

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR THE 2nd QUARTER ENDED 30 JUNE 2012**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2012 RM'000	Preceding Year Corresponding Quarter 30.06.2011 RM'000	Current Year To date 30.06.2012 RM'000	Preceding Year Corresponding Period 30.06.2011 RM'000
Revenue	34,114	31,806	62,626	63,111
Cost of Sales	(30,220)	(28,563)	(54,405)	(56,071)
Gross profit	3,894	3,796	8,221	7,040
Other operating income	1,982	517	2,441	944
General & administrative expenses	(3,860)	(2,947)	(6,843)	(6,001)
Profit from operations	2,016	813	3,819	1,983
Finance costs	(664)	(587)	(1,311)	(1,172)
Profit before tax	1,352	226	2,508	811
Tax expense	(162)	(72)	(267)	(279)
Net profit for the period	1,190	154	2,241	532
Other Comprehensive income, net of tax				
Exchange loss/gain on translation of net investment in foreign subsidiary companies	(628)	536	(856)	(560)
Total Comprehensive income for the period	562	690	1,385	(28)
Gross profit margin (%)	11.14	10.20	13.13	11.15
Profit after tax margin (%)	3.49	0.48	3.58	0.84
Weighted average number of shares ('000)	120,000	120,000	120,000	120,000
Earnings per ordinary share (sen)				
- Basic	0.99	0.13	1.87	0.44
- Diluted	0.99	0.13	1.87	0.44

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF
30 JUNE 2012**

	As at 30.06.2012 RM'000	(Restated) As at 31.12.2011 RM'000 (Audited)
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	90,977	95,364
Deferred tax assets	110	110
Investment in club memberships, at cost	61	61
Financial assets designated at fair value	307	303
Total Non-Current Assets	91,455	95,838
CURRENT ASSETS		
Inventories	25,308	30,821
Trade receivables	33,424	21,353
Other receivables and prepaid expenses	5,900	5,685
Tax recoverable	2,879	1,552
Cash and bank balances	3,182	5,441
Total Current Assets	70,693	64,852
TOTAL ASSETS	162,148	160,690
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Share capital	60,000	60,000
Reserves	28,135	26,750
Shareholders' Equity (Note A2)	88,135	86,750
NON-CURRENT LIABILITIES		
Term loans	24,907	26,491
Hire-purchase payables	3,794	5,223
Deferred tax liabilities	346	207
Total Non-Current and Deferred Liabilities	29,047	31,921
CURRENT LIABILITIES		
Trade payables	15,128	8,903
Other payables and accrued expenses	4,618	5,247
Term loans	3,330	3,768
Hire-purchase payables	4,575	5,010
Other bank borrowings	17,315	19,091
Total Current Liabilities	44,966	42,019
Total Liabilities	74,013	73,940
TOTAL EQUITY AND LIABILITIES	162,148	160,690
Net assets per ordinary share (RM)	0.734	0.723

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 2nd QUARTER ENDED 30 JUNE 2012**

	Share Capital RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000
As at 1 January 2012				
- As previously Stated	60,000	(22,592)	49,342	86,750
- Effect of adoption of MFRSs	-	(2,034)	2,034	-
Balance as of 1 January 2012, as restated	<u>60,000</u>	<u>(24,626)</u>	<u>51,376</u>	<u>86,750</u>
Total Comprehensive Income for the period	-	(856)	2,241	1,385
As at 30 June 2012	<u><u>60,000</u></u>	<u><u>(25,482)</u></u>	<u><u>53,617</u></u>	<u><u>88,135</u></u>

	Share Capital RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000
As at 1 January 2011				
- As previously Stated	60,000	(24,521)	54,045	89,524
- Effect of adoption of MFRSs	-	(2,142)	2,142	-
	<u>60,000</u>	<u>(26,663)</u>	<u>56,187</u>	<u>89,524</u>
Transfer of revaluation reserve	-	(106)	106	-
Total Comprehensive Income for the year	-	2,035	(4,809)	4,018
As at 31 December 2011	<u><u>60,000</u></u>	<u><u>(22,592)</u></u>	<u><u>49,342</u></u>	<u><u>86,750</u></u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011 and the accompanying notes to the Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE CUMULATIVE QUARTER ENDED 30 JUNE 2012**

