



Financial Results

Form Version 8 (Enhanced)

Ownership transfer to CS_SECURITY SERVICES HOLDINGS PENANG/EDMS/KLSE on 18/02/2011 05:20:13 PM

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Reference No CS-110218-346B7

Submitting Investment

Bank/Advisor
(if applicable)

Submitting Secretarial Firm
(if applicable)

SECURITIES SERVICES (HOLDINGS) SDN BHD

Company name *

PBA HOLDINGS BHD

Stock name *

PBA

Stock code *

5041

Contact person *

THUM SOOK FUN

Designation *

COMPANY SECRETARY

Part A1 : QUARTERLY REPORT

Financial Year End * 31/12/2010

Quarter * 1 Qtr 2 Qtr 3 Qtr 4 Qtr Other

Quarterly report for the financial period ended * 31/12/2010

The figures * have been audited have not been audited

Please attach the full Quarterly Report here:



PBAHB_4th Quarter Interim Results.pdf

Remarks:

Currency Malaysian Ringgit (MYR)

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended
* 31/12/2010

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO	PRECEDING YEAR

	QUARTER *	CORRESPONDING QUARTER	DATE *	CORRESPONDING PERIOD
	31/12/2010 [dd/mm/yyyy]	31/12/2009 [dd/mm/yyyy]	31/12/2010 [dd/mm/yyyy]	31/12/2009 [dd/mm/yyyy]
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	50,367	47,379	198,543	184,695
2 Profit/(loss) before tax	12,916	2,276	30,732	15,821
3 Profit/(loss) for the period	12,586	1,951	26,132	14,817
4 Profit/(loss) attributable to ordinary equity holders of the parent	12,586	1,951	26,132	14,817
5 Basic earnings/(loss) per share (Subunit)	3.80	0.59	7.89	4.47
6 Proposed/Decl ared dividend per share (Subunit)	1.50	2.00	3.00	3.00

	AS AT END OF CURRENT QUARTER*	AS AT PRECEDING FINANCIAL YEAR-END
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.9600	1.9100

Remarks :

The Board of Directors of the Company recommended a final tax exempt dividend of 3% in respect of the financial year ended 31 December 2010 for shareholders' approval at the forthcoming 11th Annual General Meeting.

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Part A - ADDITIONAL INFORMATION

PRIVATE & CONFIDENTIAL

Updated 2/18/11

PBA HOLDINGS BHD

Company No: 515119-U
(Incorporated in Malaysia)

Interim Financial Report

31 DECEMBER 2010

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Condensed Consolidated Statement of Financial Position
As at 31 December 2010 - unaudited

	Note	31 December 2010 RM'000	31 December 2009 RM'000 (Restated)	1 January 2009 RM'000 (Restated)
Assets				
Property, plant and equipment	5	721,109	698,499	678,023
Investment in jointly controlled entity		803	1,289	1,305
Other investments	19	24,606	21,060	10,888
Total non-current assets		746,518	720,848	690,216
Trade and other receivables		40,109	33,303	38,612
Inventories		13,571	15,333	17,390
Current tax assets		5,017	9,507	8,653
Cash and cash equivalents		66,425	62,307	80,164
Total current assets		125,122	120,450	144,819
Total assets		871,640	841,298	835,035
Equity				
Share capital		165,635	165,635	165,603
Reserves		320,703	304,833	296,698
Share premium		161,945	161,945	161,910
Total equity attributable to owners of the company		648,283	632,413	624,211
Minority Interest		-	-	-
Total equity	6	648,283	632,413	624,211
Liabilities				
Loans and borrowings	21	65,236	71,788	78,340
Employee benefits		28,835	25,694	23,631
Deferrad tax liabilities		11,000	6,350	6,000
Total non-current liabilities		105,071	103,832	107,971
Loans and borrowings	21	6,552	6,552	6,552
Trade and other payables		109,640	96,041	87,204
Employee benefits		2,094	2,460	1,645
Dividend payable		-	-	7,452
Total current liabilities		118,286	105,053	102,853
Total liabilities		223,357	208,885	210,824
Total equity and liabilities		871,640	841,298	835,035

Condensed Consolidated Statement of Comprehensive Income
For the twelve month ended 31 December 2010 - unaudited

