Mega First Corporation Berhad
(Company No. 6682-V)
(Incorporated in Malaysia)

Interim Financial Report
31 December 2009

Mega First Corporation Berhad
(Co. No. 6682-V)

Unaudited Condensed Consolidated Income Statements
For the fourth quarter and financial year ended 31 December 2009

	Note	INDIVIDUAL PERIOD Current Year 4th Quarter 31.12.2009 RM'000	INDIVIDUAL PERIOD Preceding Year Corresponding 4th Quarter 31.12.2008 RM'000	CUMULATIVE PERIOD Current Year To date 31.12.2009 RM'000	CUMULATIVE PERIOD Preceding Year Corresponding Period 31.12.2008 RM'000
Revenue	A8	141,711	123,392	463,103	500,889
Operating expenses		(108,166)	(119,632)	(369,711)	(454,800)
Other income/expenses, net		1,969	7,456	28,865	34,352
Profit from operations		35,514	11,216	122,257	80,441
Finance costs		(1,337)	(1,225)	(5,310)	(5,567)
Share of profit in an associate		128	(257)	573	265
Profit before tax	A8	34,305	9,734	117,520	75,139
Tax expense		(8,191)	(1,658)	(21,332)	(9,066)
Net profit for the period		26,114	8,076	96,188	66,073
Attributable to:					
Equity holders of the Company		16,067	5,537	65,626	40,184
Minority interests		10,047	2,539	30,562	25,889
		26,114	8,076	96,188	66,073
EPS- Basic (sen)	B14	6.90	2.35	28.18	17.09
- Diluted (sen)	B14	6.83	2.35	27.90	16.94

The notes set out on pages 5 to 18 form an integral part of and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
(Co. No. 6682-V)

Unaudited Condensed Consolidated Balance Sheets
As at 31 December 2009

	Unaudited As At 31.12.2009 RM'000	Audited As At 31.12.2008 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	210,373	208,371
Associate	4,836	4,263
Investment in quoted shares	129,961	5,478
Investment in unquoted shares	335	335
Prepaid lease payments	3,410	3,691
Investment properties	73,442	73,408
Land held for property development	61,367	65,567
Goodwill on consolidation	7,635	10,027
	491,359	371,140
Current Assets		
Inventories	39,065	41,294
Property development	25,245	22,681
Trade and other receivables	127,506	120,093
Bank balances and deposits	115,178	141,597
	306,994	325,665
TOTAL ASSETS	798,353	696,805
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	239,283	239,283
Treasury shares	(10,585)	(6,412)
Reserves	211,706	158,876
	440,404	391,747
Minority Interests	154,930	138,618
Total Equity	595,334	530,365
Non-Current Liabilities		
Long-term borrowings	8,019	12,665
Retirement benefit obligations	692	523
Hire purchase payables	-	9
Deferred taxation	23,126	24,502
	31,837	37,699
Current Liabilities		
Trade and other payables	58,185	57,783
Short-term borrowings	106,618	67,763
Taxation	6,379	3,195
	171,182	128,741
Total Liabilities	203,019	166,440
TOTAL EQUITY AND LIABILITIES	798,353	696,805
Net Assets Per Ordinary Share (RM)	1.91	1.67

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Mega First Corporation Berhad
(Co. No. 6682-V)

Unaudited Condensed Consolidated Statement Of Changes In Equity
For the financial year ended 31 December 2009

