflected in the financial statements**

There were no material subsequent events to be disclosed as at the date of this report.

## 10. Changes in the composition of the Group

There were no changes in the composition of the Group for the financial year to date.

## 11. Acquisition or disposal of items of property, plant and equipment

During the reporting period, the Group acquired plant and equipment amounted to RM32,045,000 and disposed plant and equipment of net book value amounted to RM3,000.

## 12. Significant related party transactions

	<u>As at</u> <u>30/04/2013</u> RM'000	<u>As at</u> <u>30/04/2012</u> RM'000
Transactions with Sunright Limited, a corporate shareholder in which certain Directors have financial interests, and its subsidiaries:		
Management fees charged by Sunright Limited	4,093	4,012
Interest on loan from Sunright Limited	88	88
Sales to:		
- KES Systems & Service (1993) Pte Ltd	114	384
- KES Systems, Inc.	21	-
Purchases from:		
- KES Systems & Service (1993) Pte Ltd	606	799
- Kestronics (M) Sdn Bhd	1	2,320
- KES Systems, Inc.	169	-

The Directors are of the opinion that the above transactions were in the normal course of business and at terms mutually agreed between the companies.

## 13. Significant commitments for purchase of property, plant and equipment

Commitments for purchase of property, plant and equipment amounted to RM546,000 as at 30 April 2013.



#### 14. Profit before tax

	Individual period		Cumulative period	
	Current year quarter 30/04/2013 RM'000	Preceding year corresponding quarter 30/04/2012 RM'000	Current year to date 30/04/2013 RM'000	Preceding year corresponding period 30/04/2012 RM'000
Profit before tax is arrived at:				
After charging:				
Fair value loss on investment securities held for trading	1,240	-	1,693	-
Plant and equipment written off	-	16	-	16
Inventories written down	-	300	160	600
Loss on disposal on investment securities held for trading	-	-	-	15
Net foreign exchange loss	358	-	-	-
And crediting:				
Gain on disposal of property, plant and equipment	28	191	423	201
Fair value gain on investment securities held for trading	-	152	-	246
Gain on disposal on investment securities held for trading	737	-	737	-
Net foreign exchange gain	-	365	981	2,864

There were no gain or loss arising from derivatives, disposal of unquoted investments, impairment on receivables and exceptional items.

## 15. Detailed analysis of Group performance

### Analysis of the performance for the current quarter

The Group's revenue improved by RM1.7 million or 3%, from RM58.6 million in the preceding year's third quarter to RM60.3 million for the current quarter ended 30 April 2013 ("3QFY2013").

Other income was lower by RM0.2 million or 12%, primarily due to absence of a fair value gain on investment securities recorded in the corresponding quarter.

Raw materials and consumables used and changes in work-in-progress and finished goods were lower by RM0.8 million or 6%, from RM12.7 million to RM11.9 million, because of absence of inventory written down and lower material usage.

Employee benefits expense was higher by RM1.9 million or 11%, mainly due to more hires of contract workers and adjustments to wage rates in response to further increases to the minimum wage rates in China and Malaysia.

Finance costs were lower by RM0.3 million or 43%, following repayments of loans and borrowings.

Other expenses increased by RM1.9 million or 15%, from RM12.3 million to RM14.1 million, mainly due to a fair value loss on investment securities of RM1.2 million and higher repair and maintenance expenses by RM0.6 million as a result of higher machine usage.

In effect, the Group's profit before tax decreased by RM0.6 million or 17%, from RM3.7 million to RM3.1 million in 3QFY2013.

### Analysis of the performance for the current financial year-to-date

The Group's revenue increased by RM16.0 million or 10%, from RM167.2 million in the preceding year's corresponding period to RM183.2 million for the current financial period ended 30 April 2013, as a result of higher demand from burn-in, testing and electronic manufacturing services.

Other income was lower by RM4.7 million or 56%, primarily due to absence of a RM2.7 million incentive grant given by the China government for technology upgrade and lower exchange gain by RM1.9 million, arising from depreciation of US Dollars against Ringgit on US Dollars denominated receivables.

Raw materials and consumables used and changes in work-in-progress increased by RM2.0 million or 5%, from RM37.5 million to RM39.5 million, because of higher electronic manufacturing services sales.

Employee benefits expense was higher by RM7.7 million or 16% mainly because of more hires of contract workers and adjustments to wage rates in response to further increases to the minimum wage rates in China and Malaysia.

Finance costs were lower by RM0.9 million or 37% following repayments of loans and borrowings.