	Note	Three months ended 31 December		Current year-to-date ended 31 December	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Continuing operations					
Revenue		50,367	47,379	198,543	184,695
Cost of sales		(34,477)	(33,555)	(141,647)	(134,159)
Gross profit		<u>15,889</u>	<u>13,824</u>	<u>56,896</u>	<u>50,536</u>
Other income		7,761	3,342	16,435	10,082
Administrative expenses		(11,096)	(15,227)	(43,950)	(46,268)
Results from operating activities		<u>12,554</u>	<u>1,939</u>	<u>29,381</u>	<u>14,350</u>
Finance income		368	309	1,371	1,468
Finance cost		(4)	(4)	(19)	(29)
Net finance cost		<u>364</u>	<u>305</u>	<u>1,353</u>	<u>1,439</u>
Share of profit of jointly controlled entity, net of tax		(2)	32	(2)	32
Profit before tax		<u>12,916</u>	<u>2,276</u>	<u>30,732</u>	<u>15,821</u>
Income tax expenses	17	(330)	(325)	(4,600)	(1,004)
Profit from continuing operations		<u>12,586</u>	<u>1,951</u>	<u>26,132</u>	<u>14,817</u>
Discontinued operation					
Profit / (Loss) from discontinued operation, net of tax		-	-	-	-
Profit for the period		<u>12,586</u>	<u>1,951</u>	<u>26,132</u>	<u>14,817</u>
Other comprehensive income for the period, net of tax	19	<u>1,413</u>	<u>-</u>	<u>1,819</u>	<u>-</u>
Total comprehensive income for the period		<u>13,999</u>	<u>1,951</u>	<u>27,951</u>	<u>14,817</u>
Profit attributable to :					
Owners of the company		12,586	1,951	26,132	14,817
Minority interests		-	-	-	-
Profit for the period		<u>12,586</u>	<u>1,951</u>	<u>26,132</u>	<u>14,817</u>
Total comprehensive income attributable to :					
Owners of the company		13,999	1,951	27,951	14,817
Minority interests		-	-	-	-
Total comprehensive income for the period		<u>13,999</u>	<u>1,951</u>	<u>27,951</u>	<u>14,817</u>
Basic earnings per ordinary share (sen) :					
From continuing operations	25	3.80	0.59	7.89	4.47
From discontinued operation		-	-	-	-
		<u>3.80</u>	<u>0.59</u>	<u>7.89</u>	<u>4.47</u>

Condensed Consolidated Statement of Changes in Equity
For the twelve months ended 31 December 2010 - unaudited

Note	Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Attributable to owners of the Company				Total RM'000	Minority interests RM'000	Total equity RM'000
				Share value reserve RM'000	Share option reserve RM'000	Treasury reserve RM'000	Retained earnings RM'000			
At 1 January 2009	165,603	161,910	374	-	895	-	295,429	624,211	-	624,211
Share options granted and vested - Effect of resignation/retirement	-	-	-	-	(20)	-	20	-	-	-
Effect of ESOS exercised	-	7	-	-	(7)	-	-	-	-	-
Foreign exchange translation differences	-	-	(43)	-	-	-	-	(43)	-	(43)
Total comprehensive income for the period	-	-	-	-	-	-	14,817	14,817	-	14,817
Dividends to owner	-	-	-	-	-	-	(8,281)	(8,281)	-	(8,281)
Issuance of shares pursuant to ESOS	32	27	-	-	-	-	59	59	-	59
Purchase of treasury shares	-	-	-	-	-	(2)	(2)	(2)	-	(2)
At 31 December 2009	165,635	161,944	331	-	868	(2)	301,985	630,761	-	630,761

**Condensed Consolidated Statement of Changes in Equity
For the twelve months ended 31 December 2010 - unaudited**

Note	Attributable to owners of the Company						Total equity RM'000			
	Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Fair value reserve RM'000	Share option reserve RM'000	Treasury reserve RM'000		Retained earnings RM'000	Total RM'000	Minority interests RM'000
At 1 January 2010, as previously stated	165,635	161,944	331	1,652	868	(2)	301,985	630,761	-	630,761
-effect of adopting FRS 139	-	-	-	1,652	-	-	-	1,652	-	1,652
At 1 January 2010, as restated	165,635	161,944	331	1,652	868	(2)	301,985	632,413	-	632,413
Share options granted and vested - Effect of resignation/retirement	-	-	-	-	(45)	-	45	-	-	-
Effect of ESOS exercised	-	-	-	-	-	-	-	-	-	-
Foreign exchange translation differences	-	-	(485)	-	-	-	-	(485)	-	(485)
Total comprehensive income for the period	-	-	-	1,819	-	-	26,132	27,952	-	27,952
Dividends to owners	-	-	-	-	-	-	(11,594)	(11,594)	-	(11,594)
Issuance of shares pursuant to ESOS	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	(2)	823	(2)	-	(2)
Transfer of reserve due to ESOS expired	-	-	-	-	(823)	-	-	-	-	-
At 31 December 2010	165,635	161,944	(154)	3,471	-	(4)	317,391	648,284	-	648,284