	Attributable to equity holders of the parent									
			Non-distributable reserves				Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Share Option Reserve RM'000	Translation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Balance at 1.1.2008	239,212	(3,893)	33,380	28	2,633	2,213	78,333	351,906	110,557	462,463
Currency translation differences	-	-	-	-	9,213	-	-	9,213	5,825	15,038
Profit for the financial year	-	-	-	-	-	-	40,184	40,184	25,889	66,073
Dividends							(9,568)	(9,568)	(3,653)	(13,221)
Arising from deconsolidation of a foreign subsidiary	-	-	-	-	2,460	-	-	2,460	-	2,460
Issue of ordinary shares pursuant to ESOS	71	-	-	-	-	-	-	71	-	71
Purchase of treasury shares	-	(2,519)	-	-	-	-	-	(2,519)	-	(2,519)
Balance at 31.12.2008 /1.1.2009	239,283	(6,412)	33,380	28	14,306	2,213	108,949	391,747	138,618	530,365
Currency translation differences	-	-	-	-	(3,194)	-	-	(3,194)	(1,127)	(4,321)
Profit for the financial year	-	-	-	-	-	-	65,626	65,626	30,562	96,188
Dividends	-	-	-	-	-	-	(9,602)	(9,602)	(13,123)	(22,725)
Purchase of treasury shares	-	(4,173)	-	-	-	-	-	(4,173)	-	(4,173)
Balance at 31.12.2009	239,283	(10,585)	33,380	28	11,112	2,213	164,973	440,404	154,930	595,334

The notes set out on pages 5 to 18 form an integral part of and should be read in conjunction with this interim financial report.

Mega First Corporation Berhad
(Co. No. 6682-V)

Unaudited Condensed Consolidated Cash Flow Statements
For the financial year ended 31 December 2009

		2009 RM'000	2008 RM'000
Profit before tax		117,520	75,139
Adjustments for non-cash flow	- Non-cash items	40,699	7,763
	- Non-operating items	(16,606)	(909)
Operating profit before changes in working capital		141,613	81,993
Changes in working capital	- Net change in current assets	(11,726)	(12,866)
	- Net change in current liabilities	1,016	(2,391)
Cash generated from operations		130,903	66,736
Income tax paid		(19,061)	(12,008)
Net cash from operating activities		111,842	54,728
Cash flows (for)/from investing activities			
Interest received		1,774	2,847
Dividend received		1,870	170
(Increase)/Decrease in:			
Land held for property development		(1,488)	3,117
Investment properties		(34)	(33)
Net cash inflow from deconsolidation of subsidiaries		56	2,985
Net cash inflow from disposal of subsidiaries		-	51
Proceeds from minority interests for shares in a subsidiary		-	10
Proceeds from disposal of property, plant and equipment		1,650	838
Purchase of property, plant and equipment		(35,078)	(7,727)
Proceeds from disposal of quoted shares		162,658	-
Purchase of quoted shares		(272,274)	-
Net cash (for)/from investing activities		(140,866)	2,258
Cash flows for financing activities			
Finance costs paid		(5,310)	(5,567)
Dividends paid to minority shareholders		(12,941)	(22,425)
Dividends paid		(9,602)	(9,568)
Increase/(Decrease) in:			
Short-term borrowings, excluding bank overdrafts		37,969	231
Hire purchase payables		(39)	(66)
Repayment from a disposed subsidiary		-	(124)
Net (repayment)/drawdown of mortgage bond and term loans		(1,534)	9,356
Repayment of bonds		(7,000)	(7,000)
Proceeds from issue of shares pursuant to ESOS		-	71
Purchase of treasury shares		(4,173)	(2,519)
Net cash for financing activities		(2,630)	(37,611)
Net (decrease)/increase in cash and cash equivalents		(31,654)	19,375
Cash and cash equivalents at beginning of the period		141,503	114,463
Effect of exchange rate changes		(1,349)	7,665
Cash and cash equivalents at end of the period		108,500	141,503

The notes set out on pages 5 to 18 form an integral part of and should be read in conjunction with this interim financial report.

Notes to the interim financial report

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2008.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2008.

