

Financial Results

Reference No CS-101115-227F8

Company Name : **PBA HOLDINGS BHD**
 Stock Name : PBA
 Date Announced : 15/11/2010
 Financial Year End : 31/12/2010
 Quarter : 3
 Quarterly report for the financial period ended : 30/09/2010
 The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:



PBAHB- Interim Fin Q310.pdf

Remark:

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
30/09/2010

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2010 \$\$'000	30/09/2009 \$\$'000	30/09/2010 \$\$'000	30/09/2009 \$\$'000
1Revenue	49,113	47,409	148,176	137,316
2Profit/(loss) before tax	3,867	8,216	17,815	13,545
3Profit/(loss) for the period	2,413	6,800	13,546	12,866
4Profit/(loss)	2,819	6,800	13,953	12,866

attributable to
ordinary equity
holders of the
parent

5 Basic earnings/ (loss) per share (Subunit)	0.73	2.05	4.09	3.88
6 Proposed/Declared dividend per share (Subunit)	1.50	1.00	1.50	1.00

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 (\$)		1.9300		1.9100
---	--	--------	--	--------

Remarks :

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

PBA HOLDINGS BHD

Company No: 515119-U
(Incorporated in Malaysia)

Interim Financial Report

30 SEPTEMBER 2010

Contents

	Page
Interim Financial Report	
Condensed Consolidated Statement of Financial Position	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Changes in Equity	3 - 4
Condensed Consolidated Statement of Cash Flows	5 - 6
Notes to the Condensed Consolidated Interim Financial Statements	7 - 15

Condensed Consolidated Statement of Financial Position
As at 30 September 2010 - unaudited

	Note	30 September 2010 RM'000	31 December 2009 RM'000 (Restated)
Assets			
Property, plant and equipment	5	676,642	681,447
Prepaid lease land payments		16,972	17,052
Investment in jointly controlled entity		1,289	1,289
Other investments	18	22,738	21,060
Total non-current assets		717,642	720,848
Trade and other receivables		37,435	33,303
Inventories		15,491	15,333
Current tax assets		6,375	9,507
Cash and cash equivalents		62,780	62,307
Total current assets		122,081	120,450
Total assets		839,723	841,298
Equity			
Share capital		165,635	165,635
Reserves		312,159	304,833
Share premium		161,945	161,945
Total equity attributable to owners of the company		639,739	632,413
Minority Interest		-	-
Total equity	6	639,739	632,413
Liabilities			
Loans and borrowings	20	66,111	71,788
Employee benefits		28,798	25,694
Deferred tax liabilities		10,200	6,350
Total non-current liabilities		105,109	103,832
Loans and borrowings	20	6,552	6,552
Trade and other payables		86,059	96,041
Employee benefits		2,263	2,460
Total current liabilities		94,875	105,053
Total liabilities		199,984	208,885
Total equity and liabilities		839,723	841,298

Condensed Consolidated Statement of Comprehensive Income
For the nine month ended 30 September 2010 - unaudited