Condensed Consolidated Statement of Cash Flows
For the twelve months ended 31 December 2010 - unaudited

Note	Twelve months ended 31 December	
	2010 RM'000	2009 RM'000
Cash flows from operating activities		
Profit/loss before tax from :		
- continuing operations	30,732	15,821
	<u>30,732</u>	<u>15,821</u>
Adjustment for :		
Amortisation of prepaid land lease payments	218	233
Depreciation of property, plant and equipment	37,978	36,934
Dividend income	(642)	(346)
Finance income	(1,630)	(1,888)
Gain on disposal of property, plant and equipment	(3,872)	(51)
Gain on disposal of other investment	(1,063)	(1,046)
Net change in provisions	5,948	3,134
Property, plant & equipment written off	81	83
Share of profit of associates, net of tax	2	(32)
Operating profit before changes in working capital	<u>67,754</u>	<u>52,842</u>
Change in inventories	1,762	2,057
Change in trade and other payables	25,582	24,072
Change in trade and other receivables, prepayments and other financial assets	(6,820)	5,309
Cash (used in) / generated from operations	<u>88,277</u>	<u>84,280</u>
Income tax refund / (paid)	4,612	(1,453)
Retirement benefits paid	(3,173)	(2,376)
Net cash (used in) / from operating activities	<u>89,716</u>	<u>80,451</u>

Condensed Consolidated Statement of Cash Flows
For the twelve months ended 31 December 2010 - unaudited

	Note	Twelve months ended 31 December	
		2010 RM'000	2009 RM'000
Cash flows from investing activities			
Acquisition of quoted investments	19	(28,641)	(29,759)
Acquisition of property, plant and equipment		(72,922)	(73,107)
Dividends received		570	296
Interest received		1,630	1,888
Prepaid land lease payment		-	-
Proceeds from disposal of quoted investments	19	27,977	24,405
Proceeds from disposal of property, plant and equipment		3,938	197
Net cash from / (used in) investing activities		(67,448)	(76,080)
Cash flow from financing activities			
Dividend paid to owner of the company		(11,594)	(15,733)
Proceeds from issuance of shares		-	59
Treasury shares		(2)	(2)
Repayment of loans and borrowings		(6,552)	(6,552)
Net cash from / (used in) financing activities		(18,148)	(22,228)
Net increase / (decrease) in cash and cash equivalents		4,120	(17,857)
Cash and cash equivalents at 1 January		62,307	80,164
Cash and cash equivalents at 31 December		66,426	62,307

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flow comprise :

	Twelve months ended 31 December	
	2010 RM'000	2009 RM'000
Cash and bank balances	5,525	9,407
Short-term deposits with licensed banks	60,900	52,900
	66,425	62,307

Notes to the Condensed Consolidated Interim Financial Statements

PBA Holdings Bhd is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Condensed Consolidated Interim Financial Statements of the Group as at and for the year ended 31 December 2010 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interests in jointly controlled entity.

The Consolidated Financial Statements of the Group as at and for the year ended 31 December 2009 are available upon request from the Company's registered office at:

Level 32, Komtar
10000 Penang

These Condensed Consolidated Interim Financial Statements were approved by Board of Directors on 18 February 2011.

1. Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad and FRS 134, *Interim Financing Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2009.

2. Significant accounting policies

Except for the new Financial Reporting Standards, Amendments and Interpretations applicable to the Group effective from 1 January 2010 as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statement as at and for the year ended 31 December 2009.

- FRS 7, Financial Instruments: Disclosures
- FRS 8, Operating Segments
- FRS 101, Presentation of Financial Statements (revised)
- FRS 123, Borrowing Costs (revised)
- FRS 139, Financial Instruments: Recognition and Measurement
- Amendments to FRS 7, Financial Instruments: Disclosures
- Amendments to FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 139, Financial Instruments: Recognition and Measurement - Reclassification of Financial Assets
- Improvements to FRSs (2009)
- IC Interpretation 9, Reassessment of Embedded Derivatives
- IC Interpretation 10, Interim Financial Reporting and Impairment

Other than the application of FRS 101 and FRS 139, the application of the above FRSs, Amendments and Interpretations did not result in a significant change in accounting policies and presentation of the financial results of the Group.

