LATITUDE TREE HOLDINGS BERHAD (302829-W)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME(UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2010

	Individual quarter ended		Cumulative quarter ended	
	30.9.2010 RM'000	30.9.2009 RM'000	30.9.2010 RM'000	30.9.2009 RM'000
Revenue	147,170	126,839	147,170	126,839
Cost of Sales	(127,442)	(104,405)	(127,442)	(104,405)
Gross Profit	**19,728**	**22,434**	**19,728**	**22,434**
Other income	1,181	2,593	1,181	2,593
Selling and marketing expenses	(3,036)	(2,672)	(3,036)	(2,672)
Administrative expenses	(3,625)	(5,801)	(3,625)	(5,801)
Other expenses	(2,625)	(538)	(2,625)	(538)
Operating Profit	**11,623**	**16,016**	**11,623**	**16,016**
Finance Costs	(1,549)	(1,730)	(1,549)	(1,730)
Share of loss of associate	(49)	-	(49)	-
Profit before taxation	**10,025**	**14,286**	**10,025**	**14,286**
Taxation	(961)	(918)	(961)	(918)
Profit for the period	**9,064**	**13,368**	**9,064**	**13,368**
Attributable to :				
Equity holders of the Company	6,762	11,147	6,762	11,147
Minority interests	2,302	2,221	2,302	2,221
Profit for the period	**9,064**	**13,368**	**9,064**	**13,368**
Other comprehensive income, net of tax :				
Foreign currency translation	(3,236)	(374)	(3,236)	(374)
Total comprehensive income for the period	**5,828**	**12,994**	**5,828**	**12,994**
Total comprehensive income attributable to :				
Equity holders of the Company	3,526	10,773	3,526	10,773
Minority interests	2,302	2,221	2,302	2,221
Total comprehensive income for the period	**5,828**	**12,994**	**5,828**	**12,994**
Earnings / (Loss) per share attributable to equity holders of the Company (sen):				
(a) Basic	10.43	17.20	10.43	17.20
(b) Diluted	10.43	17.20	10.43	17.20

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

LATITUDE TREE HOLDINGS BERHAD (302829-W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 SEPTEMBER 2010

	Unaudited 30.9.2010 RM'000	Audited 30.6.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	220,103	220,087
Investment in associate	1,298	1,347
Other investments	1,106	1,301
Deferred tax assets	491	493
	222,998	223,228
Current assets		
Inventories	88,257	76,638
Trade receivables	33,342	28,720
Other receivables	18,362	9,991
Tax recoverable	1,838	1,729
Due from associate	20	20
Term deposits	27,281	28,338
Cash and bank balances	65,925	62,849
	235,024	208,285
TOTAL ASSETS	458,022	431,513

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

LATITUDE TREE HOLDINGS BERHAD (302829-W)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010 (cont'd)

	Unaudited 30.9.2010 RM'000	Audited 30.6.2010 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	64,805	64,805
Treasury shares	(35)	(35)
Reserves	126,207	122,681
	190,977	187,451
Minority interest	41,023	39,746
Total equity	232,000	227,197
Non-current liabilities		
Hire purchase payables	49	6
Bank borrowings	45,060	40,668
Provision for severance allowance	751	835
	45,860	41,509
Current liabilities		
Trade payables	62,839	48,996
Other payables and accruals	17,099	19,436
Hire purchase payables	90	119
Bank borrowings	100,128	93,284
Provision for taxation	6	972
	180,163	162,807
Total liabilities	226,022	204,316
TOTAL EQUITY AND LIABILITIES	458,022	431,513
Net assets per share attributable to equity holders of the Company (RM)	2.9469	2.8925

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

LATITUDE TREE HOLDINGS BERHAD (302829-

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	Attributable to Equity Holders of the Company								
		Non-distributable							
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Foreign currency translation reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 July 2009	64,805	1,225	-	1,114	(2,411)	112,753	177,486	13,439	190,925
Change of interests in a subsidiary	-	-	-	-	-	-	-	20,956	20,956
Change in minority interests in reserves upon the	-	-	-	-	-	-	-	-	-
issue of shares by subsidiary company						(2,213)	(2,213)	2,213	-
Total comprehensive income	-	-	-	-	-	11,147	11,147	2,221	13,368
Foreign currency translation difference	-	-	-	-	(374)		(374)		(374)
At 30 Spetember 2009	64,805	1,225	-	1,114	(2,785)	121,687	186,046	38,829	224,875
At 1 July 2010	64,805	1,225	(35)	1,114	(6,529)	126,871	187,451	39,746	227,197
Total comprehensive income	-	-	-	-	-	6,762	6,762	2,302	9,064
Foreign currency translation difference	-	-	-	-	(3,236)		(3,236)	(1,025)	(4,261)
At 30 September 2010	64,805	1,225	(35)	1,114	(9,765)	133,633	188,264	41,023	232,000

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 Juner 2010 explanatory notes attached and the accompanying to the interim financial statements.

