

**RCE CAPITAL BERHAD**  
**(Company No. 2444-M)**

**QUARTERLY REPORT**

**Summary of Key Financial Information for the financial period/year ended 31 March 2007**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31/03/2007</b>	31/03/2006	<b>31/03/2007</b>	31/03/2006
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
1. Revenue	<b>30,974</b>	18,974	<b>98,671</b>	57,478
2. Profit before tax	<b>20,343</b>	7,033	<b>73,760</b>	23,512
3. Profit for the period/year	<b>15,930</b>	8,037	<b>63,371</b>	22,315
4. Profit attributable to ordinary equity holders of the parent	<b>15,930</b>	7,346	<b>63,371</b>	19,791
5. Basic earnings per share (sen)	<b>2.46</b>	1.37	<b>9.98</b>	3.69
6. Proposed/Declared dividend per share (sen)	<b>1.00</b>	-	<b>1.00</b>	-
		<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 parent (RM)		0.25		0.20

Quarterly report on consolidated results of the Group for the fourth financial quarter ended 31 March 2007

## CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2007 RM'000	31/03/2006 RM'000	31/03/2007 RM'000	31/03/2006 RM'000
Revenue	30,974	18,974	98,671	57,478
Waiver of advances by related company	-	-	-	1,550
Gain on disposal of investment	-	-	20,399	-
Other operating income	1,470	782	3,757	1,820
Staff costs	(1,047)	(673)	(2,457)	(2,041)
Depreciation of property, plant and equipment and investment property	(90)	(117)	(401)	(432)
Impairment of investment	-	-	(3,506)	-
Other operating expenses	(10,064)	(11,302)	(39,810)	(33,353)
<b>Profit from operations</b>	<b>21,243</b>	<b>7,664</b>	<b>76,653</b>	<b>25,022</b>
Finance costs	(900)	(631)	(2,893)	(1,510)
<b>Profit before taxation</b>	<b>20,343</b>	<b>7,033</b>	<b>73,760</b>	<b>23,512</b>
Taxation	(4,413)	1,004	(10,389)	(1,197)
<b>Profit for the period/financial year</b>	<b>15,930</b>	<b>8,037</b>	<b>63,371</b>	<b>22,315</b>
<b>Attributable to:</b>				
Equity holders of the parent	15,930	7,346	63,371	19,791
Minority interest	-	691	-	2,524
	<b>15,930</b>	<b>8,037</b>	<b>63,371</b>	<b>22,315</b>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic (sen)	<b>2.46</b>	1.37	<b>9.98</b>	3.69
Fully diluted (sen)	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the Financial Year Ended 31 March 2006)

**RCE CAPITAL BERHAD**  
**(COMPANY NO. 2444-M)**  
**QUARTERLY REPORT**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>AS AT</b> <b>31/03/2007</b> <b>RM'000</b>	<b>AS AT</b> <b>31/3/2006</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,759	1,344
Investment property	1,735	1,771
Goodwill on consolidation	28,677	28,344
Loans and hire-purchase receivables	368,968	220,284
Long term investments	31,557	61,170
Deferred tax assets	7,892	6,597
	<b>440,588</b>	<b>319,510</b>
<b>Current assets</b>		
Short term investments	8,500	4,000
Trade receivables	17,089	1,407
Loans and hire-purchase receivables	45,669	14,920
Other receivables, deposits and prepayments	10,240	6,786
Short term and fixed deposits with licensed banks	162,627	48,573
Cash and bank balances	5,355	7,433
	<b>249,480</b>	<b>83,119</b>
<b>Total assets</b>	<b>690,068</b>	<b>402,629</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	64,634	46,893
Share premium	3,563	8,042
Reserves	93,539	38,007
<b>Total equity</b>	<b>161,736</b>	<b>92,942</b>
<b>Non-current liabilities</b>		
Hire purchase payables	56	36
Finance lease payables	145	121
Borrowings	456,324	272,686
Deferred tax liabilities	189	150
	<b>456,714</b>	<b>272,993</b>
<b>Current liabilities</b>		
Payables and accrued expenses	37,944	19,601
Hire purchase payables	56	67
Finance lease payables	207	105
Borrowings	30,258	16,286
Taxation	3,153	635
	<b>71,618</b>	<b>36,694</b>
<b>Total liabilities</b>	<b>528,332</b>	<b>309,687</b>
<b>Total equity and liabilities</b>	<b>690,068</b>	<b>402,629</b>
<b>NET ASSETS PER SHARE (RM)</b>	<b>0.25</b>	<b>0.20</b>
<b>NET TANGIBLE ASSETS PER SHARE (RM)</b>	<b>0.21</b>	<b>0.14</b>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the Financial Year Ended 31 March 2006)