Notes to the Condensed Consolidated Interim Financial Statements

(a) Change in accounting policy**(i) FRS 139, *Financial Instruments: Recognition and measurement***

The adoption of FRS 139 has resulted in the following adjustments made to the carrying amount of the Group's other investments as follows:

Group	Fair value reserve RM'000	Other investments RM'000
At 31 December 2009 / 1 January 2010, as previously stated	-	19,408
Adjustments arising from adoption of FRS 139:		
- Fair value of other investments in equity	1,652	1,652
At 31 December 2009 / 1 January 2010, as restated	1,652	21,060

Prior to the adoption of FRS 139, other investments in equity, other than investments in subsidiaries and jointly controlled entity were stated at cost less allowance for diminution in value which is other than temporary. With the adoption of FRS 139, quoted investments in equity, other than investment in subsidiaries and jointly controlled entity are now categorized and measured as available-for-sale as detailed above and measured at fair values with the gains or losses recognized in other comprehensive income.

ii) FRS 123, *Borrowing Costs*

Before 1 January 2010, borrowing cost was all expensed to profit or loss as and when they were incurred. With the adoption of FRS 123, the Group capitalizes borrowing costs that are directly attributable to the acquisition, construction and production of qualifying assets as part of the cost of the asset for which the commencement date of capitalization is on or after 1 January 2010.

The change in accounting policy has been applied prospectively in accordance with the transitional provisions of FRS 123.

Hence, the adoption of FRS 123 does not affect the basic and diluted earnings per ordinary share for prior periods and has no material impact to current period's basic and diluted earnings per ordinary share.

iii) FRS 101 (revised), *Presentation of Financial Statements*

The Group applies revised FRS 101 (revised), which became effective as of 1 January 2010. As a result, the Group presents all non-owner changes in equity in the consolidated statement of comprehensive income.

Comparative information, with the exception of the requirements under FRS 139, have been re-presented so that it is in conformity with the revised standard. This standard does not have any impact on earnings per ordinary share.

Notes to the Condensed Consolidated Interim Financial Statements

3. Changes in estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2009.

4. Seasonality of operations

There is no seasonality or cyclical on the Group's operations.

5. Property, plant and equipment

a) Acquisition and disposals

During the twelve months ended 31 December 2010 the Group acquired assets with a cost of RM72.92 million (twelve months ended 31 December 2009: RM73.11 million).

During the quarter ended 31 December 2010, the subsidiary company disposed off a piece of freehold land costing RM26,000 for RM3.9 million.

Other assets with a carrying amount of RM81,000 were disposed off during the twelve months ended 31 December 2010 (twelve months ended 31 December 2009: RM83,000), resulting in a gain on disposal of RM3,000 (twelve months ended 31 December 2009: gain of RM51,000), which is included in other income.

b) Carrying amounts

The carrying amounts of property, plant and equipment at 1 January 2009 and 31 December 2009 have been adjusted following the adoption of the amendments to FRS 117, Leases where leasehold land, in substance is a finance lease, has been reclassified from prepaid lease payments to property, plant and equipment.

c) Capital Commitments

	At 31 December 2010 RM'000	At 31 December 2009 RM'000
Approved Capital Expenditures:-		
i) Contracted but not provided for in the Financial Statements	64,000	65,000
ii) Approved but not contracted for	247,000	266,000
	247,000	266,000

6. Assets classified as held for sale

During the twelve months ended 31 December 2010, the subsidiary company planned to dispose off 50 units of unoccupied residential premises and the sale is expected to complete by year 2011. The net book value of the assets held for sale as at 31 December 2010 is RM1,319,000.

Notes to the Condensed Consolidated Interim Financial Statements

7. Share capital and share premium

No additional issuance of share capital and share premium as at 31 December 2010 except for the following :

a) Treasury shares

During the twelve months ended 31 December 2010, the Company repurchased 2,000 of its issued ordinary shares from the open market at an average price of RM0.85 (1,000 shares) and RM0.89 (1,000 shares) per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

8. Changes in composition of the Group

There are no changes in the composition of the Group for the current quarter and current financial year to-date ended 31 December 2010.