LATITUDE TREE HOLDINGS BERHAD (302829-W)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	30.9.2010	30.9.2009
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,025	14,286
Adjustments for:		
Depreciation and amortisation	3,483	3,625
Non cash items	(30)	1,801
Net financing costs	1,549	1,642
Operating profit before working capital changes	15,027	21,354
Changes in working capital		
Net change in current assets	(24,612)	(16,272)
Net change in current liabilities	11,539	2,460
Net income taxes paid	(2,034)	-
Net financing costs paid	(1,549)	(1,642)
Net cash generated from operating activities	(1,629)	5,900
CASH FLOWS FROM INVESTING ACTIVITIES		
Other investments	(8,346)	(3,384)
Proceeds from disposal of non-current assets	160	11
Proceeds from placement of new shares	-	21,296
Net cash used in investing activities	(8,186)	17,923
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of borrowings	10,858	28,219
Dividend paid	-	-
Deposits (placed)/uplift as security for bank borrowings	-	(28,484)
Net cash generated/(used) in financing activities	10,858	(265)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,043	23,558
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOI	60,682	37,693
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	584	(402)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	62,309	60,849

Cash and cash equivalents included in the consolidated cash flow statements comprise the following balance sheet amounts :

	30.9.2010	30.9.2009
Cash and bank balances	65,925	63,338
Term deposits	27,281	37,635
Bank overdrafts	(4,188)	(2,489)
	89,018	98,484
Less: Term deposits not available for use	(26,709)	(37,635)
	62,309	60,849

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2010.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 July 2010:

FRS 3	Business Combinations (revised)
FRS 4	Insurance Contracts
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (as revised in 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Cash Flow Statements
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events After the Balance Sheet Date
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendments to FRS 132	Financial Instruments: Presentation, Classification of Rights Issues
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendment to FRS 140	Investment Property
Amendments to FRS 139, FRS 7, and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2010, except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretations by the Group with effect from 1 July 2010:

Improvement to FRSs 2009	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Disclosures of Non-cash Assets to Owners

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of FRS 7, FRS 8, FRS 101, FRS 139, revised FRS 3 and the amendments to FRS 127 as discussed below:

a) FRS 8: Operating Segments

Segment Reporting 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 segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

b) FRS 101: Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of other comprehensive income. In addition, the Standard introduces the statement of comprehensive income which presents income and expense recognised in the period. This statement may be presented in one single statement, or two linked statements. As this is a disclosure standard, there will be no impact to the financial position or results of the Group.

c) FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

The new Standard on FRS 139: Financial Instruments: Recognition and Measurement Establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132: Financial Instruments: Presentation and the requirements for disclosing information about financial instruments are in FRS 7: Financial Instruments: Disclosures.

FRS 7: Financial Instruments: Disclosures is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's exposure to risks, enhanced disclosure regarding components of the Group's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short-term deposits, loans and receivables and AFS investments.

i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate ("EIR") method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

ii) AFS investments

Prior to 1 January 2010, AFS financial assets such as investments were accounted for at cost adjusted for amortisation of premium and accretion of discount less impairment or at the lower of cost and market value, determined on an aggregate basis. Under FRS 139, AFS financial asset is measured at fair value initially and subsequently with amortisation of premium with accretion of discount and other accrual of income recognised in income statement and with unrealized gains or losses recognised as other comprehensive income in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement or determined to be impaired, at which time the cumulative loss is recognised in the income statement and removed from the AFS reserve.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group's financial liabilities include trade and other payables and are carried at amortised cost.

d) Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests. The standards may be early adopted. However, the Group does not intend to early adopt.

e) Amendments to FRSs 'Improvements to FRSs (2010)'

Amendments to FRS 117: Leases requires entities with unexpired land leases to reassess the classification of such land as a finance or operating lease. The Group has reclassified the existing leasehold land to property, plant and equipment following this reassessment, with no effect on reported profit or equity. However, as a result of the doption of the Amendments to FRS 117, comparative balances have been restated as follows:

Balance Sheet

	As previously reported RM'000	**Effects of changes in accounting policy RM'000**	**As restated RM'000**
At 30 June 2010			
Property, plant and equipment	201,801	18,286	220,087
Prepaid lease payments	18,286	(18,286)	-

2. STATUS OF AUDIT QUALIFICATION

The preceding audited financial statements were not subject to any qualification.

