

**P.I.E. INDUSTRIAL BERHAD ( COMPANY NO. : 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 1ST QUARTER ENDED 31 MARCH 2011**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 31.03.2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.03.2010 RM'000	CURRENT YEAR TO DATE 31.03.2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.03.2010 RM'000
Revenue	8	76,090	69,407	76,090	69,407
Cost of sales		<u>(66,542)</u>	<u>(56,393)</u>	<u>(66,542)</u>	<u>(56,393)</u>
Gross profit		9,548	13,014	9,548	13,014
Administrative and distribution expenses		(4,923)	(5,547)	(4,923)	(5,547)
Other operating income/(expenses)		1,282	523	1,282	523
Income from other investments		<u>669</u>	<u>780</u>	<u>669</u>	<u>780</u>
Profit before tax	8	6,576	8,770	6,576	8,770
Income tax expense	18	<u>(1,149)</u>	<u>(1,982)</u>	<u>(1,149)</u>	<u>(1,982)</u>
Profit for the period		<u>5,427</u>	<u>6,788</u>	<u>5,427</u>	<u>6,788</u>
Other comprehensive income, net of tax					
Currency translation differences		<u>(925)</u>	<u>(678)</u>	<u>(925)</u>	<u>(678)</u>
Other comprehensive income, net of tax		<u>(925)</u>	<u>(678)</u>	<u>(925)</u>	<u>(678)</u>
Total comprehensive income for the period		<u>4,502</u>	<u>6,110</u>	<u>4,502</u>	<u>6,110</u>
Basic earnings per ordinary share (sen)	26	<u>8.483</u>	<u>10.607</u>	<u>8.483</u>	<u>10.607</u>
Diluted earnings per ordinary share (sen)	26	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( COMPANY NO. : 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2011**

	UNAUDITED AS AT 31.03.2011	AUDITED AS AT 31.12.2010
Note	RM'000	RM'000
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<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9 32,912	32,625
Investment properties	27,395	27,442
Prepaid lease payments	12,659	12,744
Goodwill on consolidation	1,722	1,722
Investment in jointly controlled entity	372	372
Deferred tax assets	2,639	2,598
<b>Total non-current assets</b>	<u>77,699</u>	<u>77,503</u>
<b>Current assets</b>		
Inventories	34,934	27,073
Trade and other receivables	82,593	71,546
Available-for-sale financial assets	100	0
Other financial assets	0	200
Current tax assets	3,746	937
Other assets	794	2,101
Restricted cash	56	57
Short-term deposits with licensed banks	70,949	75,195
Cash and bank balances	22,512	27,921
<b>Total current assets</b>	<u>215,684</u>	<u>205,030</u>
<b>TOTAL ASSETS</b>	<u>293,383</u>	<u>282,533</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to equity holders of the Company</b>		
Share capital	64,007	64,007
Less: Treasury Shares, at Cost	(99)	(99)
Reserves	32,359	33,382
Retained Earnings	141,721	136,196
<b>Total equity</b>	<u>237,988</u>	<u>233,486</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	4,299	4,332
<b>Current liabilities</b>		
Trade and other payables	47,394	43,587
Current tax liabilities	3,702	1,128
<b>Total current liabilities</b>	<u>51,096</u>	<u>44,715</u>
<b>Total liabilities</b>	<u>55,395</u>	<u>49,047</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>293,383</u>	<u>282,533</u>
<b>NET ASSETS</b>	237,988	233,486
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)</b>		
	3.72	3.65

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 1ST QUARTER ENDED 31 MARCH 2011**

	<u>Share Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Non- distributable</u> RM'000	<u>Distributable Retained profits</u> RM'000	<u>Total</u> RM'000
<b>Period ended 31 March 2010</b>					
Balance as of 1 January 2010	64,007	(40)	31,616	127,021	222,604
Net profit for the period	0	0	0	6,788	6,788
Exchange difference on translation of net investment in foreign subsidiaries	0	0	(678)	0	(678)
Total comprehensive income for the period	0	0	(678)	6,788	6,110
Transfer due to realisation of revaluation reserve	0	0	(76)	76	0
Balance as of 31 March 2010	<u>64,007</u>	<u>(40)</u>	<u>30,862</u>	<u>133,885</u>	<u>228,714</u>
<b>Period ended 31 March 2011</b>					
Balance as of 1 January 2011	64,007	(99)	33,382	136,196	233,486
Net profit for the period	0	0	0	5,427	5,427
Exchange difference on translation of net investment in foreign subsidiaries	0	0	(925)	0	(925)
Total comprehensive income for the period	0	0	(925)	5,427	4,502
Transfer due to realisation of revaluation reserve	0	0	(98)	98	0
Balance as of 31 March 2011	<u>64,007</u>	<u>(99)</u>	<u>32,359</u>	<u>141,721</u>	<u>237,988</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 1ST QUARTER ENDED 31 MARCH 2011**

