



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

Interim Financial Report

for 2nd Quarter Ended 30 September 2010

**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL
PERIOD ENDED 30 SEPTEMBER 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30.09.2010 RM'000	30.09.2009 RM'000	30.09.2010 RM'000	30.09.2009 RM'000
1. Revenue	74,624	59,882	133,508	126,865
2. Profit before tax	41,299	24,974	75,039	49,933
3. Profit for the period	31,238	18,914	54,874	37,447
4. Profit attributable to ordinary equity holders of the Company	31,238	18,914	54,874	37,447
5. Basic/diluted earnings per share (sen)	3.99	2.52	7.01	5.12
6. Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7. Net assets per share attributable to ordinary equity holders of the Company (RM)	0.51	0.54

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
8. Gross interest income	2,138	1,149	3,808	2,172
9. Gross interest expense	6 #	9	12	19



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

Interim Financial Report

for 2nd Quarter Ended 30 September 2010

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED	30.09.2009	6 MONTHS ENDED	30.09.2009
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	74,624	59,882	133,508	126,865
Other income	4,070	2,444	6,914	4,300
Interest expense applicable to revenue	(18,712)	(15,675)	(35,868)	(31,552)
Staff costs and directors' remuneration	(2,709)	(2,863)	(5,576)	(5,717)
Depreciation of plant and equipment and investment properties	(348)	(348)	(696)	(732)
Other expenses	(15,620)	(18,457)	(23,231)	(43,212)
Finance costs	(6)	(9)	(12)	(19)
Profit before tax	41,299	24,974	75,039	49,933
Taxation	(10,061)	(6,060)	(20,165)	(12,486)
Profit for the financial period	31,238	18,914	54,874	37,447
Other comprehensive income:				
Financial assets available-for-sale ("AFS"):				
- Unrealised net gain on revaluation	675	-	3,038	-

Other comprehensive income for the financial period, net of tax	675	-	3,038	-
Total comprehensive income for the financial period	31,913	18,914	57,912	37,447
Attributable to:				
Equity holders of the Company	31,238	18,914	54,874	37,447
Earnings per share attributable to equity holders of the Company:				
Basic/Diluted (sen)	3.99	2.52	7.01	5.12

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT 30.09.2010 RM'000	AS AT 31.03.2010 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	2,957	3,046
Investment properties	2,730	2,786
Goodwill on consolidation	28,677	28,677
Loans and receivables	969,560	992,527
Other investments	-	30,387
Financial assets AFS	40,178	-
Deferred tax assets	35,629	5,372
Total Non-Current Assets	1,079,731	1,062,795
Current Assets		
Short term investments	-	4,000
Loans and receivables	123,419	146,081
Trade receivables	33,586	30,789
Other receivables, deposits and prepaid expenses	44,950	5,242
Deposits with licensed financial institutions	379,594	270,935
Cash and bank balances	56,817	18,776
Total Current Assets	638,366	475,823
TOTAL ASSETS	1,718,097	1,538,618
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	78,240	78,207
Reserves	323,175	340,655
Total Equity	401,415	418,862
Non-Current Liabilities		
Hire-purchase payables	558	392
Borrowings	859,577	705,252
Deferred tax liabilities	41,236	26,429
Total Non-Current Liabilities	901,371	732,073
Current Liabilities		
Payables and accrued expenses	74,907	58,484
Hire-purchase payables	70	211
Finance lease payables	-	27
Borrowings	328,666	326,808
Taxation	11,668	2,153
Total Current Liabilities	415,311	387,683
Total Liabilities	1,316,682	1,119,756
TOTAL EQUITY AND LIABILITIES	1,718,097	1,538,618
NET ASSETS PER SHARE (RM)	0.51	0.54