**RCE CAPITAL BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT**

	<b>Share Capital RM '000</b>	<b>Share Premium RM '000</b>	<b>Reserve on Consolidation RM '000</b>	<b>Retained Profits RM '000</b>	<b>Total RM '000</b>	<b>Minority Interest RM '000</b>	<b>Total Equity RM '000</b>
<b>As at 31 March 2007</b>							
<b>As at 1 April 2006</b>	46,893	8,042	2,155	35,852	92,942	-	92,942
Effects of adopting FRS 3	-	-	(2,155)	2,155	-	-	-
	<u>46,893</u>	<u>8,042</u>	<u>-</u>	<u>38,007</u>	<u>92,942</u>	<u>-</u>	<u>92,942</u>
Share issuance expenses recognised directly in equity	-	(295)	-	-	(295)	-	(295)
Profit for the financial year	-	-	-	63,371	63,371	-	63,371
Total recognised income and expenses for the financial year	<u>-</u>	<u>(295)</u>	<u>-</u>	<u>63,371</u>	<u>63,076</u>	<u>-</u>	<u>63,076</u>
Issuance of bonus shares	15,631	(7,792)	-	(7,839)	-	-	-
Issuance of private placement shares	2,110	3,608	-	-	5,718	-	5,718
<b>As at 31 March 2007</b>	<u>64,634 #</u>	<u>3,563 #</u>	<u>- #</u>	<u>93,539 #</u>	<u>161,736 #</u>	<u>- #</u>	<u>161,736</u>
<b>As at 31 March 2006</b>							
<b>As at 1 April, 2005</b>	40,151	-	2,155	16,061	58,367	3,134	61,501
Profit for the financial year	-	-	-	19,791	19,791	2,524	22,315
Issuance of ordinary shares	6,742	8,042	-	-	14,784	-	14,784
Acquisition of minority shareholder's equity interest in subsidiary companies	-	-	-	-	-	(5,658)	(5,658)
<b>As at 31 March 2006</b>	<u>46,893</u>	<u>8,042</u>	<u>2,155</u>	<u>35,852</u>	<u>92,942</u>	<u>-</u>	<u>92,942</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the Financial Year Ended 31 March 2006)