	3 months ended	
	31.03.2011 RM'000	31.03.2010 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	5,427	6,788
Adjustments for:		
Income tax expense	1,149	1,982
Non-cash items	1,508	1,556
Non-operating items	(206)	(83)
Operating profit before working capital changes	<u>7,878</u>	<u>10,243</u>
Changes in working capital:		
Net change in current assets	(17,871)	(6,673)
Net change in current liabilities	3,807	2,691
Cash (used in)/generated from operations	<u>(6,186)</u>	<u>6,261</u>
Tax refunded	0	930
Tax paid	(1,446)	(1,457)
Net cash (used in)/generated from operating activities	<u>(7,632)</u>	<u>5,734</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	219	340
Purchase of property, plant and equipment	(1,278)	(2,913)
Cost of service of Investment Property	0	(316)
Purchase of investment in income funds	(100)	0
Net cash used in investing activities	<u>(1,159)</u>	<u>(2,889)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank balances held as security	1	0
Net cash generated from financing activities	<u>1</u>	<u>0</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(8,790)</u>	<u>2,845</u>
Effect of foreign exchange rate differences	(865)	(650)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>103,116</u>	<u>119,896</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>93,461</u>	<u>122,091</u>
<b>REPRESENTED BY:-</b>		
Short-term deposits with licensed banks	70,949	97,727
Cash and bank balances	<u>22,512</u>	<u>24,364</u>
	<u>93,461</u>	<u>122,091</u>

The Unaudited Condensed Consolidated Statement of Cash Flowsshould be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

*P.I.E. INDUSTRIAL BERHAD (COMPANY NO.: 424086-X)*  
*NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT*  
*FOR THE 1ST QUARTER ENDED 31 MARCH 2011*

**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134, INTERIM FINANCIAL REPORTING**

**1 Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with the requirements of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in compliance with Financial Reporting Standards (“FRSs”) 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB), and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2010.

The unaudited interim financial report contains condensed consolidated financial statements and selected explanatory notes which provide an explanation of the events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2010. The unaudited condensed consolidated financial statements and explanatory notes thereon do not include all of the information required for full set of financial statements to be prepared in accordance with Financial Reporting Standards (FRSs).

**2 Changes in Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the unaudited interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2010.

The Group has adopted the following FRSs, IC Interpretation and Amendments to FRSs that have been issued by the MASB.

- |                               |  |
|-------------------------------|--|
| (a) FRS 1                     | First-time Adoption of Financial Reporting Standards (revised)   |
| (b) FRS 127                   | Consolidated and Separate Financial Statements (revised)   |
| (c) Amendments to FRS 1       | First-time Adoption of Financial Reporting Standards<br>- Limited exemption from Comparative FRS Disclosures for First-time Adopters |
| (d) Amendments to FRS 1       | First-time Adoption of Financial Reporting Standards<br>- Additional Exemption for First-time Adopters                               |
| (e) Amendments to FRS 2       | Share-based Payment<br>- Scope of FRS 2 and Revised FRS 3  |
| (f) Amendments to FRS 2       | Share-based Payment<br>- Group Cash-settled Share-based Payment Transactions   |
| (g) Amendments to FRS 3       | Business Combination   |
| (h) Amendments to FRS 5       | Non-current Assets Held for Sales and Discontinued Operations<br>- Plan to Sell Controlling Interest in a Subsidiary                 |
| (i) Amendments to FRS 7       | Financial Instruments : Disclosures<br>- Improving Disclosures about Financial Instruments   |
| (j) Amendments to FRS 128     | Investments in Associates  |
| (k) Amendments to FRS 132     | Financial Instruments : Presentation<br>- Classification of Right Issues   |
| (l) Amendments to FRS 138     | Intangible Assets<br>- Additional Consequential Amendments Arising from Revised FRS 3  |
| (m) Amendments to FRS 139     | Financial Instruments : Recognition and Measurement  |
| (n) Improvements to FRSs 2010 |  |

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(o) IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
(p) IC Interpretation 9	Reassessment of Embedded Derivatives
(q) IC Interpretation 12	Service Concession Arrangements
(r) IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
(s) IC Interpretation 17	Distributions of Non-cash Assets to Owners
(t) IC Interpretation 18	Transfer of Assets from Customers

The adoption of the other FRSs, IC Interpretation and Amendments to FRS do not have significant impact on the financial statements of the Group other than the additional disclosures as required by the relevant FRS.