	Note	Three months ended 30 September		Current year-to-date ended 30 September	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Continuing operations					
Revenue		49,113	47,409	148,176	137,316
Cost of sales		(37,341)	(30,485)	(107,169)	(100,604)
Gross profit		<u>11,772</u>	<u>16,924</u>	<u>41,007</u>	<u>36,712</u>
Other income		3,161	2,143	9,678	7,899
Administrative expenses		(11,058)	(10,845)	(32,854)	(31,041)
Results from operating activities		<u>3,874</u>	<u>8,222</u>	<u>17,830</u>	<u>13,570</u>
Finance income		-	-	-	-
Finance cost		(6)	(6)	(14)	(25)
Net finance cost		<u>(6)</u>	<u>(6)</u>	<u>(14)</u>	<u>(25)</u>
Share of profit of jointly controlled entity, net of tax		-	-	-	-
Profit before tax		<u>3,867</u>	<u>8,216</u>	<u>17,815</u>	<u>13,545</u>
Income tax expenses	16	(1,455)	(1,416)	(4,270)	(679)
Profit from continuing operations		<u>2,413</u>	<u>6,800</u>	<u>13,546</u>	<u>12,866</u>
Discontinued operation					
Profit / (Loss) from discontinued operation, net of tax		-	-	-	-
Profit for the period		<u>2,413</u>	<u>6,800</u>	<u>13,546</u>	<u>12,866</u>
Other comprehensive income for the period, net of tax	18	<u>406</u>	<u>-</u>	<u>407</u>	<u>-</u>
Total comprehensive income for the period		<u>2,819</u>	<u>6,800</u>	<u>13,953</u>	<u>12,866</u>
Profit attributable to :					
Owners of the company		2,413	6,800	13,546	12,866
Minority interests		-	-	-	-
Profit for the period		<u>2,413</u>	<u>6,800</u>	<u>13,546</u>	<u>12,866</u>
Total comprehensive income attributable to :					
Owners of the company		2,819	6,800	13,953	12,866
Minority interests		-	-	-	-
Total comprehensive income for the period		<u>2,819</u>	<u>6,800</u>	<u>13,953</u>	<u>12,866</u>
Basic earnings per ordinary share (sen) :					
From continuing operations	24	0.73	2.05	4.09	3.88
From discounted operation		-	-	-	-
		<u>0.73</u>	<u>2.05</u>	<u>4.09</u>	<u>3.88</u>

Condensed Consolidated Statement of Changes in Equity
For the nine months ended 30 September 2010 - unaudited

Note	Attributable to owners of the Company						Total equity RM'000		
	Non-distributable			Distributable					
	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 2009	165,603	161,910	374	-	895	-	295,429	624,211	-
Total comprehensive income for the period	-	-	-	-	-	(1)	12,866	12,865	-
Dividends to owner	-	-	-	-	-	-	(4,968)	(4,968)	-
Issuance of shares pursuant to ESOS	32	27	-	-	-	-	-	59	-
At 30 September 2009	165,635	161,937	374	-	895	(1)	303,327	632,167	-

Condensed Consolidated Statement of Changes in Equity
For the nine months ended 30 September 2010 - unaudited

Note	Attributable to owners of the Company							Total equity RM'000	
	Non-distributable				Distributable				
	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	Minority interests RM'000	
At 1 January 2010, as previously stated -effect of adopting FRS 139	165,635	161,945	330	-	-	868	301,985	-	630,761
At 1 January 2010, as restated	-	-	-	1,652	-	-	-	-	1,652
Total comprehensive income for the period	165,635	161,945	330	1,652	868	(2)	301,985	-	632,413
Dividends to owners	-	-	-	407	-	(1)	13,546	-	13,951
At 30 September 2010	165,635	161,945	330	2,059	868	(3)	308,906	-	639,739

The notes on pages 7 to 15 are integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows
For the nine months ended 30 September 2010 - unaudited

Note	Nine months ended 30 September	
	2010 RM'000	2009 RM'000
Cash flows from operating activities		
Profit/loss before tax from :		
- continuing operations	17,815	13,545
	<u>17,815</u>	<u>13,545</u>
Adjustment for :		
Amortisation of prepaid land lease payments	157	181
Depreciation of property, plant and equipment	28,270	27,614
Dividend income	(432)	(247)
Finance income	(1,192)	(1,499)
Gain on disposal of property, plant and equipment	(4)	(48)
Gain on disposal of other investment	(811)	(646)
Net change in provisions	5,284	2,345
Property, plant & equipment written off	81	84
Operating profit before changes in working capital	<u>49,167</u>	<u>41,328</u>
Change in inventories	(158)	896
Change in trade and other payables	1,883	17,340
Change in trade and other receivables, prepayments and other financial assets	(4,087)	2,365
Cash (used in) / generated from operations	<u>46,805</u>	<u>61,929</u>
Income tax refund / (paid)	2,753	(584)
Retirement benefits paid	(2,377)	(1,621)
Net cash (used in) / from operating activities	<u>47,181</u>	<u>59,724</u>

Condensed Consolidated Statement of Cash Flows
For the nine months ended 30 September 2010 - unaudited