3. EXCEPTIONAL/EXTRAORDINARY/INDIVIDUALLY SIGNIFICANT ITEMS

There were no exceptional/extraordinary/individually significant items during the period under review.

4. VALUATION OF PROPERTY, PLANT & EQUIPMENT

Valuations of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

5. TAXATION

The taxation of the Group for the financial period under review was as follows:-

	Individual Quarter		Cumulative Quarter	
	30.9.2010	**30.9.2009**	**30.9.2010**	**30.9.2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax expense				
Malaysian	26	73	150	26
Overseas	935	845	3,819	935
Total	**961**	**918**	**3,969**	**961**

6. SALES OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments or properties for the quarter ended 30 September 2010.

7. QUOTED SECURITIES

There were no purchase or disposal of quoted securities for the quarter ended 30 September 2010.

8. CHANGES IN THE COMPOSITION OF THE GROUP

There was no change to the composition of the Group in the quarter ended 30 September 2010.

9. STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced during the quarter ended 30 September 2010.

10. CHANGES IN EQUITY AND LONG TERM DEBTS

There were no issuance and repayment of equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter ended 30 September 2010.

11. BORROWINGS AND DEBTS SECURITIES

Details of the Group's borrowings were as follows:

	Total (RM'000)	**RM equivalents of amount denominated in foreign currency included in the borrowings (RM'000)**
Long Term Liabilities		
Unsecured :		
Long term loans	20,000	-
Portion repayable within twelve months	-	-
	20,000	**-**
Secured :		
Hire Purchase payables	**49**	**-**
Long term loans	25,060	19,626
Portion repayable within twelve months	-	-
	25,060	**19,626**
Total Long Term Liabilities	**45,109**	**19,626**
Short Term Liabilities		
Unsecured :		
Current portion of long term loans	-	-
Short term loans	-	-
	-	**-**
Secured :		
Hire Purchase payables	90	-
Current portion of long term loans	-	-
Short term loan	95,940	80,060
Bank overdraft	4,188	2,380
Total Short Term Liabilities	**100,128**	**82,440**

12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Group
As at 30 September 2010, there were no contingent liabilities and contingent assets for the Group.

Company
As at 30 September 2010, the Company had contingent liabilities in the form of corporate guarantees given to financial institutions in respect of facilities granted to subsidiary companies amounting to RM43,306,856

13. FINANCIAL INSTRUMENTS - DERIVATIVES

As at 30 September 2010, the outstanding derivative financial instrument, which have been entered into by the Group are as follows:

Foreign Currency Contracts	**Contract Value RM'000**	**Fair Value RM'000**	**Changes in Fair Value RM'000**
US dollar - less than 1 year	6,668	6,329	339

The Group's derivatives are principally in respect of forward foreign currency contracts used to hedge its foreign currency sales.

Derivative financial assets and liabilities are initially recognised, and subsequently measured at fair value. The fair value of the foreign currency contracts is determined using a forward market rate at the end of report period and changes in the fair value is recognised in income statement.

Credit Risk
The above financial instruments were executed with creditworthy financial institutions in line with the Group's policy.

Cash requirements
The Group will fund the cash requirements of these derivatives from its net cash flow from operating activities when the payments fall due.

14. CHANGES IN MATERIAL LITIGATION

There was no material litigation or any pending material litigation during and at the end of the quarter ended 30 September 2010.

15. SEGMENTAL INFORMATION

The Group’s primary business segment, including its overseas subsidiaries is that of the manufacture and sale of wooden furniture and components.

Business segmental information has not been prepared as the Group's revenue, operating profit, assets and liabilities, capital expenditure, depreciation and amortisation and non-cash expenses are mainly confined to one business segment.

Geographical segments
The Group's business segment operates principally in Malaysia, Vietnam, Singapore and Thailand.

In presenting information on the basis of geographical segments, segment revenue and profit/(loss) before taxation, segment assets and capital expenditure were based on the geographical location of assets.

