

MALAYSIAN AE MODELS HOLDINGS BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 28 FEBRUARY 2011

The figures have not been audited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28-Feb-11 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 28-Feb-10 RM'000	CURRENT FINANCIAL YEAR 28-Feb-11 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 28-Feb-10 RM'000
Revenue	137,149	118,847	361,483	315,468
Operating expenses	(128,673)	(111,619)	(340,853)	(300,164)
Other operating income	1,271	469	2,222	630
Profit from operations	9,747	7,697	22,852	15,934
Finance cost	(4,748)	(4,050)	(13,727)	(11,191)
Share of profit/ (loss) of associated companies	-	-	-	-
Profit before taxation	4,999	3,647	9,125	4,743
Taxation	(1,738)	(910)	(3,047)	(1,295)
Profit for the period	3,261	2,737	6,078	3,448
Other comprehensive income:				
Foreign currency translation	(526)	448	(1,872)	(305)
Total comprehensive profit/ (loss) for the period	2,735	3,185	4,206	3,143
Profit / (Loss) attributable to:				
Owners of the Parent	3,261	2,909	6,078	3,412
Non-Controlling Interest	-	(172)	-	36
Total comprehensive income attributable to:				
Owners of the Parent	2,735	3,185	4,206	3,143
Non-Controlling Interest	-	-	-	-
Earnings per share (sen)				
i) Basic	3.05	2.72	5.68	3.19

(The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010)

MALAYSIAN AE MODELS HOLDINGS BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2011

The figures have not been audited

	AS AT END OF CURRENT FINANCIAL QUARTER 28-Feb-11 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31-May-10 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	140,479	152,596
Prepaid Lease Payment	8,354	8,485
Associated companies	3,831	3,831
Other Investments	9,603	9,603
	162,267	174,515
Current Assets		
Inventories	9,362	13,494
Trade receivables	272,599	262,720
Amount due from customers on contracts	118,139	75,226
Other receivables, deposits and prepayments	13,019	9,265
Cash and cash equivalents	22,256	31,831
	435,375	392,536
TOTAL ASSETS	597,642	567,051
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	110,071	110,071
Reserves		
Retained profits	109,605	104,330
Others	-946	926
	218,730	215,327
Non-Controlling Interest	7	7
Total Equity	218,737	215,334
Non Current Liabilities		
Long term loans	25,366	67,659
Hire purchase and lease creditors	3,302	1,771
Deferred taxation	272	2,141
	28,940	71,571
Current Liabilities		
Short term bank borrowings	310,617	249,755
Hire purchase and lease creditors	983	982
Trade payables	20,613	18,522
Other payables and trade accruals	11,519	6,987
Taxation	6,233	3,900
Proposed Dividend	0	0
	349,965	280,146
Total Liabilities	378,905	351,717
TOTAL EQUITY AND LIABILITIES	597,642	567,051
Net assets per share (sen)	199	196

(The Condensed Consolidated Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010)

MALAYSIAN AE MODELS HOLDINGS BERHAD
(Incorporated in Malaysia)

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY 2011

	CURRENT FINANCIAL PERIOD 28-Feb-11 RM'000	CURRENT FINANCIAL YEAR 28-Feb-10 RM'000
Cash flows from operating activities		
Net profit before taxation	9,125	4,743
Adjustment for non-cash flow :		
Non-cash items	8,691	13,060
Interest paid	13,727	11,191
Interest received	(5)	(53)
Operating profit before changes in working capital	<u>31,538</u>	<u>28,941</u>
Changes in working capital		
Net changes in current assets	(52,563)	(32,079)
Net changes in current liabilities	6,622	736
Cash (used in)/generated from operations	<u>(14,403)</u>	<u>(2,402)</u>
Taxation paid	(2,431)	(4,671)
Interest paid	(13,727)	(11,191)
Interest received	5	53
Net cash used in operating activities	<u>(30,556)</u>	<u>(18,211)</u>
Investing Activities		
Other investments	881	(10,604)
Net cash (used in)/generated from investing activities	<u>881</u>	<u>(10,604)</u>
Financing Activities		
Net proceeds from issuance of shares	-	-
Dividend paid	-	(803)
Bank borrowings	20,100	30,483
Net cash (used in)/generated from financing activities	<u>20,100</u>	<u>29,680</u>
Net increase/(decrease) in cash and cash equivalents	(9,575)	865
Cash and cash equivalents at beginning of year	31,831	33,613
Cash and cash equivalents at end of the year	<u><u>22,256</u></u>	<u><u>34,478</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010)