## **15. Detailed analysis of Group performance (cont'd)**

### Analysis of the performance for the current financial year-to-date (cont'd)

Other expenses increased by RM5.4 million or 15%, mainly due to (i) a fair value loss on investment securities of RM1.7 million (as compared to a fair value gain on investment securities of RM0.2 million recorded in "Other income" in the preceding year's corresponding period), (ii) higher repair and maintenance expenses by RM2.4 million as a result of higher machine usage and (iii) increased indirect taxes by RM0.5 million.

In effect, the Group's profit before tax decreased by RM2.4 million or 21%, from RM11.5 million to RM9.1 million in the reporting period under review.

## **16. Material change in the profit before taxation compared to the results of the preceding quarter**

The Group achieved profit before tax of RM3.1 million for the third quarter ended 30 April 2013, compared to RM2.1 million in the preceding quarter ended 31 January 2013.

The increase in profit before tax was mainly due to higher sales.

## **17. Prospects**

The global semiconductor industry revenue reached US\$300 billion in 2012, representing a decrease of 2.6% from 2011, following lower demand from computing, wireless, consumer electronics and automotive electronics sectors.

Worldwide semiconductor revenue is projected to improve to US\$311 billion in 2013, representing a modest growth of 3.7% from 2012.

The economic recovery is weighed down by slow recovery in the United States, uncertainty in the Eurozone economies, and countries in Asia introducing minimum wage controls. These developments will continue to exert pressure on profitability. The Group's efforts to improve productivity and increase value-add to our customers are expected to cushion these challenges.

## **18. Profit forecast / profit guarantee**

The Group was not subjected to any profit guarantee.

## 19. Taxation

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/04/2013 RM'000	Preceding year corresponding quarter 30/04/2012 RM'000	Current year to date 30/04/2013 RM'000	Preceding year corresponding quarter 30/04/2012 RM'000
Current income tax				
- Malaysian income tax	1,449	1,061	3,454	2,372
- Foreign tax	298	762	2,309	3,148
- Under/(over) provision in prior years	89	(33)	58	(33)
	<u>1,836</u>	<u>1,790</u>	<u>5,821</u>	<u>5,487</u>
Deferred tax				
- Relating to origination and reversal of temporary differences	-	(851)	-	(2,553)
	<u>1,836</u>	<u>939</u>	<u>5,821</u>	<u>2,934</u>

The effective tax rate was higher than the statutory tax rate, mainly due to higher foreign tax resulting from one-off non-deductible expenses.

## 20. Status of uncompleted corporate proposals

There was no corporate proposal announced and not completed as at the date of this announcement.

## 21. Group borrowings and debt securities

	As At 30/04/2013 RM'000	As At 31/07/2012 RM'000
(a) Obligations under finance leases - secured	1,921	2,199
Term loans – secured	39,369	57,763
Term loans – unsecured	-	890
Other loan – unsecured	1,374	1,374
	<u>42,664</u>	<u>62,226</u>
(b) Repayable within 12 months	21,779	26,958
Repayable after 12 months	20,885	35,268
	<u>42,664</u>	<u>62,226</u>
(c) Loans denominated in:		
United States Dollar ("USD")	31,697	42,535
Ringgit Malaysia ("RM")	10,967	19,691
	<u>42,664</u>	<u>62,226</u>

## 22. Changes in material litigation

Other than the announcement made on 9 May 2013 on the Demand for Arbitration by Datamatic, Ltd as the Claimant and KESP Sdn Bhd as the Respondent, there were no pending material litigations against the Group as at the date of this announcement.

## 23. Dividend

No interim dividend has been declared for the financial quarter ended 30 April 2013.

## 24. Earnings per share

### Basic earnings per ordinary share

The calculation of basic earnings per share for the period was based on the profit attributable to owners of the parent of RM441,000 and the weighted average number of 43,015,000 ordinary shares outstanding during the reporting period.

## 25. Realised and unrealised profits

	As at end of current quarter 30/04/2013	As at preceding financial year end 31/07/2012
	RM'000	RM'000
- Realised	205,481	204,191
- Unrealised	5,701	6,555
Total retained profits of the Company and its subsidiaries	211,182	210,746
Consolidation adjustments	(30,673)	(27,859)
Total group retained profits as per consolidated accounts	180,509	182,887

BY ORDER OF THE BOARD

Leong Oi Wah  
Company Secretary

Petaling Jaya  
Date : 28 May 2013