	Note	Nine months ended 30 September	
		2010 RM'000	2009 RM'000
Cash flows from investing activities			
Acquisition of quoted investments	18	(21,438)	(18,500)
Acquisition of property, plant and equipment		(35,570)	(51,742)
Dividends received		392	214
Interest received		1,192	1,499
Prepaid land lease payment		-	(7)
Proceeds from disposal of quoted investments	18	20,978	18,241
Proceeds from disposal of property, plant and equipment		43	189
Net cash from / (used in) investing activities		(34,404)	(50,106)
Cash flow from financing activities			
Dividend paid to owner of the company		(6,625)	(12,420)
Proceeds from issuance of shares		-	60
Treasury shares		(1)	(1)
Repayment of loans and borrowings		(5,677)	(5,677)
Net cash from / (used in) financing activities		(12,303)	(18,038)
Net increase / (decrease) in cash and cash equivalents		474	(8,420)
Cash and cash equivalents at 1 January		62,307	80,163
Cash and cash equivalents at 30 September		62,780	71,743

Cash and cash equivalents

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

	Nine months ended 30 September	
	2010 RM'000	2009 RM'000
Cash and bank balances	6,880	9,843
Bank overdraft	55,900	61,900
	62,780	71,743

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 nine month period ended 30 September 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 13 November 2010.

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 nine months ended 30 September 2010 the Group acquired assets with a cost of RM35.57 million (nine months ended 30 September 2009: RM51.74 million).

Assets with a carrying amount of RM43,000 were disposed of during the nine months ended 30 September 2010 (nine months ended 30 September 2009: RM189,000), resulting in a gain on disposal of RM4,000 (nine months ended 30 September 2009: gain of RM48,000), which is included in other income.

b) Capital Commitments

	At 30 September 2010 RM'000	At 31 December 2009 RM'000
Approved Capital Expenditures:-		
i) Contracted but not provided for in the Financial Statements	72,000	65,000
ii) Approved but not contracted for	222,000	266,000

6. Share capital and share premium

No additional issuance of share capital and share premium as at 30 September 2010 except for the following :

a) Treasury shares

During the nine months ended 30 September 2010, the Company repurchased 1,000 of its issued ordinary shares from the open market at an average price of RM0.85 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965

7. 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 30 September 2010.

8. 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.

Notes to the Condensed Consolidated Interim Financial Statements

9. 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.

10. 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 has filed an 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 30 September 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	362	362

11. 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.****12. Review of Group performance**

Group revenue for the quarter ended 30 September 2010 increased by RM1.7 million or 3.6 percent as compared to the preceding year corresponding quarter 2009. Group profit before tax of RM3.9 million decreased by 52.9 percent as compared to the preceding year corresponding quarter of RM8.2 million. This is mainly due to the increased in cost of sales.

13. Variation of results against preceding quarter

Group revenue dropped from RM50.2 million to RM49.1 million as compared to the immediate preceding quarter. Group profit before tax of RM3.9 million was down by RM3.4 million compared to the immediate preceding quarter of RM7.3 million largely due to the higher cost of sales.

14. Current year prospects

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

15. Profit forecast or profit guarantee

Not applicable.

16. Income Tax expense

	Three months ended 30 September		Current year-to-date ended 30 September	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current income tax				
Malaysian - current year	96	116	361	379
- prior year	59	-	59	-
	<u>155</u>	<u>116</u>	<u>420</u>	<u>379</u>
Deferred Tax				
Origination and reversal of temporary differences	150	1,300	2,700	300
Recognition of previously unrecognised tax losses	1,150	-	1,150	-
	<u>1,300</u>	<u>1,300</u>	<u>3,850</u>	<u>300</u>
Income tax expense from continuing operations	<u>1,455</u>	<u>1,416</u>	<u>4,270</u>	<u>679</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

16. 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:

	30 September 2010 RM'000
Profit before taxation	17,816
Taxation at Malaysian statutory tax rate of 25%	4,454
Income not subject to tax	(270)
Expenses not deductible for tax purposes	824
Deferred tax assets recognised in respect of unutilised reinvestment allowances	(1,947)
Under provision in prior year	1,209
Tax expense for the year	4,270

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

	30 September 2010 RM'000
Unutilised reinvestment allowances	294,419
Unabsorbed capital allowances	12,918

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 rejection of the reinvestment allowances by IRB may potentially reduce the above unutilized reinvestment allowances by RM231.3 million and hence, the amount of unutilized reinvestment allowance available to set off against future taxable profits. The subsidiary has submitted an appeal to the IRB and the management, after consulting the tax lawyers, is of the opinion that there are grounds to appeal against the rejection.