MALAYSIAN AE MODELS HOLDINGS BERHAD
(Incorporated in Malaysia)

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD YEAR ENDED 28 FEBRUARY 2011

-----Attributable to equity holders of the parent-----

GROUP	Share capital	-----Non- Distributable -----	Distributable	Total	Minority Interest	Total Equity	
	RM'000	Exchange Reserve RM'000	Capital Reserve RM'000				Retained Profit RM'000
At 1 JUNE 2010	110,071	688	238	104,330	215,327	7	215,334
Total comprehensive (loss)/income for the period	-	(1,872)	-	6,078	4,206	-	4,206
Dividend	-	-	-	(803)	(803)	-	(803)
At 28 FEBRUARY 2011	110,071	(1,184)	238	109,605	218,730	7	218,737
At 1 June 2009	110,071	2,946	255	98,221	211,493	2,906	214,399
Total comprehensive (loss)/income for the period	-	(305)	-	3,412	3,107	36	3,143
Dividend	-	-	-	(803)	(803)	-	(803)
At 28 February 2010	110,071	2,641	255	100,830	213,797	2,942	216,739

MALYSIAN AE MODELS HOLDINGS BERHAD (239808- H)
PART A - EXPLANATORY NOTES PURSUANT TO FRS 134
FOR THE QUARTER ENDED 28 FEBRUARY 2011

A1. Basis of preparation

The Quarterly Report had been prepared in accordance with the reporting requirements under the Financial Reporting Standard (FRS) 134 - "Interim Financial Reporting" issued by the Malaysian Accounting Reporting Standard (MASB) and Para 9.22 of the Bursa Malaysia Securities Berhad(BMSB) 's Listing Requirements and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 May 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 31 May 2010.

i) Adoption of New and Revised FRSs, IC Interpretations and Amendments

In the current period ended 30 November 2010 the Group adopted the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations which are applicable to its financial statements and are relevant to its operations :

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time adoption of Financial Reporting Standards and RS 127: Consolidated and Separate Financial Statements: Cost of an Investment in Subsidiary, Jointly Controlled Entity or Associate.
Amendments to FRS 2	Share-based Payments Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosure and IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transaction
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The principal effects of the changes in presentation, changes in methods of computation and in accounting policies resulting from the adoption of the new and revised FRSs, IC Interpretations and Amendments are set out below:

FRS 101(revised), Presentation of Financial Statements

The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity ' are required to be shown in a statement of comprehensive income which will be presented as a single statement.

FRS 139, Financial Instruments: Recognition and Measurement

The Group classifies its financial assets and liabilities in the following categories: loan and receivables, held-to-maturity, available -for-sale and financial liabilities at cost. The classification depends on the nature of the assets and the purpose for which the asset was acquired. Management determines the classification of its financial assets and liabilities at initial recognition. Set out below are the major changes in classification of financial assets and liabilities of the Group:

(i) Available-for-sale financial assets

Other investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value plus transaction cost and subsequently, at fair value.

Changes in fair values of the available-for-sale investment are recognised in other comprehensive income. A significant or prolonged decline in the fair value of the investment below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in the profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are reversed through other comprehensive income and not through profit or loss.

When investments classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

(ii) Loans and receivables

Non-current receivables, previously measured at invoice amount and subject to impairment are now classified as loans and receivables and measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

If, in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(iii) Payables

Payables were previously measured initially and subsequently at cost, are now initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method.

Amendment to FRS 117, Leases

Prior to the adoption of the Amendment to FRS 117, leasehold lands were treated as operating leases. The considerations paid were classified and presented as prepaid lease payment in the statement of financial position. With the adoption of the Amendment to FRS 117, the classification of a leasehold land as a finance lease or an operating lease is based on the extent to which risks and rewards incident to ownership lie. In making this judgment, the Directors have concluded that lands with an initial lease period of 50 years or more are finance leases because the present value of the minimum lease payments (ie the consideration paid or payable) is substantially equal to the fair value of the land. Accordingly, the Group had changed the classification of long leasehold land from operating leases to finance leases in the current quarter. This change in classification has no effect to the profit or loss of the current period ended 30 November 2010 or the comparative prior period.