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENTS OF CHANGES IN EQUITY

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY							Total Equity RM'000
	Share Capital RM'000	Non-Distributable Reserves			Retained Earnings RM'000	Total Reserves RM'000	Minority Interest RM'000	
		Share Premium RM'000	Share Options RM'000	AFS RM'000				
As at 1 April 2009	71,097	26,394 #	-	-	200,568	226,962	-	298,059
Profit for the financial period	-	-	-	-	37,447	37,447	-	37,447
Issuance of private placement shares	7,110	32,015	-	-	-	32,015	-	39,125
Dividend	-	-	-	-	(5,866)	(5,866)	-	(5,866)
As at 30 September 2009	78,207	58,409	-	-	232,149	290,558	-	368,765
As at 1 April 2010	78,207 ##	58,304	6,555 #	- #	275,796	340,655	-	418,862
Effects of adopting FRS 139	-	-	-	6,753	(70,373)	(63,620)	-	(63,620)
Restated as at 1 April 2010	78,207	58,304	6,555	6,753	205,423	277,035	-	355,242
Total comprehensive income	-	-	-	3,038	54,874	57,912	-	57,912
Transactions with owners								
Dividend	-	-	-	-	(11,932)	(11,932)	-	(11,932)
Purchase of shares pursuant to ESOS	33	280	(120)	-	-	160	-	193
Cancellation of share options	-	-	(277)	-	277	-	-	-
Total transactions with owners	33	280	(397)	-	(11,655)	(11,772)	-	(11,739)
As at 30 September 2010	78,240	58,584	6,158	9,791	248,642	323,175	-	401,415

The Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial report.



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

Interim Financial Report

for 2nd Quarter Ended 30 September 2010

CONDENSED STATEMENT OF CASH FLOWS

	CUMULATIVE QUARTER 30.09.2010 RM'000	CUMULATIVE QUARTER 30.09.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	54,874	37,447
Adjustments for:		
Taxation	20,165	12,486
Allowance for doubtful debts, net	5,674	12,227
Depreciation of plant and equipment and investment properties	696	732
Amortisation of discount on MTNs	674	1,266
Loss on early redemption of MTNs	146	1,323
Impairment loss in investment properties	26	-
Finance costs	12	19
Property, plant and equipment written off	-	2
Dividend income	(4,450)	(1,513)
Interest income	(3,808)	(2,172)
Gain on disposal of plant and equipment	(54)	-
Operating profit before working capital changes	<u>73,955</u>	<u>61,817</u>
(Increase)/Decrease in working capital:		
Loans and receivables	(60,569)	(109,684)
Trade receivables	(2,516)	2,583
Other receivables, deposits and prepaid expenses	(32,327)	(18,404)
Increase in working capital:		
Payables and accrued expenses	<u>25,674</u>	<u>18,390</u>



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

**Interim Financial Report
for 2nd Quarter Ended 30 September 2010**

Cash generated from/(used in) operations	4,217	(45,298)
Taxes paid	(8,722)	(5,210)
Taxes refunded	-	704
Net cash used in operating activities	(4,505)	(49,804)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	3,808	2,172
Dividend received	1,648	1,513
Proceeds from disposal of plant and equipment	375	-
Proceeds from disposal of financial assets AFS	-	10,000
Additions to plant and equipment	(512)	(203)
Net cash generated from investing activities	5,319	13,482



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

Interim Financial Report

for 2nd Quarter Ended 30 September 2010

CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	CUMULATIVE QUARTER 30.09.2010 RM'000	CUMULATIVE QUARTER 30.09.2009 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credits	240,184	155,045
Proceeds from issuance of ABS	209,000	75,000
Drawdown of other borrowings	36,527	26,364
Drawdown of term loan	-	35,000
Proceeds from issuance of shares	193	-
Proceeds from issuance of private placement shares	-	39,125
Repayment of revolving credits	(220,056)	(144,861)
Repayment of term loans	(46,132)	(558)
Repayment of other borrowings	(28,310)	(36,488)
Redemption of ABS	(25,000)	(10,000)
Redemption of MTNs	(10,146)	(26,743)
Redemption of CPs	(3,000)	(3,000)
Dividend paid	(6,977)	(4,865)
Repayment of hire-purchase payables	(358)	(103)
Repayment of finance lease payables	(27)	(68)
Finance costs paid	(12)	(19)
Net cash generated from financing activities	<u>145,886</u>	<u>103,829</u>
Net change in cash and cash equivalents	146,700	67,507
Cash and cash equivalents at beginning of financial period	289,711	214,062
Cash and cash equivalents at end of financial period	<u>436,411</u>	<u>281,569</u>



RCE Capital Berhad (Company No. 2444-M)

Incorporated in Malaysia

**CASH AND CASH EQUIVALENTS AS AT END OF
FINANCIAL PERIOD COMPRISE THE FOLLOWING:**

**Interim Financial Report
for 2nd Quarter Ended 30 September 2010**

Deposits with licensed financial institutions	379,594	252,711
Cash and bank balances	56,817	28,858
	<u>436,411</u>	<u>281,569</u>

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT

1 BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2010.

2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2010, except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial period commencing on 1 April 2010:

FRS 7	:	Financial Instruments: Disclosure
FRS 8	:	Operating Segments
FRS 101	::	Presentation of Financial Statements (Revised)
FRS123	:	Borrowing Costs (Revised)
FRS 139	:	Financial Instruments: Recognition and Measurement

Amendments to:

FRS 2	:	Share-based Payment: Vesting Conditions and Cancellations
FRS 7	:	Financial Instruments: Disclosure
FRS 127	:	Consolidated and Separate Financial Statements: Cost of an Investment in Subsidiary, Jointly Controlled Entity and Associate
FRS 132	:	Financial Instruments: Presentation
IC Interpretation 10	:	Interim Financial Reporting and Impairment
IC Interpretation 11	:	FRS 2 - Group and Treasury Shares Transactions

Amendments to FRSs classified as "Improvements to FRSs (2009)"

The adoption of the above standards, amendments to published standards and interpretations does not give rise to any material effects to the Group, other than the effects and changes in accounting policies arising from the adoption of FRS 139 as disclosed below.

NOTES TO THE INTERIM FINANCIAL REPORT

2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(a) FRS101: Presentation of financial statements**

The revised FRS101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will not include only details of transactions with owners. All non-owner changes in equity are presented in a single line labelled as total comprehensive income.

The standard also introduces the statement of comprehensive income; presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassifications of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

(b) FRS 8: Operating Segment

FRS 8 replaces FRS114²⁰⁰⁴: Segment reporting and requires a "management approach", under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segment reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses of the performance reportable segments. As this is a disclosure standard, there will be no impact on the financial position and results of the Group.

(c) FRS 139: Financial Instruments: Recognition and Measurement

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and AFS. The classification depends on the nature of the assets and the purpose for which the assets was acquired. Management determines the classification on its financial assets at initial recognition. Set out below are the major changes in classifications of financial assets of the Group.

(i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

NOTES TO THE INTERIM FINANCIAL REPORT

(c) FRS 139 : Financial Instruments: Recognition and Measurement (Cont'd)**(ii) Impairment of loans**

Under FRS139, the Group assesses at each reporting period whether there is any objective evidence that loans are impaired as a result of one or more loss events that occurred after the initial recognition of the loan (an incurred "loss event") and that the loss event has an impact on the future estimated cash flows of the loan or the portfolio of loans that can be reliably estimated.

The Group addresses impairment of loans via either collective or individual assessment allowance.

□ Collective assessment allowance

Collective allowance is maintained to reduce the carrying amount of portfolio of similar loans to their estimated recoverable amounts at the balance sheet date. If it is determined that no objective evidence of impairment exists for an individually assessed loan, the loan is included in a group of loan with similar credit risk characteristics and collectively assessed for impairment.

Individual assessment allowance

The Group determines the allowance appropriate for each significant loan on an individual basis. The allowance is established based primarily on estimates of the realisable value of the collateral/s to secure the loan and is measured as the difference between the carrying amount of the loan and the present value of the expected future cash flows discounted at the original EIR of the loan.

(iii) Recognition of interest income/(expense)

Prior to 1 April 2010, interest income/(expense) on loan was recognised at contracted rates. FRS139 requires interest income/(expense) to be recognised on an EIR basis. The EIR is the rate that exactly discounts the estimated future cash receipts/(payments) through the expected life of the loan or, when appropriate, a shorter period to the net carrying amount of loan.

Prior to the adoption of FRS139, where a loan receivable becomes non-performing, interest accrued and recognised as income prior to the date the loans are classified as non-performing are reversed out of the income statement and set off against the accrued interest receivable account in the balance sheet. Subsequently, the interest earned on the non-performing loans are recognised as income on receipt basis.

Upon adoption of FRS139, once a loan receivable has been classified as impaired, interest income is recognised based on the interest rate used to discount the future estimated cash flows for the purpose of measuring impairment loss.

(iv) Financial assets AFS

Upon adoption of FRS 139, all quoted financial assets are measured at fair value with the changes in fair value recognised directly to AFS reserve, except for impairment losses which are recognised in the income statement.

Financial assets AFS are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held-to-maturity or loans and receivables. They include money market instruments.