The deferred tax calculation of the Group as at 30 September 2010 has taken into account of the unutilized reinvestment allowance rejected of RM231.3 million. In the event that the subsidiary is not successful in its appeal, the deferred tax liability of the Group will increase by approximately RM57.8 million with the corresponding amount being expensed to the consolidated income statement.

As of year to date, further to the discussions held with the IRB, the subsidiary company has submitted the revised tax computation for assessment years 2000 (current year basis) to 2007 and is currently awaiting the issuance of revised assessments from the IRB. The revised assessments, if issued, will reduce the unutilized reinvestment allowance under dispute from RM231.3 million to an appealed amount of RM221.5 million.

Notes to the Condensed Consolidated Interim Financial Statements

17. Unquoted investments and properties

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

18. 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 30 September 2010 and financial year to-date 30 September 2010 and gain/loss arising there from are as follows:

	Three months ended 30 September 2010 RM'000	Year-to-date 30 September 2010 RM'000
Balance at 01-07-10/01-01-10	22,006	21,060
Add : Purchase of investments	5,928	21,438
Less : Proceeds from disposal of investments	(5,745)	(20,978)
Gain/(Loss) on disposal of investments	142	811
Fair value of quoted investments	406	407
Gross Balance at 30-09-10	22,738	22,738

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

As at 30 September 2010 and 31 December 2009, the funds were invested as follows:

	Year-to-date 30 September 2010 RM'000	Year-to-date 31 December 2009 RM'000
Shares quoted in Malaysia, at fair value	19,821	17,125
Fixed deposits with licensed banks	1,323	1,147
Money market placement	1,594	2,788
Total	22,738	21,060

19. 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 been expired on 14 July 2010.

Notes to the Condensed Consolidated Interim Financial Statements

20. Loans and borrowings

	Currency	At 30 September 2010 RM'000	At 31 December 2009 RM'000
Non-current			
<i>Unsecured:</i>			
Term Loan from Penang State Government	RM	66,111	71,788
Current			
<i>Unsecured:</i>			
Term Loan from Penang State Government	RM	6,552	6,552
Total loans and borrowings		<u>72,663</u>	<u>78,340</u>

(a) Issues and repayment schedule

The following current loans and borrowings were repaid during the nine months ended 30 September 2010:

	Interest Rate Nominal	Face value RM'000	Carrying amount RM'000
Repayments			
Unsecured term loans	0%	<u>(5,677)</u>	<u>(5,677)</u>

21. Off balance sheet financial instrument

The Group does not have any financial instruments with off balance sheet risk as at 13 November 2010, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

22. Material litigation

As at 13 November 2010, there was no material litigation against the Group except as disclosed in note 10.

23. Dividends

The Board of Directors has declared an interim tax exempt dividend of 3% amounting to approximately RM4,969,000 in respect of the financial year ending 31 December 2010 for the current quarter ended 30 September 2010 (30 September 2009 – interim tax exempt dividend of 2% amounting to RM3,312,000).

Notes to the Condensed Consolidated Interim Financial Statements

24. Earnings per ordinary share
Basic earnings per ordinary shareholders

Profit for the period	2,413	6,800	13,546	12,866
	<u>2,413</u>	<u>6,800</u>	<u>13,546</u>	<u>12,866</u>
Issued ordinary shares at 1 January	331,230	331,206	331,230	331,206
Effect of share buyback	(1)	(1)	(1)	(1)
Weighted average number of ordinary shares	<u>331,229</u>	<u>331,205</u>	<u>331,229</u>	<u>331,205</u>
	<u>331,229</u>	<u>331,205</u>	<u>331,229</u>	<u>331,205</u>
	<u>0.73</u>	<u>2.05</u>	<u>4.09</u>	<u>3.88</u>
Basic earnings per ordinary share	<u>0.73</u>	<u>2.05</u>	<u>4.09</u>	<u>3.88</u>

Diluted earnings per share

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

25. 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.