A3 Qualification of audit report of the preceding annual financial statements

The audit report of the Group's most recent annual financial statements was not subject to any audit qualification.

A4 Seasonality or cyclicity of interim operations

The Group's business operations are not generally affected by any seasonal or cyclical factors.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A6 Changes in accounting estimates

There were no changes in estimates of amounts reported that have a material effect in the current quarter.

A7 Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debts for the current financial year-to-date.

A8 Dividends paid

There was no dividend paid during the current financial period.

A9 Segmental Reporting

The Group's segmental report for the current financial period-to-date are as follows :-

28-Feb-11	M'sia RM'000	outside M'sia RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	311,407	50,075	-	361,482
Inter-segment sales	192,877	-	(192,877)	-
Total revenue	504,284	50,075	(192,877)	361,482
Results				
Segment result	33,774	(801)	(10,121)	22,852
Finance cost	(12,945)	(782)	-	(13,727)
Share of result of associate	-	-	-	-
Taxation	(5,368)	-	2,322	(3,047)
Profit / (Loss) after taxation	15,461	(1,583)	(7,800)	6,078
Minority interests	-	-	-	-
Net profit / (loss) for the year	15,461	(1,583)	(7,800)	6,078
Asset				
Segment assets	480,078	113,733	-	593,812
Investments in associate	3,831	-	-	3,831
Consolidated total asset	483,909	113,733	-	597,642
Liabilities				
Segment liabilities	338,273	40,870	-	379,143
Consolidated total liabilities	338,273	40,870	-	379,143

28-Feb-10	M'sia RM'000	outside M'sia RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	292,535	22,933	-	315,468
Inter-segment sales	138,355	-	(138,355)	-
Total revenue	430,890	22,933	(138,355)	315,468
Results				
Segment result	29,011	(261)	(9,616)	19,134
Finance cost	(14,102)	(289)	-	(14,391)
Share of result of associate	-	-	-	-
Taxation	(1,161)	(134)	-	(1,295)
Profit / (Loss) after taxation	13,748	(684)	(9,616)	3,448
Minority interests	(36)	-	-	(36)
Net profit / (loss) for the year	13,712	(684)	(9,616)	3,412
Asset				
Segment assets	471,650	101,315	-	572,965
Investments in associate	-	-	-	-

Consolidated total asset	<u>471,650</u>	<u>101,315</u>	<u>-</u>	<u>572,965</u>
Liabilities				
Segment liabilities	<u>326,003</u>	<u>30,223</u>	<u>-</u>	<u>356,226</u>
Consolidated total liabilities	<u>326,003</u>	<u>30,223</u>	<u>-</u>	<u>356,226</u>

A11 Valuation of property, plant and equipment

There were no material changes in the valuation on property, plant and equipment since the last annual financial statements.

A12 Subsequent Events

There are no subsequent material events after the financial year.

A13 Changes in the composition of the Group

There are no changes to the composition of the Group during the current quarter of the financial year.

A14 Changes in Contingent Liabilities-Unsecured

Corporate guarantees given to licensed banks
in respect of facilities granted to subsidiaries

As at
28-Feb-11
RM'000
116,073

MALAYSIAN AE MODELS HOLDINGS BERHAD (239808- H)
PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX B

B1. Review of performance

For the year ended 28 February 2011 the Group achieved a turnover of RM361.48 million compared to RM315.47 million registered in the previous year . The profit before taxation for the period ended 28 February 2011 was at RM 9.12mil as compared to RM 4.74 mil in the previous year mainly due to the higher turnover and better profit margin arose from logistics projects delivered during current quarter.

B2. Variation of results against preceding quarter

The Group reported a net profit of RM 6mil for the current quarter under review as compared to a net profit of approximately RM3mil in the immediate preceding quarter. The higher in profit is due to better profit margin arose from logistic projects delivered during the current quarter.

