



---

**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL  
PERIOD ENDED 31 DECEMBER 2010**

---

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
1. Revenue	<b>77,179</b>	63,157	<b>210,687</b>	190,022
2. Profit before tax	<b>42,401</b>	30,044	<b>117,440</b>	79,977
3. Profit for the period	<b>32,780</b>	20,879	<b>87,654</b>	58,326
4. Profit attributable to ordinary equity holders of the Company	<b>32,780</b>	20,879	<b>87,654</b>	58,326
5. Basic/diluted earnings per share (sen)	<b>4.19</b>	2.67	<b>11.20</b>	7.80
6. Proposed/Declared dividend per share (sen)	-	-	-	-
		<b>AS AT END OF CURRENT QUARTER</b>	<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
7. Net assets per share attributable to ordinary equity holders of the Company (RM)		0.55		0.54
	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
8. Gross interest income	<b>3,110</b>	1,221	<b>6,918</b>	3,413
9. Gross interest expense	<b>8</b>	9	<b>20</b>	28



**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Revenue	77,179	63,157	210,687	190,022
Other income	4,301	2,316	11,215	6,616
Interest expense applicable to revenue	(19,603)	(16,698)	(55,471)	(48,250)
Staff costs and directors' remuneration	(3,216)	(2,565)	(8,792)	(8,282)
Depreciation of plant and equipment and investment properties	(337)	(335)	(1,033)	(1,067)
Other expenses	(15,915)	(15,822)	(39,146)	(59,034)
Finance costs	(8)	(9)	(20)	(28)
<b>Profit before tax</b>	<b>42,401</b>	30,044	<b>117,440</b>	79,977
Taxation	(9,621)	(9,165)	(29,786)	(21,651)
<b>Profit for the financial period</b>	<b>32,780</b>	20,879	<b>87,654</b>	58,326
<b>Other comprehensive income:</b>				
Financial assets available-for-sale ("AFS"):				
- Unrealised net gain on revaluation	(337)	-	2,701	-
Other comprehensive income for the financial period, net of tax	(337)	-	2,701	-
<b>Total comprehensive income for the financial period</b>	<b>32,443</b>	20,879	<b>90,355</b>	58,326
<b>Attributable to:</b>				
Equity holders of the Company	<b>32,780</b>	20,879	<b>87,654</b>	58,326
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic/Diluted (sen)	<b>4.19</b>	2.67	<b>11.20</b>	7.80

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 31.12.2010 RM'000	AS AT 31.03.2010 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Plant and equipment	2,705	3,046
Investment properties	2,715	2,786
Goodwill on consolidation	28,677	28,677
Loans and receivables	1,035,712	992,527
Other investments	-	30,387
Financial assets AFS	39,841	-
Deferred tax assets	32,921	5,372
<b>Total Non-Current Assets</b>	<b>1,142,571</b>	<b>1,062,795</b>
<b>Current Assets</b>		
Short term investments	-	4,000
Loans and receivables	110,974	146,081
Trade receivables	34,394	30,789
Other receivables, deposits and prepaid expenses	26,105	5,242
Deposits with licensed financial institutions	493,756	270,935
Cash and bank balances	18,512	18,776
<b>Total Current Assets</b>	<b>683,741</b>	<b>475,823</b>
<b>TOTAL ASSETS</b>	<b>1,826,312</b>	<b>1,538,618</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	78,240	78,207
Reserves	355,618	340,655
<b>Total Equity</b>	<b>433,858</b>	<b>418,862</b>
<b>Non-Current Liabilities</b>		
Hire-purchase payables	458	392
Borrowings	823,460	705,252
Deferred tax liabilities	43,822	26,429
<b>Total Non-Current Liabilities</b>	<b>867,740</b>	<b>732,073</b>
<b>Current Liabilities</b>		
Payables and accrued expenses	105,037	58,484
Hire-purchase payables	138	211
Finance lease payables	-	27
Borrowings	405,597	326,808
Taxation	13,942	2,153
<b>Total Current Liabilities</b>	<b>524,714</b>	<b>387,683</b>
<b>Total Liabilities</b>	<b>1,392,454</b>	<b>1,119,756</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,826,312</b>	<b>1,538,618</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.55</b>	<b>0.54</b>