The segment information for the current period was as follows

RM'000	MALAYSIA	VIETNAM	THAILAND	SINGAPORE	OTHERS	GROUP
TOTAL REVENUE	46,367	103,189	7,014	-	-	156,570
INTER-SEGMENT REVENUE	(5,797)	-	(3,603)	-	-	(9,400)
EXTERNAL REVENUE	**40,569**	**103,189**	**3,411**	**-**	**-**	**147,170**
PROFIT/(LOSS) BEFORE TAXATION	**(350)**	**12,055**	**(215)**	**(1,413)**	**(3)**	**10,074**

16. SIGNIFICANT RELATED PARTY TRANSACTIONS

Transacting Parties	Related Party	Nature of Interest	Nature of Transaction	Current Quarter ended 30.9.2010 RM'000	Current Year To Date 30.9.2010 RM'000
GHCL and the LTHB Group	Mr. Yek Siew Liong and Konsortium Kontrek Sdn Bhd	GHCL is a 85.00% owned subsidiary of LTHB. Mr. Yek Siew Liong, a director of LTHB and substantial shareholder of LTHB holds 15.03% equity interest in GHCL (via Konsortium Kontrek Sdn Bhd)	Purchases of raw materials and supplies, laminated boards and furniture components by the LTHB Group from GHCL.	3,603	3,603

The LTIGL Group and the LTHB Group	Mr. Yek Siew Liong	LTHB is the holding company of LTIGL. Mr Yek Siew Liong is a director of both LTIGL and LTHB. Mr Yek Siew Liong owns approximately 4.85% direct equity interest and 0.96% indirect equity interest in LTIGL (since 21 October 2009) via his spouse and 15.03% indirect equity interest in LTHB via Konsortium Kontrek Sdn Bhd	Purchases of raw materials and supplies, furniture components and finished goods by LTIGL Group from the LTHB Group.	442	442
			Purchases of raw materials and supplies, furniture components and finished goods by LTHB Group from the LTIGL Group.	-	-

17. MATERIAL CHANGE IN PROFIT/(LOSS) BEFORE TAXATION COMPARED TO IMMEDIATE PRECEDING QUARTER

RM Million	30.9.2010	30.6.2010
Revenue	147.2	132.7
Consolidated Profit before taxation	10.0	7.7

The Group's revenues increased approximately 10.9% to RM147.2 million for the quarter ended 30 September 2010, as compared to the preceding quarter's RM132.7million. The increase for the quarter was mainly attributable to the increase in sales and production output from its two factories in Vietnam.

The Group has recorded an increase in profit before taxation from RM7.7 million in the preceding quarter to RM10.0 million. The increase in profit before taxation was mainly due to the increase in revenue, effective cost-saving measures undertaken by Group coupled with the improve in efficiency and productivity.

18. REVIEW OF PERFORMANCE

RM Million	30.9.2010	30.9.2009
Revenue	147.2	126.8
Consolidated profit before taxation	10.0	14.3

The Group recorded revenues of RM147.2 million for the quarter ended 30 September 2010 representing an increase of 16.0% as compared to the preceding year corresponding quarter of RM126.8 million. The increase was attributable to the higher orders received and higher production output.

The Group's profit before taxation for the quarter ended 30 September 2009 decreased to RM10.0 million from profit before taxation of RM14.3 million of preceding year corresponding quarter. The decrease was mainly due to weakening of USD, increase in the prices of raw materials and profits.

19. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter that would have impact on the result that had been reflected in the quarter under review.

20. SEASONAL OR CYCLICAL FACTORS

The Group operation is seasonal in nature whereby the turnover for the first three months of a calendar year (January to March) is slightly lower than the rest of the quarters (April to December). This is mainly due to long festive holidays which fall on the first quarter of the calendar year and also the demand for furniture in the United States which normally slows down after Christmas and New Year.

21. CURRENT YEAR PROSPECT

The Group expects to remain positive despite the prevailing uncertainty in the recovery of the US economy. Continuous efforts will be taken to strengthen its operations to remain profitable.

22. VARIANCE BETWEEN ACTUAL RESULT AND FORECAST PROFIT OR PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee for the quarter ended 30 September 2010.

23. DIVIDEND

At the forthcoming Annual General Meeting to be held on 21 December 2010, the shareholders' approval will be sought for the payment of a first and final dividend of 7.0 sen per share (tax exempt) in respect of the financial year ended 30 June 2010.

The Board of Directors did not recommend any interim dividend for the current quarter ended 30 September 2010.

24. EARNINGS PER SHARE

	Individual Quarter		Cumulative Quarter	
Basic EPS	**30.9.10**	**30.9.09**	**30.9.10**	**30.9.09**
Net profit attributable to equity holders of the Company (RM'000)	6,762	11,147	6,762	11,147
Weighted average no. of shares ('000)	64,805	64,805	64,805	64,805
Basic EPS (sen)	10.43	17.20	10.43	17.20

25. CAPITAL COMMITMENTS

Capital commitments for property, plant and equipment not provided for in the financial statements as at 30 September 2010 were as follows :

	RM'000
Authorised by Directors and contracted	13,839
Authorised by Directors and not contracted	-
	13,839