The Group has not adopted the following FRSs, IC Interpretation and Amendments to FRSs that are effective for financial statements commencing 1 January 2012. The directors anticipate that the Standards and Interpretations will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

(a) FRS 124	Related Party Disclosures (revised)
(b) IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction - Prepayments of a Minimum Funding Requirement
(c) IC Interpretation 15	Agreements for the Construction of Real Estate
(d) IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

### **3 Seasonal or Cyclical Factors**

The cyclical nature of the manufacturing sector is generally correlated to the global economy and is normally seasonal with demand peaking at the year-end festive seasons.

### **4 Unusual Items Due To Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period-to-date because of their nature, size or incidence.

### **5 Changes in Estimates**

There were no material changes in estimates of amount reported in either the prior interim period of the current financial period or prior financial years that have a material effect on the results during the current quarter and financial period-to-date.

### **6 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 March 2011.

As of 31 March 2011, out of the total 64,007,000 issued and fully paid-up share capital, 26,700 are held as treasury shares. Hence, the number of outstanding ordinary shares in issue and fully paid-up is 63,980,300 ordinary shares of RM1 each. Shares purchased were stated at cost.

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**7 Dividends Paid**

The Company did not pay any dividend to its shareholders during the financial period ended 31 March 2011.

**8 Operating Segment**

FRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker, which is defined as the Executive Board.

The Group is focused in three areas of activity. There are manufacturing, trading and others which is investment holding and inter-segment pricing is determined based on a negotiated basis.

Segments	Manufacturing RM'000	Trading RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b><u>Period ended 31 March 2011</u></b>					
Revenue	79,169	1,547	615	(5,241)	<u>76,090</u>
Segment results	5,776	(12)	139	4	5,907
Investment revenue					<u>669</u>
Profit before tax					<u>6,576</u>
<b><u>Period ended 31 March 2010</u></b>					
Revenue	73,329	1,408	615	(5,945)	<u>69,407</u>
Segment results	8,036	7	(80)	27	7,990
Investment revenue					<u>780</u>
Profit before tax					<u>8,770</u>

**9 Revaluation of Property, Plant and Equipment**

The valuation of property, plant and equipment have been brought forward without amendment from the previous annual audited financial statements for the year ended 31 December 2010.

**10 Material Post Balance Sheet Events**

There are no material events subsequent to the end of the current quarter that requires adjustment to, or disclosure in the unaudited interim financial report for the financial period ended 31 March 2011.

**11 Changes in the Composition of the Group**

There was no change in the composition of the Group for the current quarter and financial period-to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**  
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**12 Contingent Liabilities**

As of 31 March 2011, there were obligations and contingent liabilities for the Group resulting from the issuance of letter of guarantee on a foreign subsidiary company's import duties by a bank amounting to approximately RM 234,000.

There is no change in the contingent liabilities in respect of guarantees given by the Company to certain banks and financial institutions for banking facilities granted to and utilised by its subsidiary companies.

**13 Capital Commitment**

There was no capital expenditure contracted but not provided for in the unaudited interim financial report of the Group during the current financial period under review.

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

**14 Review of Performance**

*Comparison with Previous Year Corresponding Quarter's Results*

The Group recorded a revenue of RM76.090 million and a profit before tax of RM6.576 million in the current quarter ended 31 March 2011.

The revenue was increased by RM6.683 million or 9.63% but the profit before tax was decreased by RM2.194 million or 25.02% if compared to revenue of RM69.407 million and a profit before tax of RM8.770 million in the preceding year corresponding quarter.

The increased in revenue was mainly due to higher demand in manufacturing and trading activities with the good sentiment in worldwide economy. The reduction in profit before tax was due to lower margin of product mix but partly narrowed by lower operating expenses.

**15 Comparison with Immediate Preceding Quarter's Results**

	<u>Individual Quarter Ended</u>		Variance RM '000	Variance %
	31.03.2011 RM '000	31.12.2010 RM '000		
Revenue	76,090	73,679	2,411	3.27%
Profit before tax	6,576	10,137	(3,561)	-35.13%

The Group's revenue for the quarter under review was increased by RM2.411 million or 3.27% if compared with the preceding quarter, RM73.679 million.