	Current Year To-date 30.06.2012 RM'000	Preceding Year Corresponding Period 31.12.2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	2,508	(5,872)
Adjustments for:		
Impairment on goodwill	-	25
Impairment on loans and receivables	-	142
Inventories written down	-	1,513
Depreciation of property, plant and equipment	6,424	12,363
Interest expenses	1,311	2,415
Gain on disposal of property, plant and equipment	-	(12)
Interest income	(13)	(23)
Unrealised loss on foreign exchange	35	1,703
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Operating profit before working capital changes	10,265	12,254
Changes in working capital		
Net change in current assets	(8,100)	5,160
Net change in current liabilities	5,596	(1,598)
	<hr/>	<hr/>
Cash generated from operations	7,761	15,816
Tax paid	(75)	(1,721)
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Net cash generated from operating activities	7,686	14,095
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CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	27
Interest received	13	23
Purchase of other investment	(4)	(8)
Purchase of property, plant and equipment	(2,037)	(22,870)
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Net cash used in investing activities	(1,413)	(22,828)
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CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire-purchase	(1,864)	(6,209)
Repayment of term loans	(2,022)	(3,138)
Term loan raised	-	16,200
(Decrease)/Increase in other bank borrowings	(904)	5,179
Interest paid	(1,311)	(2,415)
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Net cash (used in)/ generated from financing activities	(6,201)	9,617
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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE CUMULATIVE QUARTER ENDED 30 JUNE 2012 (CONTINUED)**

	Current Year To-date 30.06.2012 RM'000	Preceding Year Corresponding Period 31.12.2011 RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	72	884
Effects of foreign exchange rate changes	(1,459)	903
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	2,535	748
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	1,148	2,535
CASH AND CASH EQUIVALENTS COMPRISE:		
CASH AND BANK BALANCES	3,182	5,441
BANK OVERDRAFT	(2,034)	(2,906)
	1,148	2,535

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011 and the accompanying notes to the Interim Financial Statements

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“MFRS”) No. 134

A1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB), and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2011.

The explanatory notes attached to these interim 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 year ended 31 December 2011.

Since the previous annual audited financial statements as at 31 December 2011 were issued, the Group has adopted the MFRS framework issued by the MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, there are some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs. The financial effects of convergence to the MFRS framework and any consequential changes in accounting policies as a result of the convergence are discussed in Note 2 Changes in Accounting Policies.

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2011 except for the newly MFRS and IC Interpretations ("IC Int.") to be applied by all Entities Other Than Private Entities for the financial period beginning on 1 January 2012:-

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combination
MFRS 4	Insurance Contract
MFRS 5	Non-current Assets Held for Sales and Discontinued Operations
MFRS 6	Exploration for and Evaluation of Mineral Resources
MFRS 7	Financial Instruments : Disclosures
MFRS 8	Operating Segments
MFRS 101	Presentation of Financial Statements
MFRS 102	Inventories
MFRS 107	Statements of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 110	Events after the Reporting Period
MFRS 111	Construction Contracts
MFRS 112	Income Taxes
MFRS 116	Property, Plant & Equipment
MFRS 117	Leases
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 120	Accounting for Government Grants and Disclosure of Government Assistance
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 124	Related Party Disclosures
MFRS 126	Accounting and Reporting by Retirement Benefits Plans
MFRS 127	Consolidated and Separate Financial Statements

A1. BASIS OF PREPARATION (Continued)