The Group has not applied in advance the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

FRSs/IC Interpretations	Effective Date
Revised FRS 1 (2010) First-time Adoption of Financial Reporting Standards	1 July 2010
Revised FRS 3 (2010) Business Combinations	1 July 2010
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments: Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
Revised FRS 101 (2009) Presentation of Financial Statements	1 January 2010
Revised FRS 123 (2009) Borrowing Costs	1 January 2010
Revised FRS 127 (2010) Consolidated and Separate Financial Statements	1 July 2010
Revised FRS 139 (2010) Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 and FRS 127 – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010

A1. Basis of preparation (Cont'd)

FRSs/IC Interpretations	Effective Date
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7, FRS 139 and IC Interpretation 9	1 January 2010
Amendments to FRS 138 – Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and Revised FRS 3 (2010)	1 July 2010
Annual Improvements to FRSs (2009)	1 January 2010

The above FRSs, IC Interpretations and amendments are not relevant to the Group's operations except as follows:

Revised FRS 3 (2010)
The revised FRS 3 (2010) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

A1. Basis of preparation (Cont'd)

Revised FRS 4
The Group considers financial guarantee contracts entered into to be insurance arrangements and accounts for them under FRS 4. In this respect, the Group treats the guarantee contract as a contingent liability until such a time as it becomes probable that the Group will be required to make a payment under the guarantee. The adoption of FRS 4 is expected to have no material impact on the financial statements of the Group.

FRS 7, Revised FRS 139 (2010) and subsequent Amendments
The possible impacts of FRS 7 (including the subsequent amendments) and the revised FRS 139 (2010) on the financial statements upon their initial applications are not disclosed by virtue of the exemptions given in these standards.

Revised FRS 8
FRS 8 replaces FRS 114_{2004} Segment Reporting and requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the financial statements of the Group. This FRS is expected to have no material impact on the financial statements of the Group upon its initial application.

Revised FRS 101 (2009)
The revised FRS 101 (2009) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial 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 reclassification of items in the financial statements. The adoption of this revised standard will only impact the form and content of the presentation of the Group's financial statements in the next financial year.

Revised FRS 127 (2010)
The revised FRS 127 (2010) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of the revised FRS 127 (2010) prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

A1. Basis of preparation (Cont'd)

Amendments to FRS 1 and FRS 127

Amendments to FRS 1 and FRS 127 remove the definition of "cost method' currently set out in FRS 127, and instead require an investor to recognise all dividend from subsidiaries, jointly controlled entities or associates as income in its separate financial statements. In addition, FRS 127 has also been amended to deal with situations where a parent reorganises its group by establishing a new entity as its new parent. Under this circumstance, the new parent shall measure the cost of its investment in the original parent at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the reorganisation date. The amendments will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Company for the current financial year but may impact the accounting for future transactions or arrangements.

Amendments to FRS 2: Vesting Conditions and Cancellations

Amendments to FRS 2: Vesting Conditions and Cancellation clarify the definition of vesting conditions for the purposes of FRS 2, introduce the concept of 'non-vesting' conditions, and clarify the accounting treatment for cancellations. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

Amendments to FRS 138

Amendments to FRS 138 clarify the requirements under the revised FRS 3 (2010) regarding accounting for intangible assets acquired in a business combination. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

IC Interpretation 9

IC Interpretation 9 requires embedded derivatives to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date the entity first became a party to the contract. The possible impacts of IC Interpretation 9 on the financial statements upon its initial application are not disclosed by virtue of the exemptions given under the revised FRS 139 (2010).

IC Interpretation 10

IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

IC Interpretation 11

IC Interpretation 11 provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash settled share-based payment transactions in the separate financial statements of the parent and group companies. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

A1. Basis of preparation (Cont'd)

IC Interpretation 12

IC Interpretation 12 requires an operator in a service concession arrangement to recognise either its unconditional contractual right to receive cash (or another financial asset) for the construction of the infrastructure assets as a financial asset or its right to charge users of the public service as an intangible asset; or a combination of both. Currently, the Group recognises the infrastructure assets as property, plant and equipment and depreciates them on the same basis as owned assets. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

IC Interpretation 14

IC Interpretation 14 provides guidance on assessing the limit in FRS 119 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