9. Operating segments

There is only one business segment being to abstract raw water, treat, supply and distribute water to the state of Penang. Other operation of the Group mainly comprise investment holding, provision of water bottling services and training facilities none of which constitutes a separately reportable segment.

10. Subsequent event

There are no material events subsequent to the statement of financial position date up to the date of the issue of this report.

11. Contingencies

Group

A third party has filed a claim in court against the Group for damages amounting to approximately RM26,000,000. However, the Group's solicitors opined that the claims are unjustified.

The Group was successful in the application for the above matter to be referred for arbitration. The Directors, having relied on the opinion of the solicitors and the recommendation of the Company's management, are of the opinion that no provision is necessary.

Company

	At 31 December 2010 RM'000	At 31 December 2009 RM'000
Corporate guarantee given to a bank in respect of credit facilities granted to a jointly controlled entity	225	362

12. Related parties

No disclosure of related party transactions is required in the financial statements of state-controlled enterprises of transactions with other state-controlled enterprises as permitted by FRS 124 – Related Party Disclosures.

Notes to the Condensed Consolidated Interim Financial Statements

**NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS:
Chapter 9, Appendix 9B, Part A.****13. Review of Group performance**

Group revenue for the quarter ended 31 December 2010 increased by RM3.0 million or 6.3% as compared to the preceding year corresponding quarter 2009. Group profit before tax of RM12.9 million increased by 467.4% as compared to the preceding year corresponding quarter of RM2.3 million. The increased were due to the increased in sale of water revenue and the gain derived from disposal of freehold land of RM3.8 million.

14. Variation of results against preceding quarter

Group revenue increased from RM49.1 million to RM50.4 million as compared to the immediate preceding quarter. Group profit before tax of RM12.9 million was up by RM9.0 million compared to the immediate preceding quarter of RM3.9 million largely due to the lower cost of sales and the gain derived from disposal of freehold land of RM3.8 million.

15. Current year prospects

Revenue from sales of water is expected to sustain next year. Nevertheless, the Board remains mindful on measures implemented to mitigate escalating costs and the prevailing economic conditions.

16. Profit forecast or profit guarantee

Not applicable.

17. Income Tax expense

	Three months ended 31 December		Current year-to-date ended 31 December	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current income tax				
Malaysian - current year	349	270	710	652
- prior year	(819)	-	(760)	2
	<u>(470)</u>	<u>270</u>	<u>(50)</u>	<u>654</u>
Deferred Tax				
- Origination and reversal of temporary differences	819	50	3,519	1,737
- Prior Year	(19)	-	1,131	(1,387)
	<u>800</u>	<u>50</u>	<u>4,650</u>	<u>350</u>
Share of tax of jointly controlled entity	-	5	-	5
Income tax expense from continuing operations	<u>330</u>	<u>325</u>	<u>4,600</u>	<u>1,009</u>

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax expected for the full year applied to the pre-tax income of the interim period.

The lower tax charge of the Group is due to reinvestment allowance claimed by the subsidiary company.

Notes to the Condensed Consolidated Interim Financial Statements

17. Income Tax expense (continued)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group for the current year to-date is as follows:

	31 December 2010 RM'000
Profit before taxation	30,731
Taxation at Malaysian statutory tax rate of 25%	7,683
Income not subject to tax	(1,233)
Expenses not deductible for tax purposes	845
Deferred tax assets recognised in respect of unutilised reinvestment allowances	(3,066)
Under provision in prior year	371
Tax expense for the year	4,600

The unutilised reinvestment allowances and unabsorbed capital allowances of the Group are available indefinitely for off setting against future taxable profits.

	31 December 2010 RM'000
Unutilised reinvestment allowances	298,895
Unabsorbed capital allowances	12,513

Last year, a subsidiary company has been issued with prior years' notices of additional tax payable and tax refundable of RM5.8 million and RM8.0 million respectively by the Inland Revenue Board ("IRB"). The additional tax payable was caused by the rejection of the reinvestment allowances claimed by the subsidiary in prior years on certain assets whilst the tax refundable was due to the additional capital allowances claimed arising from revised tax computations of prior years.

The IRB has rejected the unutilized reinvestment allowances of RM231.3 million. The subsidiary company has appealed to the IRB and was successful in the appeal.

During the quarter ended 31 December 2010, the subsidiary company has received the revised assessments from IRB confirming the status of the appealed unutilized reinvestment allowances of RM228.9 million.