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**

	Share Capital RM'000	Reserves			Retained Earnings RM'000	Total Reserves RM'000	Minority Interest RM'000	Total Equity RM'000
		Share Premium RM'000	Share Options RM'000	AFS RM'000				
<b>As at 1 April 2009</b>	71,097	26,394	-	-	200,568	226,962	-	298,059
Profit for the financial period	-	-	-	-	58,326	58,326	-	58,326
Issuance of private placement shares	7,110	32,015	-	-	-	32,015	-	39,125
Share issuance expenses recognised directly in equity	-	(105)	-	-	-	(105)	-	(105)
Dividend	-	-	-	-	(5,866)	(5,866)	-	(5,866)
<b>As at 31 December 2009</b>	<b>78,207</b>	<b>58,304</b>	<b>-</b>	<b>-</b>	<b>253,028</b>	<b>311,332</b>	<b>-</b>	<b>389,539</b>
<b>As at 1 April 2010</b>	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
<b>Total comprehensive income</b>	-	-	-	2,701	87,654	90,355	-	90,355
<b>Transactions with owners</b>								
Dividend	-	-	-	-	(11,932)	(11,932)	-	(11,932)
Issuance of shares pursuant to ESOS exercised	33	280	(120)	-	-	160	-	193
Cancellation of share options	-	-	(393)	-	393	-	-	-
Total transactions with owners	33	280	(513)	-	(11,539)	(11,772)	-	(11,739)
<b>As at 31 December 2010</b>	<b>78,240</b>	<b>58,584</b>	<b>6,042</b>	<b>9,454</b>	<b>281,538</b>	<b>355,618</b>	<b>-</b>	<b>433,858</b>

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.



---

**CONDENSED STATEMENT OF CASH FLOWS**

---

	<b>CUMULATIVE QUARTER 31.12.2010 RM'000</b>	<b>CUMULATIVE QUARTER 31.12.2009 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the financial period	<b>87,654</b>	58,326
Adjustments for:		
Taxation	<b>29,786</b>	21,651
Allowance for doubtful debts, net	<b>15,507</b>	19,892
Depreciation of plant and equipment and investment properties	<b>1,033</b>	1,067
Amortisation of discount on MTNs	<b>934</b>	1,570
Loss on early redemption of MTNs	<b>146</b>	1,427
Impairment loss in investment properties	<b>26</b>	-
Finance costs	<b>20</b>	28
Property, plant and equipment written off	<b>-</b>	3
Dividend income	<b>(6,074)</b>	(3,157)
Interest income	<b>(6,918)</b>	(3,413)
Gain on disposal of plant and equipment	<b>(54)</b>	-
Operating profit before working capital changes	<b>122,060</b>	97,394
(Increase)/Decrease in working capital:		
Loans and receivables	<b>(123,867)</b>	(171,227)
Trade receivables	<b>(3,566)</b>	2,607
Other receivables, deposits and prepaid expenses	<b>(15,983)</b>	(5,617)
Increase in working capital:		
Payables and accrued expenses	<b>59,794</b>	11,786
Cash generated from/(used in) operations	<b>38,438</b>	(65,057)
Taxes paid	<b>(11,061)</b>	(9,983)
Taxes refunded	<b>-</b>	739
Net cash generated from/(used in) operating activities	<b>27,377</b>	(74,301)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<b>6,918</b>	3,413
Dividend received	<b>6,074</b>	3,157
Proceeds from disposal of plant and equipment	<b>375</b>	-
Proceeds from disposal of financial assets AFS	<b>-</b>	10,000
Additions to plant and equipment	<b>(583)</b>	(268)
Net cash generated from investing activities	<b>12,784</b>	<b>16,302</b>