IC Interpretation 15

IC Interpretation 15 supersedes FRS 201_{2004} Property Development Activities and addresses how entities should determine whether an agreement for the construction of real estate is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue and when revenue from the construction of real estate should be recognised. Currently, the Group recognises revenue on property development activities using the percentage of completion method. Upon adoption of this Interpretation, the Group will be required to assess whether the sale and purchase agreements entered are construction service contracts or sale of goods and whether the percentage of completion method is appropriate for some agreements whilst for others, revenue is recognised only at the point the constructed goods are delivered to the customers. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed. In particular, the directors will be considering the extent to which information is available for retrospective application.

Amendments to IC Interpretation 9

Amendments to IC Interpretation 9 are a consequential amendment from the revised FRS 3 (2010). These amendments are expected to have no material impact on the financial statements of the Group upon its initial application.

Annual Improvements 2009

Annual Improvements to FRSs (2009) contain amendments to 21 accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. These amendments are expected to have no material impact on the financial statements of the Group's upon their initial application.

A2. Qualification of financial statement

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2008 was not subject to any qualification.

A3. Seasonal or cyclical factors

The Group's principal business operations are not significantly affected by seasonal or cyclical factors.

A4. Unusual item

There was no item affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence in these financial statements.

A5. Nature and amount of changes in estimates

There was no change in estimates of amounts reported in prior financial years/periods that have a material effect in the current quarter and financial year ended 31 December 2009.

A6. Debt and equity securities

Debt and equity securities

	Number of Ordinary Shares of RM1 Each		Amount	
	Share Capital (Issued and Fully Paid) '000	**Treasury Shares '000**	**Share Capital (Issued and Fully Paid) RM'000**	**Treasury Shares RM'000**
As of 1.1.2009	239,283	(4,910)	239,283	(6,412)
Purchase of treasury shares	-	(3,941)	-	(4,173)
As of 31.12.2009	239,283	(8,851)	239,283	(10,585)

a) Share options exercised

During the financial year, there were no ordinary shares issued pursuant to the exercise of options under the Company's Employee Share Option Scheme. As at 31 December 2009, options over 2,922,000 (31.12.2008 : 2,969,000) unissued ordinary shares remained outstanding.

b) Treasury Shares

During the financial year, the Company purchased 3,940,800 of its issued ordinary shares from the open market at an average cost of RM1.06 per share for a total consideration of RM4,172,806 comprising purchase price of RM4,143,908 and the total transaction cost of RM28,898. These shares are held as treasury shares in accordance with Section 67A of the Companies Act 1965.

Of the total 239,283,000 (31.12.2008 : 239,283,000) issued and fully paid-up ordinary shares as at 31 December 2009, 8,850,600 ordinary shares (31.12.2008 : 4,909,800) were held as treasury shares by the Company. As at 31 December 2009, the number of outstanding ordinary shares in issue and fully paid-up amounted to 230,432,400 (31.12.2008 : 234,373,200).

Other than as disclosed above, there was no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in these financial statements.

A7. Dividend paid

A final dividend of 3.5 sen, less income tax of 25%, for the financial year ended 31 December 2008 was approved by the shareholders at the Annual General Meeting on 20 May 2009 and paid on 15 July 2009 to entitled shareholders as at 30 June 2009.

An interim dividend of 2.0 sen less income tax of 25% (financial year ended 31 December 2008 : interim dividend of 2.0 sen less income tax of 26%) for the financial year ending 31 December 2009 was paid on 9 October 2009.

A8. Segment information for the financial year ended 31 December 2009

	Revenue RM'000	Profit/(Loss) Before Tax RM'000
By Activity		
Continuing operations:		
Build, own and operate power plants	333,556	76,851
Property development and investment	48,504	12,586
Quarrying of limestone, manufacturing and trading of calcium carbonate powder, lime based products and calcium silicate bricks	68,934	16,805
Engineering, designing and manufacturing of automotive and transportation components	10,437	558
Investment holding	1,672	10,147
Associate	-	573
	463,103	117,520

A9. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment in these financial statements.