NOTES TO THE INTERIM FINANCIAL REPORT**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

In line with the transitional provisions under Para 103AA of FRS139, the changes of the above accounting policies arising from the initial adoption of FRS139 have been applied prospectively and resulted in the following adjustments against the opening balances:

	As at 1 April 2010 RM'000	Effects of adoption of FRS 139 RM'000	Restated as at 1 April 2010 RM'000
Group			
Effects on:			
Deferred tax assets	5,372	25,023	30,395
Other investments	30,387	(30,387)	-
Financial assets AFS	-	37,140	37,140
Short term investments	4,000	(4,000)	-
Loans and receivables	1,138,608	(100,588)	1,038,020
Trade receivables	30,789	345	31,134
Deferred tax liabilities	26,429	2,948	29,377
Payables and accrued expenses	58,484	(11,795)	46,689
Effects on:			
Retained earnings	275,796	(70,373)	205,423
Effects on:			
AFS reserve	-	6,753	6,753

3 AUDITORS' REPORT ON PRECEDING ANNUAL AUDITED FINANCIAL STATEMENTS

The auditors' report on the preceding annual audited financial statements was not subject to any qualification.

4 SEASONAL OR CYCLICAL FACTORS

The Group's operations were not significantly affected by any seasonal or cyclical factors.

5 UNUSUAL ITEMS

There were no unusual items for the current quarter and financial period.

6 CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect for the current quarter and financial period.

NOTES TO THE INTERIM FINANCIAL REPORT

7 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities for the financial period except for the following:

- (a) Issuance and redemption of the Asset-Backed Securities ("ABS") by Tresor Assets Berhad, a subsidiary of the Company, as follows:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Issuance of ABS	137,000	209,000
Redemption of ABS upon maturity	-	(25,000)

Out of the issuance of RM283.8 million ABS, RM74.8 million was subscribed internally by a subsidiary of the Company.

- (b) Redemption of the Underwritten Commercial Papers ("CPs") by RCE Premier Sdn Bhd, a subsidiary of the Company, as follows:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Redemption of CPs upon maturity	-	3,000

NOTES TO THE INTERIM FINANCIAL REPORT**8 DIVIDEND**

The directors declared a final dividend in respect of the financial year ended 31 March 2010 of 17.5% (1.75 sen) on 782,395,174 ordinary shares as follows:

	RM'000
(a) 9.0% (0.90 sen), less 25% tax	5,281
(b) 8.5% (0.85 sen) under single-tier system, tax exempt	6,650
	<u>11,931</u>

Such dividend was paid on 28 September 2010 and has been accounted for in the equity as appropriation of retained earnings in the financial period ended 30 September 2010.

No dividend has been recommended by the directors or paid for the financial period ended 30 September 2010.

9 SEGMENTAL INFORMATION

Segmental revenue and results for the financial period were as follows:

	Loan Financing RM'000	Investment Holding & Mgmt Services RM'000	Factoring & Confirming RM'000	Eliminations RM'000	Group RM'000
Revenue					
External sales	125,706	4,682	3,120	-	133,508
Intersegment sales	(817)	6,655	-	(5,838)	-
Total revenue	<u>124,889</u>	<u>11,337</u>	<u>3,120</u>	<u>(5,838)</u>	<u>133,508</u>
Results					
Interest income	3,807	-	1	-	3,808
Segment results	71,433	1,848	1,770	-	75,051
Finance costs					(12)
Profit before tax					<u>75,039</u>
Taxation					<u>(20,165)</u>
Profit for the period					<u>54,874</u>



NOTES TO THE INTERIM FINANCIAL REPORT

10 MATERIAL EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

As at the date of announcement, there were no material events subsequent to the balance sheet date that affect the results of the Group for the financial period.

11 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period.

12 REVIEW OF PERFORMANCE

The Group registered a 24.6% increase in its revenue, from RM59.9 million to RM74.6 million as compared to the previous year's corresponding quarter. The increase was mainly due to robust loan growth sustained by stronger demand from existing and new customers as well as offering of newly improved Syariah-based financing products.

The Group's net profit for the current quarter continued to grow as compared to previous year's corresponding quarter of RM18.9 million, reflecting a strong growth of 65.2% or RM12.3 million to RM31.2 million.

Meanwhile, the Group's net loans and receivables grew by RM42.8 million despite the change in the accounting treatments adopted for interest income and loan impairment, signifying the Group's focus in growing its lending activities.

13 MATERIAL CHANGE IN RESULTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

The Group's profit before tax in the current quarter of RM41.3 million was RM7.6 million or 22.4% higher than the preceding quarter of RM33.7 million. The improved performance was mainly attributed to higher revenue, driven by higher loan disbursements and refinancing activities.

14 CURRENT YEAR PROSPECTS

Despite recent regulatory changes to the industry and the competitive operating environment, the Group remains positive of achieving further growth in its loan financing business as we continue to improve on our product features and service delivery.