18. Unquoted investments and properties

There was no sale of unquoted investments and/or properties for the quarter under review and financial period to date.

Notes to the Condensed Consolidated Interim Financial Statements

19. Other investments

Other investments comprise of quoted investments in equity managed by external fund management companies in accordance with the terms of respective Investment Management mandate.

(a) The total purchase consideration and sale proceeds of investments for the quarter ended 31 December 2010 and financial year to-date 31 December 2010 and gain/loss arising there from are as follows:

	Three months ended 31 December 2010 RM'000	Year-to-date 31 December 2010 RM'000
Balance at 01-10-10/01-01-10	22,738	21,060
Add : Purchase of investments	7,203	28,641
Less : Proceeds from disposal of investments	(6,999)	(27,977)
Gain/(Loss) on disposal of investments	251	1,063
Fair value of quoted investments	1,413	1,819
Gross Balance at 31-12-10	24,606	24,606

b) These investments are managed by external fund management companies in accordance with the terms of the investment management mandate.

As at 31 December 2010 and 31 December 2009, the funds were invested as follows:

	Year-to-date 31 December 2010 RM'000	Year-to-date 31 December 2009 RM'000
Shares quoted in Malaysia, at fair value	20,918	17,125
Fixed deposits with licensed banks	1,327	1,147
Money market placement	2,361	2,788
Total	24,606	21,060

20. Corporate proposals

There are no corporate proposals which have been announced for the current quarter and current financial year to-date except for the Employees Share Option Scheme ("ESOS") which was implemented on 15 July 2005 has expired on 14 July 2010.

Notes to the Condensed Consolidated Interim Financial Statements

21. Loans and borrowings

	Currency	At 31 December 2010 RM'000	At 31 December 2009 RM'000
Non-current			
<i>Unsecured:</i>			
Term Loan from Penang State Government	RM	65,236	71,788
Current			
<i>Unsecured:</i>			
Term Loan from Penang State Government	RM	6,552	6,552
Total loans and borrowings		<u>71,788</u>	<u>78,340</u>

(a) Issues and repayment schedule

The following current loans and borrowings were repaid during the twelve months ended 31 December 2010:

	Interest Rate Nominal	Face value RM'000	Carrying amount RM'000
Repayments			
Unsecured term loans	0%	<u>(6,552)</u>	<u>(6,552)</u>

22. Off balance sheet financial instrument

The Group does not have any financial instruments with off balance sheet risk as at 18 February 2011, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

23. Material litigation

As at 18 February 2011, there was no material litigation against the Group except as disclosed in note 11.

24. Dividends

The Board of Directors recommend a final tax exempt dividend of 3% amounting to RM4,969,000 in respect of the financial year ended 31 December 2010 subject to the approval of shareholders at the forthcoming Annual General Meeting (31 December 2009 – final tax exempt dividend of 4% amounting to RM6,625,000).

Notes to the Condensed Consolidated Interim Financial Statements

25. Earnings per ordinary share

Basic earnings per ordinary shareholders

	12,586	1,951	26,131	14,817
	Three months ended 31 December 2010 Continuing operations RM'000	Three months ended 31 December 2009 Continuing operations RM'000	Current year-to-date 31 December 2010 Continuing operations RM'000	Current year-to-date 31 December 2009 Continuing operations RM'000
Profit for the period				
	331,230	331,232	331,230	331,232
Issued ordinary shares at 1 January	(2)	(2)	(2)	(2)
Effect of share buyback	331,228	331,230	331,228	331,230
Weighted average number of ordinary shares				
	3.80	0.59	7.89	4.47
Basic earnings per ordinary share				

Diluted earnings per share

Diluted earnings per share is not applicable as ESOS exercise for the Company has expired on 14 July 2010.

Notes to the Condensed Consolidated Interim Financial Statements

26. Realised and Unrealised Retained Earnings

	At 31 December 2010 RM'000	At 30 September 2010 RM'000
Total retained earnings of PBA Holdings Bhd and its subsidiaries :		
- Realised gain	273,653	264,367
- Unrealised loss	(11,000)	(10,200)
	<u>262,653</u>	<u>254,167</u>
Total share of retained earnings from jointly controlled entity		
- Realised gain	957	959
	<u>263,610</u>	<u>255,126</u>
Add : Consolidation adjustments	53,780	53,780
Total group retained earnings as per consolidated accounts	<u>317,390</u>	<u>308,906</u>

27. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the year ended 31 December 2009 was not qualified