**RCE CAPITAL BERHAD**  
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**QUARTERLY REPORT**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>CUMULATIVE QUARTER 31/03/2007 RM'000</b>	<b>CUMULATIVE QUARTER 31/03/2006 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the financial year	<b>63,371</b>	22,315
Adjustment for:		
Allowance for doubtful debts, net	<b>3,268</b>	16,426
Finance costs	<b>29,287</b>	9,902
Income tax expense	<b>10,389</b>	1,197
Impairment of investment	<b>3,506</b>	-
Depreciation of property, plant and equipment and investment property	<b>401</b>	432
Property, plant and equipment written off	<b>13</b>	-
Bad debts written off	<b>349</b>	78
Amortisation of discount on medium term notes	<b>643</b>	-
Interest income	<b>(3,097)</b>	(786)
Dividend income	<b>(3,641)</b>	(3,638)
Gain on disposal of quoted securities	<b>(106)</b>	-
Gain on disposal of investment	<b>(20,399)</b>	-
Waiver of debt by a related party	-	(1,550)
Gain on disposal of property, plant and equipment	-	(111)
Operating Profit Before Working Capital Changes	<b>83,984</b>	44,265
(Increase)/Decrease in:		
Loans and hire purchase receivables	<b>(183,048)</b>	(181,606)
Trade receivables	<b>2,445</b>	227
Other receivables and prepaid expenses	<b>(2,461)</b>	(20)
Increase/(Decrease) in:		
Payables and accrued expenses	<b>10,363</b>	8,398
Cash Used In Operations	<b>(88,717)</b>	(128,736)
Interest paid	<b>(26,394)</b>	(8,392)
Tax paid	<b>(11,511)</b>	(7,842)
Tax refund	<b>1,344</b>	193
Net Cash Used in Operating Activities	<b>(125,278)</b>	(144,777)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital distribution from investment	<b>23,305</b>	-
Proceeds from disposal of investment	<b>23,200</b>	-
Dividend received	<b>3,605</b>	3,445
Interest received	<b>3,097</b>	786
Proceeds from disposal of quoted securities	<b>365</b>	-
Proceeds from disposal of property, plant and equipment	-	7,829
Acquisition of a subsidiary company	<b>(6,665)</b>	-
Subscription of corporate bonds	<b>(4,000)</b>	(4,000)
Purchase of quoted securities	<b>(759)</b>	-
Additions to property, plant and equipment	<b>(214)</b>	(869)
Purchase of property trust units	-	(31,971)
Net Cash Generated From/(Used In) Investing Activities	<b>41,934</b>	(24,780)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>CUMULATIVE QUARTER 31/03/2007 RM'000</b>	<b>CUMULATIVE QUARTER 31/03/2006 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of medium term notes	<b>219,931</b>	120,000
Drawdown of other borrowings	<b>85,000</b>	101,971
Proceeds from issuance of placement shares	<b>5,718</b>	-
Redemption of bonds and commercial papers	<b>(18,000)</b>	(10,000)
Repayment of other borrowings	<b>(93,904)</b>	(2,500)
Repayment of hire-purchase payables	<b>(76)</b>	(63)
Repayment of finance lease payables	<b>(161)</b>	(90)
Share issuance expenses	<b>(295)</b>	(216)
Finance costs paid	<b>(2,893)</b>	(1,510)
Net Cash Generated From Financing Activities	<b><u>195,320</u></b>	<b><u>207,592</u></b>
Net increase in cash and cash equivalents	<b>111,976</b>	38,035
Cash and cash equivalents at beginning of financial year	<b>56,006</b>	17,971
Cash and cash equivalents at end of financial year	<b><u><u>167,982</u></u></b>	<b><u><u>56,006</u></u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR COMPRISE THE FOLLOWING:</b>		
Fixed deposits with licensed banks	<b>162,627</b>	48,573
Cash and bank balances	<b>5,355</b>	7,433
	<b><u><u>167,982</u></u></b>	<b><u><u>56,006</u></u></b>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the Financial Year Ended 31 March 2006)

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**NOTES**

**1. BASIS OF PREPARATION**

This interim report is unaudited and has been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 31 March 2006.

**2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2006 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) effective for financial period beginning 1 January 2006:

FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 127	Consolidated and Separate Financial Statements
FRS 132	Financial Instruments : Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of FRS 108, 110, 116, 127, 132, 133, 136 and 138 does not have any significant financial impact on the Group for the current quarter under review.

The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are discussed below:

**(a) FRS 3: Business Combinations**

Under FRS 3, negative goodwill which represents the excess in fair value of the net identifiable assets acquired over the cost of acquisition, is now recognized immediately to the income statement. Prior to 1 April 2006, negative goodwill was capitalized in reserve on consolidation. In accordance with the transitional provisions of FRS 3, the negative goodwill as at 1 April 2006 of RM2.155 million was derecognized with a corresponding increase in retained profits.

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

**(b) FRS 101 : Presentation of Financial Statements**

The adoption of the revised FRS 101 has affected the presentation of minority interest. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity where it requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with comparatives restated to conform to current period's presentation.

**(c) FRS 140 : Investment Property**

The adoption of FRS 140 has resulted in a change in accounting policy for investment property. A property that was acquired solely for the purpose of renting to external parties and/or for capital appreciation previously recognized as property, plant and equipment is now reclassified to investment property.