MFRS 128	Investment in Associates
MFRS 129	Financial Reporting in Hyperinflationary Economies
MFRS 131	Interest in Joint Ventures
MFRS 132	Financial Instruments : Presentation
MFRS 133	Earnings Per Share
MFRS 134	Interim Financial Reporting
MFRS 136	Impairment of Assets
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instrument : Recognition and Measurement
MFRS 140	Investment property
MFRS 141	Agriculture
IC Int. 1	Change in Existing Decommissioning, Restoration and Similar Liabilities
IC Int. 2	Member's Shares in Co-operative Entities and Similar Instruments
IC Int. 4	Determining Whether an Arrangement Contains a Lease
IC Int. 5	Rights to Interests Arising from Participating in a Specific Market-Waste Electrical and Electronics Equipment
IC Int. 6	Liabilities Arising from participating in a Specific Market-Waste Electrical and Electronics Equipment
IC Int. 7	Applying the Restatement Approach under MFRS 129 Financial Reporting in
IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 10	Interim Financial Reporting and Impairment
IC Int. 12	Service Concession Arrangements
IC Int. 13	Customer Loyalty Programmes
IC Int. 14	MFRS 119 - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction
IC Int. 15	Agreements for the Construction of Real Estate
IC Int. 16	Hedges of a Net Investment in a Foreign Operation
IC Int. 17	Distributions of Non-cash Assets to Owners
IC Int. 18	Transfers of Assets from Customers
IC Int. 19	Extinguishing Financial Liabilities with Equity Instruments
IC Int. 107	Introduction of the Euro
IC Int. 110	Government Assistance - No Specific Relation to Operating Activities
IC Int. 112	Consolidation - Special Purpose Entities
IC Int. 113	Jointly Controlled Entities - Non-Monetary Contributions by Venturers
IC Int. 115	Operating Leases - Incentives
IC Int. 125	Income Taxes - Change in the Tax Status of an Entity or its Shareholders
IC Int. 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IC Int. 129	Service Concession Arrangements : Disclosures
IC Int. 131	Revenue - Barter Transactions Involving Advertising Services
IC Int. 132	Intangible Assets - Web Site Costs

The Group has not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations, which were issued but not yet effective:-

Effective date : 1 July 2014

Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income

A1. BASIS OF PREPARATION (Continued)

Effective date : 1 January 2013

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interest on Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 1	Government Loans
Amendments to MFRS 7	Disclosure - Offsetting Financial Assets and Financial Liabilities
IC Int. 20	Stripping Costs in the Production Phase of a Surface Mine

Effective date : 1 January 2014

Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities

Effective date : 1 January 2015

MFRS 9 Financial Instruments

A2. CHANGES IN ACCOUNTING POLICIES

The Group has applied MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* in preparing the first MFRS framework interim financial report. In preparing this interim financial report, the Group's opening statement of financial position was prepared as at 1 January 2011 which is the Group's date of transition to MFRSs. Upon transition to MFRSs, the Group elected to apply the optional exemption to use the fair value of leasehold lands as deemed cost under MFRSs. The revaluation reserve as at 1 January 2011 was reclassified to retained profits. The financial effects of convergence to the MFRS framework and any consequential changes in accounting policies as a result of the convergence are set out as follows:-

(a) Reconciliation of Statement of Financial Position

	As previously reported RM'000	Effects of Transition to MFRSs RM'000	As Restated RM'000
As at 1 January 2011			
Share Capital	60,000	-	60,000
Retained Profits	54,045	2,142	56,187
Other Reserves	(24,521)	(2,142)	(26,663)
Shareholders' equity	89,524	-	89,524
As at 31 December 2011			
Share capital	60,000	-	60,000
Retained Profits	49,342	2,034	51,376
Other Reserves	(22,592)	(2,034)	(24,626)
Shareholders' equity	86,750	-	86,750

(b) There are no material differences between the Statement of Comprehensive Income and Statement of Cash Flows presented under MFRS framework and the Statement of Comprehensive Income and Statement of Cash Flows presented under FRS framework.

A3. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS

There were no audit qualifications on the financial statements of the Company and its subsidiaries for the year ended 31 December 2011.

A4. SEASONAL AND CYCLICAL FACTORS

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review and financial year-to-date.

A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the current quarter under review and financial year-to-date result.

A7. ISSUANCES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

A8. DIVIDEND PAID

No dividend was paid during the current quarter ended 30 June 2012.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment in the current quarter under review and financial year-to-date.