Barring any unforeseen circumstances, the Group expects to improve its performance for this financial year.

15 PROFIT FORECAST

There were no profit forecast prepared or profit guarantee made by the Group.

NOTES TO THE INTERIM FINANCIAL REPORT

16 TAXATION

	INDIVIDUAL QUARTER 30.09.2010 RM'000	CUMULATIVE QUARTER 30.09.2010 RM'000
Taxation:		
Current period	8,874	12,995
Underprovision in prior year	542	545
	<hr/>	<hr/>
	9,416	13,540
Deferred taxation:		
Current period	645	5,968
Underprovision in prior year	-	657
	<hr/>	<hr/>
	645	6,625
	<hr/>	<hr/>
	10,061	20,165
	<hr/>	<hr/>

The effective tax rate of the Group in the current quarter is lower than the statutory tax rate as a result of certain income which is not taxable for tax purposes and utilisation of unabsorbed business losses brought forward.

17 UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of any unquoted investments and/or properties by the Group during the current quarter and financial period.

NOTES TO THE INTERIM FINANCIAL REPORT**18 QUOTED SECURITIES**

- (a) Details of purchases and disposals of quoted securities are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
Included within financial assets AFS:				
Non-current assets:				
Purchase consideration	-	-	-	-
Sales proceeds	-	-	-	-
Gain on disposal	-	-	-	-
Current assets:				
Purchase consideration	-	-	-	-
Sales proceeds	-	-	-	10,000
Gain on disposal	-	-	-	-

- (b) Investment in quoted real estate investment trust units as at 30 September 2010:

	CUMULATIVE QUARTER RM'000
Included within financial assets AFS:	
At cost	33,763
At carrying/book value	40,178
At market value	40,178

19 STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no corporate proposals announced or pending completion as at the date of this report.

NOTES TO THE INTERIM FINANCIAL REPORT**20 GROUP BORROWINGS AND DEBT SECURITIES**

Total borrowings and debt securities (all denominated in Ringgit Malaysia) of the Group as at 30 September 2010 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
Secured:			
- Asset-backed securities	132,803	503,000	635,803
- Fixed rate medium term notes	13,135	206,172	219,307
- Revolving credits	128,927	-	128,927
- Term loans	12,423	83,605	96,028
- Bank overdrafts	5,430	-	5,430
- Underwritten commercial papers	995	-	995
	<u>293,713</u>	<u>792,777</u>	<u>1,086,490</u>
Unsecured:			
- Revolving credits	18,787	26,800	45,587
- Fixed rate term loans	384	40,000	40,384
- Bankers' acceptances	11,329	-	11,329
- Trust receipts	2,991	-	2,991
- Bank overdrafts	1,462	-	1,462
	<u>34,953</u>	<u>66,800</u>	<u>101,753</u>
	<u>328,666</u>	<u>859,577</u>	<u>1,188,243</u>

The above were measured at amortised cost in compliance with FRS139, hence there were no fair value changes arising from its adoption.



NOTES TO THE INTERIM FINANCIAL REPORT

21 CAPITAL COMMITMENTS

Other than as disclosed in this report, there were no other material capital commitments as at the date of this report.

22 CHANGES IN CONTINGENT LIABILITIES AND ASSETS

The Group's total letters of credit have increased from RM2.7 million as at 31 March 2010 to RM3.7 million as at 30 September 2010.

Other than as disclosed above, there were no other changes in contingent liabilities and assets since the last financial year ended 31 March 2010.

23 OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

There were no material off-balance sheet financial instruments as at the date of this report.

24 CHANGES IN MATERIAL LITIGATION

There were no pending material litigation for the Group as at the date of this report.

NOTES TO THE INTERIM FINANCIAL REPORT

25 EARNINGS PER SHARE ("EPS")

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		30.09.2010	30.09.2009	30.09.2010	30.09.2009
Basic:					
Profit for the period attributable to equity holders of the Company	(RM'000)	31,238	18,914	54,874	37,447
Weighted average number of ordinary shares in issue	(unit'000)	782,391	751,157	782,318	731,174
Basic EPS	(sen)	<u>3.99</u>	<u>2.52</u>	<u>7.01</u>	<u>5.12</u>

Basic EPS for the quarter is calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue during the period.

Diluted:

The Group has no dilution in its EPS in the current quarter and the previous year's corresponding quarter as there are no dilutive potential ordinary shares.

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
19 November 2010