The Group adopted the cost model to measure its investment property. Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses.

The following comparative amounts have been restated due to the adoption of FRS 140:

<b>At 31 March 2006:</b>	<b>Previously stated RM'000</b>	<b>Adjustments RM'000</b>	<b>Restated RM'000</b>
Investment Property	-	1,771	1,771
Property, Plant and Equipment	3,115	(1,771)	1,344

**3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

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

**4. SEASONALITY AND CYCLICALITY FACTORS**

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



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**5. UNUSUAL ITEMS**

There were no unusual items in the quarterly financial statements under review.

**6. CHANGES IN ESTIMATES**

There was no significant change in estimates of amounts reported in the current financial year or in the previous financial year.

**7. DEBT AND EQUITY SECURITIES**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities during the financial year ended 31 March 2007 except for the following:

- a) Repayment of the Fixed Rate Serial Bonds (“Bonds”) and 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 Bonds upon maturity	-	10,000
Redemption of CPs upon maturity	1,000	8,000

- b) Issuance of 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>
Issuance of MTNs	67,048	269,940

Out of the RM269.940 million proceeds received from the issuance of RM280 million MTNs, RM49.366 million was paid internally by a subsidiary of the Company to subscribe to RM50 million of the MTNs.

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**7. DEBT AND EQUITY SECURITIES (CONTINUED)**

c) Increase in authorised share capital are as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
<b>Authorised:</b>		
Ordinary shares of RM0.10 each		
At beginning of period/financial year	200,000	50,000
Created during the period/financial year	-	150,000
At end of period/financial year	<u>200,000</u>	<u>200,000</u>

During the financial year, the authorised share capital was increased from RM50 million divided into 500 million ordinary shares of RM0.10 each to RM200 million divided into 2 billion ordinary shares of RM0.10 each by the creation of an additional 1.5 billion ordinary shares of RM0.10 each.

d) Issuance of ordinary shares are as follows:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
<b>Issued and fully paid:</b>		
Ordinary shares of RM0.10 each		
At beginning of period/financial year	64,634	46,893
Issued during the period/financial year	-	17,741
At end of period/financial year	<u>64,634</u>	<u>64,634</u>

During the financial year, the issued and paid-up share capital was increased from RM46.893 million to RM64.634 million by way of:

- 1) Bonus issue of new ordinary shares of RM0.10 each on the basis of one (1) bonus share for every three (3) existing ordinary shares; and
- 2) Issuance of 21.1 million new ordinary shares of RM0.10 at RM0.271 per share.

The abovementioned shares rank pari passu in all respects with the then existing ordinary shares of the Company.

Arising from the above, the listing of and quotation for the entire enlarged issued and paid-up share capital of the Company was transferred from the Second Board to the Main Board of Bursa Securities.

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**8. DIVIDENDS**

A final dividend in respect of the financial year ended 31 March 2007 of 10% (1 sen) less 26% taxation on 646,337,640 ordinary shares, amounting to a dividend payable of RM4,782,899 will be proposed for shareholders' approval. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2008.

**9. SEGMENTAL INFORMATION**

Segmental revenue and results for the financial year ended 31 March 2007 were as follows:

	Loan		Investment Holding & Mgmt		Others	Eliminations	Group
	Financing	Factoring	Services		RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
<b>Revenue</b>							
Total turnover	94,156	874	3,641	-	-	-	98,671
Intersegment turnover	360	-	9,864	-	(10,224)	-	-
	<u>94,516</u>	<u>874</u>	<u>13,505</u>	<u>-</u>	<u>(10,224)</u>	<u>-</u>	<u>98,671</u>
<b>Results</b>							
Profit from operations	46,136	595	29,988	(3)	(63)		76,653
Finance costs							<u>(2,893)</u>
Profit before taxation							73,760
Taxation							<u>(10,389)</u>
Profit for the financial year							<u>63,371</u>
<b>Other Information:</b>							
Depreciation & amortisation	988	18	110	-	(72)		1,044

**10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The valuation of property, plants and equipments have been brought forward, without amendment from the previous annual financial statements.