A10. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

DUFU TECHNOLOGY CORP. BERHAD (COMPANY NO.: 581612 A)
(Incorporated in Malaysia)

A11. SEGMENTAL INFORMATION

The Group's activities are predominantly in the sector of trading and manufacturing of HDD components. As such, segmental information is only presented by geographical segments. The geographical segments are based on the location of the assets and these are:

- (i) Malaysia
- (ii) Singapore
- (iii) Hong Kong and China

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Year to Date – 30 June 2012					
Segment revenue					
Sales to external customers	11,758	49,356	1,512	-	62,626
Inter-segment sales	37,455	2,072	15,194	(54,721)	-
Total	49,213	51,428	16,706	(54,721)	62,626
Segment revenue – current quarter	26,344	27,010	9,722	(28,962)	34,114
As at 30 June 2012					
Total assets	194,352	33,484	43,007	(108,695)	162,148
Total liabilities	86,822	29,258	7,192	(49,259)	74,013
Year to Date – 30 June 2011					
Segment revenue					
Sales to external customers	12,041	49,407	1,663	-	63,111
Inter-segment sales	38,140	1,520	16,586	(56,246)	-
Total	50,181	50,927	18,249	(56,246)	63,111
Segment revenue – current quarter	25,099	26,754	9,024	(29,071)	31,806
As at 30 June 2011					
Total assets	180,288	36,644	45,553	(111,184)	151,301
Total liabilities	71,223	33,319	9,605	(52,342)	61,805

A12. CONTINGENT LIABILITIES

As at 30 June 2012, the Group has no material contingent liabilities save for a corporate guarantee of RM118 million issued by the Company in respect of banking facilities granted to the subsidiary companies.

A13. CAPITAL COMMITMENT

Capital commitment as at 30 June 2012 is as follows:

Contracted but not provided for	RM '000 8,100
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The capital commitment is the balance payment for the conditional sales and purchase agreement of the acquisition of a property by Dufusion Sdn. Bhd., a wholly-owned subsidiary of Dufu Technology Corp Berhad.

A14. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter under review.

B. Explanatory Notes Pursuant to Appendix 9B, Part A of the Bursa Securities Main Market Listing Requirements

B1. PERFORMANCE REVIEW

Year to date – 30 June 2012

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Revenue	49,213	51,428	16,706	(54,721)	62,626
EBDITA *	6,150	1,782	1,710	601	10,243
Depreciation	(5,105)	(18)	(1,301)	-	(6,424)
Profit					
from operation	1,045	1,764	409	601	3,819
Finance costs	(1,135)	(11)	(165)	-	(1,311)
(L)PBT **	(90)	1,753	244	601	2,508

Year to date – 30 June 2011

	Malaysia RM'000	Singapore RM'000	Hong Kong and China RM'000	Eliminations RM'000	Total RM'000
Revenue	50,181	50,927	18,249	(56,246)	63,111
EBDITA *	4,309	9	2,819	(76)	7,061
Depreciation	(4,056)	(18)	(1,004)	-	(5,078)
Profit/(loss)					
from operation	253	(9)	1,815	(76)	1,983
Finance costs	(982)	(3)	(187)	-	(1,172)
(L)PBT ***	(729)	(12)	1,628	(76)	811

B1. PERFORMANCE REVIEW (CONTINUED)

- * EBDITA - Earning Before Depreciation, Interest expenses, Tax and Amortisation
- ** (L)PBT – (Loss)/Profit Before Tax
- *** PBT – Profit Before Tax

The Group recorded profit before taxation (“PBT”) of RM1.35 million in the quarter under review (“Q2 2012”) as compared to PBT of RM0.24 million in the preceding year corresponding quarter (“Q2 2011”).

The Malaysia and Singapore segment recorded revenue of RM53.354 million and PBT of RM0.65 million for current quarter ended 30 June 2012 (“Q2 2012”) as compared to revenue of RM51.853 million and loss before taxation (“LBT”) of RM0.05 million for preceding year corresponding quarter (“Q2 2011”). The results turned from loss to profit were mainly due to appreciation of US dollar (“USD”) against Ringgit Malaysia (“RM”) as compared to preceding year.