**CONDENSED STATEMENT OF CASH FLOWS (CONT'D)**

	<b>CUMULATIVE QUARTER 31.12.2010 RM'000</b>	<b>CUMULATIVE QUARTER 31.12.2009 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credits	<b>315,630</b>	228,954
Proceeds from issuance of ABS	<b>209,000</b>	75,000
Drawdown of other borrowings	<b>68,362</b>	46,264
Drawdown of term loan	-	100,000
Proceeds from issuance of shares	<b>193</b>	-
Proceeds from issuance of private placement shares	-	39,125
Repayment of revolving credits	<b>(230,583)</b>	(225,545)
Redemption of ABS	<b>(55,000)</b>	(39,000)
Repayment of other borrowings	<b>(49,511)</b>	(48,856)
Repayment of term loans	<b>(49,202)</b>	(3,623)
Redemption of MTNs	<b>(10,146)</b>	(36,847)
Redemption of CPs	<b>(4,000)</b>	(5,000)
Redemption of bonds	-	(15,000)
Dividend paid	<b>(11,908)</b>	(5,828)
Repayment of hire-purchase payables	<b>(392)</b>	(157)
Repayment of finance lease payables	<b>(27)</b>	(100)
Finance costs paid	<b>(20)</b>	(28)
Share issuance expenses	-	(105)
Net cash generated from financing activities	<b>182,396</b>	109,254
Net change in cash and cash equivalents	<b>222,557</b>	51,255
Cash and cash equivalents at beginning of financial period	<b>289,711</b>	214,062
Cash and cash equivalents at end of financial period	<b>512,268</b>	265,317
<b>CASH AND CASH EQUIVALENTS AS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:</b>		
Deposits with licensed financial institutions	<b>493,756</b>	253,445
Cash and bank balances	<b>18,512</b>	11,872
	<b>512,268</b>	265,317

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)"

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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.

**(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 FRS114<sub>2004</sub>: 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.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(c) FRS 139 : Financial Instruments: Recognition and Measurement (Cont'd)****(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 statement of comprehensive income 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 later than 12 months after the reporting date which are classified as non-current.

**(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 date of financial report. 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.

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(ii) Impairment of loans (Cont'd)**

- 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 statement of comprehensive income and set off against the accrued interest receivable account in the statement of financial position. 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 as a separate component of equity until the assets are sold, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in equity is transferred to the statement of comprehensive income.

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(iv) Financial assets AFS (Cont'd)**

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.

**(v) Financial liabilities**

All financial liabilities are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

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
<b>Group</b>			
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

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**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.

**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:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Issuance of ABS	-	209,000
Redemption of ABS upon maturity	(30,000)	(55,000)

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**7 DEBT AND EQUITY SECURITIES (CONT'D)**

- (a) 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:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Redemption of CPs upon maturity	1,000	4,000

- (c) Redemption of the Fixed Rate Medium Term Notes ("MTNs") by RCE Advance Sdn Bhd, a subsidiary of the Company, as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Redemption of MTNs upon maturity	-	(5,000)
Early redemption of MTNs	-	(5,000)

**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:

	<b>RM'000</b>
(a) 9.0% (0.90 sen), less 25% tax	5,281
(b) 8.5% (0.85 sen) under single-tier system, tax exempt	6,651
	<u>11,932</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 31 December 2010.

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**8 DIVIDEND (CONT'D)**

No dividend has been recommended by the directors or paid for the financial period ended 31 December 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
<b>Revenue</b>					
External sales	199,541	6,423	4,723	-	210,687
Intersegment sales	2,940	9,690	-	(12,630)	-
Total revenue	<u>202,481</u>	<u>16,113</u>	<u>4,723</u>	<u>(12,630)</u>	<u>210,687</u>
<b>Results</b>					
Interest income	6,913	2	3	-	6,918
Segment results	113,077	1,923	2,460	-	117,460
Finance costs					<u>(20)</u>
Profit before tax					117,440
Taxation					<u>(29,786)</u>
Profit for the period					<u>87,654</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 22.2% increase in its revenue, from RM63.2 million to RM77.2 million as compared to previous year's corresponding quarter. The increase was mainly due to continued growth in its loan financing business.

Arising from the above, the Group continued to register growth in its net profit in the current quarter of RM32.8 million as compared to the previous year's corresponding quarter of RM20.9 million, representing an increase of 57.0%.

Meanwhile, the Group's net loans and receivables grew by 3.8% or RM42.3 million as compared to the previous year's corresponding quarter, in tandem with the growth in the loan financing business.