B3. Prospects for current financial year

The Group is confident on the improvements of the global economy which may enhance the future profit of the Group moving forward. With the current order book and barring any unforeseen circumstances, the Board of Directors is optimistic that the Group will remain profitable for the remaining quarters of the financial year.

B4. Profit forecast / Profit guarantee

The Group has not provided any profit forecast or profit guarantee.

B5. Taxation

Taxation comprises :

	Current Year Quarter Ended	Cumulative Current Year To Date
	28-Feb-11	28-Feb-11
	RM'000	RM'000
Taxation for the current period	1,738	3,047
	1,738	3,047

B6. Profit/Loss on sale of unquoted investments and / or properties

There are no sales of unquoted investment and /or properties during the current financial quarter.

B7. Purchase or disposal of quoted securities

(a) There was no purchases of quoted securities for the current quarter under review.

(b) Investment in quoted securities as at 28 Feb 2011

	RM
(i) At costs	3,400
(ii) At carrying value/book value	360
(iii) At Market value	800

B8. Status of corporate proposals

There is no outstanding proposal announced but not completed as at todate.

B9. Group's borrowings and debt securities

Total Group's borrowings as at 28 February 2011 are as follows :

Long Term Loan

	RM'000	SS'000	RMB'000	Total RM'000
Total outstanding balances - Secured	44,574	0	13,867	58,441
Total outstanding balances - Unsecured	25,605	0	0	25,605
Amount payable within the next 12 months	56,930	0	1,750	58,680
Total outstanding balances after 12 months	13,249	0	12,117	25,366

Short Term Loan

	RM'000	SS'000	RMB'000	Total RM'000
Secured:-				
Bill payable	145,909	0	0	145,909
Bank Overdraft	11,558	0	0	11,558
Current portion of long term loan	56,930	0	1,750	58,680
Subtotal	214,397	0	1,750	216,147
Unsecured:-				
Bank overdraft	1,968	0	0	1,968
Bill payable	92,502	0	0	92,502
Subtotal	94,470	0	0	94,470
Grand Total	308,867	0	1,750	310,617

B10. Off balance sheet financial instruments

During the financial year-to-date, the Group did not enter into any contracts involving off balance sheet financial instruments.

B11. Changes in material litigation

Saved as disclosed in the most recent financial statement , the Group did not engage in other material litigation, either as a plaintiff or defendant .

B12. Proposed Dividends

The Board of Directors did not propose/declare any dividend for the current reporting quarter.

B13. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits/(accumulated losses) at the legal entity level is prepared in accordance with Guidance on Special matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

	Current Year Quarter Ended	Cumulative Current Year To Date
	28-Feb-11	31-May-10
	RM'000	RM'000
Realised and Unrealised Profit or Losses		
Total retained profits of Malaysian AE Models Holdings Berhad and its subsidiaries:		
- Realised	122,022	115,210
- Unrealised	<u>(2,668)</u>	<u>(8,920)</u>
	119,354	106,290
Add: Consolidation adjustments	<u>(9,749)</u>	<u>(1,960)</u>
Total Group retained profits as per consolidated accounts	<u>109,605</u>	<u>104,330</u>

B14. Earnings per share**(i) Basic earnings per share**

	Three months ended		Six months ended	
	28-Feb-11	28-Feb-10	28-Feb-11	28-Feb-10
Earnings	RM'000	RM'000	RM'000	RM'000
Earning for the purpose of basic earning per shares	<u>3,261</u>	<u>2,909</u>	<u>6,078</u>	<u>3,412</u>
Number of shares	No.'000	No.'000	No.'000	No.'000
Weighted average number of ordinary shares for the purpose of basic earnings share	<u>107,007</u>	<u>107,007</u>	<u>107,007</u>	<u>107,007</u>
Weighted average number of ordinary shares for the purpose of diluted earnings share	<u>107,007</u>	<u>107,007</u>	<u>107,007</u>	<u>107,007</u>
Basic earnings per share (sen)	<u>3.05</u>	<u>2.72</u>	<u>5.68</u>	<u>3.19</u>

Datuk Dr Lim Kee Sinn
29-Apr-11