The Hong Kong and China segment recorded revenue of RM9.72 million and LBT RM9 thousand for Q2 2012 as compared to revenue of RM9.02 million and PBT of RM0.15 million for Q2 2011.

B2. COMPARISON WITH PRECEDING QUARTER’S RESULTS

The Group recorded revenue of RM34.11 million in the current quarter (“Q2 2012”) as compared to RM28.51 million in the previous quarter (“Q1 2012”), an increase of RM5.60 million or 19.6%. The Group also recorded a profit before taxation (“PBT”) of RM1.35 million for the quarter under review, as compared to previous quarter (“Q1 2012”) PBT of RM1.16 million, an increase of RM0.19 million.

The increase in revenue and profit were mainly due to the improvement in demand as part of normalization trend in the HDD sector coupled with more stable foreign exchange rate.

B3. COMMENTARY ON PROSPECTS

As HDD customers have taken measures to normalise their production capacity, the Group expects its sales performance to be flat in the second half of year 2012.

Nevertheless, the Group expects its Non-HDD sales performance to improve marginally and the Group will continue to evaluate all options with its diversification programs to enhance its performance.

B4. VARIANCES FROM PROFIT FORECAST AND PROFIT GUARANTEE

No profit forecast and profit guarantee was issued or announced for period ended 30 June 2012.

B5. TAXATION

	Current Quarter 30 June 2012 RM'000	Current Year To date 30 June 2012 RM'000
Corporate tax expense		
Malaysia	33	76
Foreign	29	41
	<u>55</u>	<u>117</u>
Deferred tax expense		
Malaysia	100	150
	<u>105</u>	<u>267</u>

B6. CORPORATE PROPOSAL

There is no corporate proposal announced as at the date of this announcement.

B7. BORROWINGS

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-term (Secured) RM'000	Long-term (Secured) RM'000
Hire purchase	4,575	3,794
Term Loans	3,330	24,907
Bankers' facilities	15,281	-
Bank overdraft	2,034	-
Total	<u>25,220</u>	<u>28,701</u>

The Group borrowings are dominated in the following currencies:

	RM'000
Ringgit Malaysia	36,017
US Dollar	15,389
Hong Kong Dollar	2,515
Total borrowings	<u>53,921</u>

B8. MATERIAL LITIGATION

As at the date of this announcement, there are no material litigations against the Group or taken by the Group.

B9. DIVIDEND

No dividend has been declared for the current quarter ended 30 June 2012.

B10. EARNINGS PER SHARE

Basic

The basic earning per share is calculated by dividing the net profit by the weighted average number of ordinary shares in issue:

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31.06.2012	Preceding Corresponding Quarter 31.06.2011	Current Year To Date 30.06.2012	Preceding Corresponding Quarter 30.06.2011
Net profit attributable to ordinary shareholders (RM '000)	1,190	154	2,241	532
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	120,000	120,000	120,000	120,000
Basic earning per share (sen)	0.99	0.13	1.87	0.44

Diluted

The Group does not have any convertible shares or financial instruments for the current financial quarter and financial year to-date.

B11. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2012 RM'000	Preceding Year Corresponding Quarter 30.06.2011 RM'000	Current Year To date 30.06.2012 RM'000	Preceding Year Corresponding Period 30.06.2011 RM'000
After charging:-				
Interest expense	664	587	1,311	1,172
Depreciation	3,240	2,401	6,424	5,078
Loss on foreign exchange - realised	-	-	75	-
After crediting:-				
Gain on foreign exchange - unrealised	257	-	478	-
Interest income	4	3	13	3

Save as disclose above, the other items as required under appendix 9B, Part A(16) of the Bursa Securities Main Market Listing Requirements are not applicable.

B12. REALISED OR UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 30 June 2012 and 31 December 2011 are analyse as follows:

	30.06. 2012	(Restated)
	RM'000	31.12. 2011
		RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	59,774	57,977
- Unrealised	(644)	(636)
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	59,130	57,341
Less: Consolidation adjustments	(5,513)	(5,965)
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	<u>53,617</u>	<u>51,376</u>