A10. Events subsequent to the balance sheet date

There was no material event subsequent to the end of the period reported up to 18 February 2010, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

A11. Changes in composition of the Group

a) On 16 October 2009, Mega First Mining Sdn. Bhd., a wholly-owned subsidiary of the Company, disposed one (1) fully paid share of US$1.00 each representing 100% of the issued and paid-up share capital of Equity Group Investments Limited to Omega Semiconductor Sdn. Bhd. for a cash consideration of US$1.00 only.

b) The Companies Commission of Malaysia approved the application made under Section 308 of the Companies Act 1965 for the striking-off of Mega First Property Management Sdn. Bhd. ("MFPM") and Jitu Optima Sdn. Bhd. ("JOSB"). MFPM and JOSB are wholly-owned subsidiaries of the Company and were dormant at the time of application.

c) Bloxwich Tool and Die (Pty) Limited ("BTD") and Bloxwich South Africa (Pty) Limited ("BSA") were deregistered by the Registrar of Companies of the Republic of South Africa. BTD and BSA are wholly-owned subsidiaries of Bloxwich International Sdn. Bhd. which in turn is a wholly-owned subsidiary of the Company. BTD and BSA were dormant at the time of deregistration.

Other than as disclosed above, there was no material change in the composition of the Group for the financial year ended 31 December 2009 including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

A12. Changes in contingent liabilities and assets

a) Contingent liabilities

There was no change in contingent liabilities of the Group from 1 January 2009 to 18 February 2010, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

b) Contingent assets

The Group has no contingent asset as at 18 February 2010, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

a) Current quarter

The Group's revenue and pre-tax profit for the current quarter increased by 14.8% and 252.4%, respectively, as compared to the corresponding period last year.

The higher pre-tax profit was largely attributable to higher contribution from the Power, Property and Limestone Divisions. The Engineering Division recorded a loss of RM3.8 million in the corresponding period last year, which included a loss on deconsolidation of a foreign subsidiary amounting to RM3.9 million.

b) For the financial year ended 31 December 2009

The Group's revenue of RM463.1 million for the financial year ended 31 December 2009 was 7.5% lower than the corresponding period last year of RM500.9 million. However, pre-tax profit increased by 56.4% to RM117.5 million.

The higher pre-tax profit was largely attributable to higher contribution from the Power and Limestone Divisions and a gain on disposal of quoted investments of RM21.3 million but, partially offset by lower contribution from the Property Division. The Property Division recorded a pre-tax profit of RM34.1 million in the corresponding period last year, which included a fair value adjustment on investment properties amounting to RM28.1 million. No such fair value adjustment was recorded in the financial year under review.

B2. Variation of results against preceding quarter

The Group's revenue of RM141.7 million for the current quarter was 27.7% higher than the preceding quarter of RM110.9 million. However, pre-tax profit decreased by 7.3% to RM34.3 million.

The lower pre-tax profit was largely attributable to lower contribution from the Limestone Division and a lower gain on disposal of quoted investments but, partially offset by higher contribution from the Power and Property Divisions.

B3. Prospects

The Board is confident that the results for 2010 will continue to be satisfactory.

B4. Profit forecast

The Group did not issue any profit forecast or profit guarantee.

B5. Tax expense

	Current Quarter ended 31.12.2009 RM'000	Year ended 31.12.2009 RM'000
Current tax expense		
Malaysian	3,260	7,039
Overseas	4,931	14,293
	8,191	21,332

The effective tax rate of the Group for the current quarter and financial year ended 31 December 2009 was lower than the Malaysian statutory tax rate of 25% due mainly to the gain on disposal of quoted investments, which is non-taxable, and the income earned in China which is taxed at a lower rate of 20%.

B6. Unquoted investments and properties

There was no material sale or purchase of unquoted investment or property during the current quarter and financial year ended 31 December 2009.