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**11. MATERIAL SUBSEQUENT EVENTS**

As at the date of this report, there were no events subsequent to the end of the period reported that materially affect the results of the Group for the financial year ended 31 March 2007.

**12. CHANGES IN THE COMPOSITION OF THE GROUP**

On 4 January 2007, the Group acquired 100% equity interest in RCE Factoring Sdn Bhd (formerly known as AMDB Factoring Sdn Bhd), a company incorporated in Malaysia which is involved in the business of confirming and factoring, specialising in trade related activities and general trading.

The cost of acquisition comprised of the following:

	<b>RM'000</b>
Purchase consideration, satisfied by cash	10,000
Cost attributable to the acquisition, paid in cash	333
Total cost of acquisition	<u>10,333</u>

The acquired subsidiary has contributed the following results to the Group:

	<b>CURRENT QUARTER RM'000</b>	<b>CUMULATIVE QUARTER RM'000</b>
Revenue	874	874
Profit for the period/financial year	<u>425</u>	<u>425</u>

If the acquisition had occurred on 1 April 2006, the Group revenue and profit for the financial year from 1 April 2006 to 31 March 2007 would have been RM101.077 million and RM65.625 million respectively.

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**12. CHANGES IN THE COMPOSITION OF THE GROUP (CONTINUED)**

The assets and liabilities arising from the acquisition are as follows:

	<b>Acquiree's Carrying Amount RM'000</b>
Property, plant and equipment	207
Deferred tax asset	169
Trade and other receivables	18,126
Cash and cash equivalents	3,668
Payables	(7,979)
Borrowings	(3,941)
Tax liabilities	(250)
Fair value of total net assets	<u>10,000</u>
Group's share of net assets	10,000
Goodwill arising on acquisition	333
Total cost of acquisition	<u>10,333</u>

The cash outflow on acquisition is as follows:

	<b>RM'000</b>
Purchase consideration satisfied by cash	10,000
Costs attributable to the acquisition, paid in cash	333
Total cash outflow of the Company	<u>10,333</u>
Cash and cash equivalents of subsidiary acquired	(3,668)
Net cash outflow	<u>6,665</u>

**13. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP FOR THE YEAR**

For the current financial year ended 31 March 2007, the Group's revenue grew by 71.7% or RM41.2 million compared to the previous financial year's corresponding period. This significant improvement was mainly attributed to the growth in interest income arising from the increase in loan disbursements in the previous financial year.

The Group recorded a net profit of RM63.4 million for the current financial year ended 31 March 2007. Included in the Group's net profit is a RM20.4 million gain arising from the restructuring and re-branding exercise undertaken by AmFirst Property Trust ("AMFPT"). Excluding the effect of the aforesaid, this is an improvement of 92.6% compared to the previous financial year's corresponding period, attributed mainly to the improved performance of its loan financing operations.

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**14. CHANGES IN QUARTERLY RESULTS COMPARED TO PRECEDING QUARTER**

For the current quarter under review, the Group recorded a revenue of RM31.0 million compared to RM25.0 million in the preceding quarter. The current quarter's revenue included dividend income of RM1.2 million received from its investment in AmFIRST Real Estate Investment Trust ("AmFIRST REIT"). Excluding this dividend income, the Group's revenue for the current quarter is actually 19.1% higher compared to the preceding quarter and this is mainly generated by its loan financing operations.

Net profit for the current quarter was RM15.9 million, lower than the preceding quarter of RM29.9 million. Preceding quarter's net profit include the gain of RM20.4 million arising from the disposal of its investment in AMFPT offset by impairment loss of its investment in AmFIRST REIT amounting to RM3.5 million while the current quarter's net profit included the receipt of dividend income. Excluding the effects of the aforesaid, the Group's net profit for the current quarter is actually 13.9% higher compared to the preceding quarter and this was mainly due to the growth in interest income arising from its loan financing operations.