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

There is no material change in the results of current quarter compared with the preceding quarter.

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**14 CURRENT YEAR PROSPECTS**

Following recent developments in the regulatory landscape of the loan financing business as per the Company's announcement dated 26 November 2010, the Group is of the view that the temporary disruption in the disbursement activities experienced by its major business partner will be resolved expediently with minimal impact to the Group's operations.

The Company does not expect the above to have any material financial impact to the Group in relation to the current financial year ending 31 March 2011 and on its ability to meet interest and principal payments in respect of its existing debt obligations.

Notwithstanding the above, if KOWAJA's loan disbursements are curtailed in a prolonged manner, there may be some impact on the Group's future profitability in the longer-term.

**15 PROFIT FORECAST**

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

**16 TAXATION**

	<b>INDIVIDUAL QUARTER 31.12.2010 RM'000</b>	<b>CUMULATIVE QUARTER 31.12.2010 RM'000</b>
Taxation:		
Current period	4,642	17,637
(Over)/Underprovision in prior year	(315)	230
	4,327	17,867
Deferred taxation:		
Current period	5,294	11,262
Underprovision in prior year	-	657
	5,294	11,919
	9,621	29,786

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.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**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.

**18 QUOTED SECURITIES**

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

	<b>INDIVIDUAL</b>		<b>CUMULATIVE</b>	
	<b>QUARTER</b>		<b>QUARTER</b>	
	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
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 31 December 2010:

	<b>CUMULATIVE</b>
	<b>QUARTER</b>
	<b>RM'000</b>
Included within financial assets AFS:	
At cost	33,763
At carrying/book value	39,841
At market value	39,841

---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**19 STATUS OF CORPORATE PROPOSALS ANNOUNCED**

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

**20 GROUP BORROWINGS AND DEBT SECURITIES**

Total borrowings and debt securities (all denominated in Ringgit Malaysia) of the Group as at 31 December 2010 are as follows:

	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
<b>At amortised cost</b>			
Secured:			
- Asset-backed securities	116,306	488,000	604,306
- Fixed rate medium term notes	27,737	191,447	219,184
- Revolving credits	199,114	-	199,114
- Term loans	12,507	80,513	93,020
- Bank overdrafts	5,380	-	5,380
	<u>361,044</u>	<u>759,960</u>	<u>1,121,004</u>
Unsecured:			
- Term loans	1,182	40,000	41,182
- Revolving credits	16,906	23,500	40,406
- Bankers' acceptances	12,909	-	12,909
- Bank overdrafts	9,986	-	9,986
- Trust receipts	3,570	-	3,570
	<u>44,553</u>	<u>63,500</u>	<u>108,053</u>
	<u>405,597</u>	<u>823,460</u>	<u>1,229,057</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 decreased from RM2.7 million as at 31 March 2010 to RM2.4 million as at 31 December 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 DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

- (a) There were no derivatives as at 31 December 2010.
- (b) There were no fair value gain/(loss) on fair value changes of financial liabilities as all financial liabilities are measured at amortised cost.

**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")**

		<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
		<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
<b>Basic:</b>					
Profit for the period attributable to equity holders of the Company	(RM'000)	32,780	20,879	87,654	58,326
Weighted average number of ordinary shares in issue	(unit'000)	782,391	782,068	782,342	748,200
Basic EPS	(sen)	<u>4.19</u>	<u>2.67</u>	<u>11.20</u>	<u>7.80</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.



---

**NOTES TO THE INTERIM FINANCIAL REPORT**

---

**26 DISCLOSURE OF REALISED AND UNREALISED PROFITS**

The breakdown of the retained earnings of the Group as at 31 December 2010, into realised and unrealised profits, pursuant to Bursa Malaysia Securities Berhad's directive dated 20 December 2010, is as follows:

	<b>INDIVIDUAL QUARTER</b>	
	<b>31.12.2010</b>	<b>30.09.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Group:		
- Realised	292,439	254,249
- Unrealised	(10,901)	(5,607)
	<u>281,538</u>	<u>248,642</u>

**BY ORDER OF THE BOARD**  
**JOHNSON YAP CHOON SENG**  
**Company Secretary**  
**21 February 2011**