B7. Quoted investments

a) Purchase and sale of quoted investments during the current quarter and financial year ended 31 December 2009

i) Acquisition of quoted investments

	Current Quarter ended 31.12.2009 RM'000	Year ended 31.12.2009 RM'000
Purchase consideration	13,852	272,274

ii) Disposal of quoted investments

	Current Quarter ended 31.12.2009 RM'000	Year ended 31.12.2009 RM'000
Sale proceeds	16,684	162,658
Cost of quoted shares disposed	(15,719)	(141,359)
Gain on disposal	965	21,299

B7. Quoted investments (Cont'd)

b) Investments in quoted shares as at 31 December 2009

	Cost RM'000	Book Value RM'000	Market Value RM'000
Quoted in Malaysia	64,041	61,839	70,199
Quoted outside Malaysia	72,566	68,122	76,191
	136,607	129,961	146,390

B8. Status of corporate proposal

On 6 March 2007, RCI announced that the company was proposing to establish an Employees' Share Option Scheme ("ESOS") for the benefit of the eligible Executive Directors and employees of RCI and its subsidiaries. The ESOS was approved by the shareholders of RCI on 25 April 2007 and has yet to become effective.

Other than as disclosed above, there was no corporate proposal announced but not completed as at 18 February 2010, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

B9. Borrowing and debt securities

Group borrowings as at 31 December 2009:

	RM'000
Short-term borrowings	
Secured denominated in:	
Ringgit Malaysia	25,224
Chinese Yuan (CNY37,000,000)	18,570
	43,794
Unsecured Denominated in:	
Ringgit Malaysia	31,204
Chinese Yuan (CNY63,000,000)	31,620
	106,618
Long-term borrowings	
Secured denominated in:	
Ringgit Malaysia	8,019
	114,637

B10. Off balance sheet financial instruments

There was no financial instrument with off balance sheet risk as at 18 February 2010, the latest practical date which is not earlier than 7 days from the date of issue of these financial statements.

B11. Changes in material litigation

There was no pending material litigation as at 18 February 2010, the latest practical date which is not earlier than 7 days from the date of issue of these financial statements.

B12. Capital commitments

As at 31 December 2009, the Group has the following commitments:

	RM'000
Property, plant and equipment and investment	
Authorised but not provided for:	
Contracted	28,028
Not contracted	26,378
	54,406

B13. Dividend

The Board proposes a final dividend of 5.0 sen, less income tax of 25%, for the financial year ended 31 December 2009 (2008 : 3.5 sen less income tax of 25%). The proposed dividend, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting, has not been included as a liability in these financial statements. The book closure and payment dates will be determined later.

B14. Earnings per share

	Quarter ended 30 September		Year ended 30 September	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Basic earnings per share				
Profit for the period attributable to ordinary equity holders of the Company	16,067	5,537	65,626	40,184
Weighted average number of ordinary shares in issue ('000)	232,843	235,145	232,843	235,145
Basic earnings per share (sen)	6.90	2.35	28.18	17.09
Diluted earnings per share				
Profit for the period attributable to ordinary equity holders of the Company	16,067	5,537	65,626	40,184
Dilutive effects of outstanding employees' share options	41	48	164	153
Diluted earnings	16,108	5,585	65,790	40,337
Weighted average number of ordinary shares in issue ('000)	232,843	235,145	232,843	235,145
Adjustment for share options ('000)	2,922	2,969	2,922	2,969
Weighted average number of ordinary shares used in the calculation of diluted earnings per share ('000)	235,765	238,114	235,765	238,114
Diluted earnings per share (sen)	6.83	2.35	27.90	16.94

B15. Significant related party transaction

There was no significant related party transaction during the current quarter and financial year ended 31 December 2009.

BY ORDER OF THE BOARD

Yong Lai Sim
Ghee Yoke Ping
Secretaries

Petaling Jaya
25 February 2010