**15. CURRENT YEAR PROSPECTS**

With the continued expansion of the Group's personal financing business and barring any unforeseen circumstances, the Group expects to show a further improvement in its performance for the next financial year ending 31 March 2008.

**16. PROFIT FORECAST**

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

**17. TAXATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2007 RM'000	31/03/2006 RM'000	31/03/2007 RM'000	31/03/2006 RM'000
Taxation:				
Current period/financial year (Under)/Overprovision in prior years	(3,526)	(262)	(11,044)	(4,739)
	(514)	1,084	(432)	1,084
	<u>(4,040)</u>	<u>822</u>	<u>(11,476)</u>	<u>(3,655)</u>
Deferred taxation:				
Current period/financial year Underprovision in prior years	(350)	182	1,110	2,470
	(23)	-	(23)	(12)
	<u>(373)</u>	<u>182</u>	<u>1,087</u>	<u>2,458</u>
	<u>(4,413)</u>	<u>1,004</u>	<u>(10,389)</u>	<u>(1,197)</u>

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**17. TAXATION (CONTINUED)**

The effective tax rate of the Group is lower than the statutory income tax rate for the current quarter and financial year ended 31 March 2007 principally due to certain income which is not taxable and utilization of unabsorbed tax losses brought forward.

**18. UNQUOTED INVESTMENTS AND PROPERTIES**

There were no sale of any unquoted investments and / or properties by the Group for the current quarter and financial year ended 31 March 2007.

**19. QUOTED SECURITIES**

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31/03/2007</b>	<b>31/03/2006</b>	<b>31/03/2007</b>	<b>31/03/2006</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Included within short term investments:				
Purchase consideration	-	-	759	-
Sales proceeds	365	-	365	-
Gain on disposal	106	-	106	-

b. Investment in quoted real estate investment trust units as at 31 March 2007:

	<b>CUMULATIVE QUARTER RM'000</b>
Included within long term investments:	
At cost	35,063
At carrying/book value	31,557
At market value	31,557

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**19. QUOTED SECURITIES (CONTINUED)**

c. Investments in quoted securities as at 31 March 2007:

	<b>CUMULATIVE QUARTER RM'000</b>
Included within short term investments:	
At cost	500
At carrying/book value	500
At market value	757

**20. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

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

**21. GROUP BORROWINGS**

Total borrowings (all denominated in Ringgit Malaysia) of the Group as at 31 March 2007 are as follows:

	Long Term RM'000	Short Term RM'000	Total RM'000
<b>Secured</b>			
- Fixed Rate Medium Term Notes	340,574	-	340,574
- Fixed Rate Serial Bonds	25,000	10,000	35,000
- Underwritten Commercial Papers	-	14,000	14,000
- Term Loan	10,750	1,985	12,735
	<u>376,324</u>	<u>25,985</u>	<u>402,309</u>
<b>Unsecured</b>			
- Fixed Rate Term Loan	80,000	-	80,000
- Trust Receipts	-	1,931	1,931
- Bankers' Acceptance	-	1,323	1,323
- Revolving Credit	-	1,019	1,019
	<u>80,000</u>	<u>4,273</u>	<u>84,273</u>
	<u>456,324</u>	<u>30,258</u>	<u>486,582</u>



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**22. OFF-BALANCE SHEET FINANCIAL INSTRUMENTS**

There is no off-balance sheet financial instrument at the date of this report.

**23. MATERIAL LITIGATION**

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

**24. EARNINGS PER SHARE**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006
<b>Basic earnings per share:</b>				
Profit for the period/year attributable to equity holders of the parent (RM'000)	15,930	7,346	63,371	19,791
Number of ordinary shares in issue ('000) (weighted)	646,338	537,348	635,065	535,843
Basic earnings per share (sen)	2.46	1.37	9.98	3.69

Comparative earnings per share were calculated on the basis that the bonus issue was in effect from the beginning of the financial year.

The Company does not have in issue any financial instruments or other contract that may entitle its holder to ordinary shares and therefore dilutive to its basic earnings per share.

**BY ORDER OF THE BOARD**  
**JOHNSON YAP CHOON SENG**  
Company Secretary  
Date: 22 May 2007