The Group recorded a profit before tax of RM6.576 million, representing a drop of RM3.561 million or 35.13% if compared to profit before tax of RM10.137 million in the preceding quarter. The decrease was mainly due to lower margin of product mix, higher operating expenses and higher slow moving inventories provision. However, the dropped of profit was partly limited by lower foreign currency transaction losses.



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**16 Current Year Prospect**

The company expects a satisfactory growth in revenue for the remaining period till the end of year. Barring any unforeseen circumstances, the performance and profit of the Group is expected to be improved in the coming quarters.

**17 Variance of Actual Profit from Forecast Profit**

Not applicable as no profit forecast was announced and published.

**18 Income Tax Expense**

	Quarter Ended		Period Ended	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM'000	RM'000	RM'000	RM'000
Income tax in respect of				
Current period	1,223	2,040	1,223	2,040
Deferred tax expense/(income)	(74)	(58)	(74)	(58)
	<u>1,149</u>	<u>1,982</u>	<u>1,149</u>	<u>1,982</u>

The Group's taxation for the current quarter and financial period-to-date reflects an effective tax rate which is lower than the statutory income tax rate mainly due to certain income which is not taxable and investment tax incentives enjoyed by the main subsidiaries in the Group.

**19 Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investment and/or property for the current quarter and financial period-to-date.

**20 Quoted Securities other than Securities in Existing Subsidiaries and Associates**

- (a) The dealings in quoted securities for the current quarter and current financial period ended 31 March 2011 are as follows:

	Quarter Ended	Period Ended
	<u>31.03.2011</u>	<u>31.03.2011</u>
	RM'000	RM'000
<u>Available-for-sale financial assets</u>		
Total purchases at cost	<u>100</u>	<u>100</u>

- (b) The details of the investments in quoted securities as at 31 March 2011 are as set out below:

<u>Available-for-sale financial assets</u>	RM'000
Total investments at market value	<u>100</u>

**21 Status of Corporate Proposals Announced**

There were no corporate proposals announced but pending completion as at the date of this unaudited interim financial report.

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**22 Group Borrowings and Debt Securities**

There were no borrowings and debt securities as of 31 March 2011.

**23 Financial Instruments with Off Balance Sheet Risk**

There was no off balance sheet financial instrument as at the date of this unaudited interim financial report.

**24 Changes in Material Litigation**

Save as disclosed below, the Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group:

- (a) Pan-International Electronics (Malaysia) Sdn. Bhd. (PIESB) had on 24 October 2002 commenced legal action against Xircom Operations (M) Sdn. Bhd. (Xircom) to claim the sum of Ringgit Malaysia Five Million Nine Hundred Fifty Seven Thousand Three Hundred Sixteen and Sen Twenty Only (RM5,957,316.20) for damages arising from the breach of contract to purchase goods and wrongful set-off of payment. Xircom has applied to the court for the case to be referred to arbitration while PIESB applied to set down preliminary issue down for trial. The Penang High Court has granted Xircom's application for arbitration. PIESB therefore proceed with the appeal No. P-02-1301-06 in the Court of Appeal against the decision of Penang High Court ordering the matter to go for arbitration.

The Board is advised by the Company's solicitor that PIESB has a reasonable chance to succeed in the claim. The Board has appointed Messrs Adam Abdullah & Mani (AAM) to commence a review of the case and provide the Board with an opinion of the PIESB's chances of success if we were to proceed with Arbitration. The Company had received the written opinion from AAM and the Company has decided to proceed with arbitration. Consequently, on advice by AAM, PIESB has withdrawn the appeal to the Court of Appeal. PIESB will commence arbitration proceedings against the Xircom. PIESB has nominated our proposed arbitrator to Xircom and is awaiting their response. Since the proposed arbitrator has not responded, AAM had suggested to management the potential of changing the arbitrator. PIESB has contacted a local arbitrator whom has agreed for the nomination. Such nomination is pending the confirmation from Xircom's lawyer.

- (b) Pan International Electronics (Thailand) Co., Ltd. (PIT) had on 30 December 2003 commenced legal action against Delta Electronics (Thailand) Public Company Limited (Delta) to claim the sum of Baht13,559,759 (equivalent to approximately RM1,331,568) for the compensation damages as a result of the cancellation of purchase orders by Delta. Although the Court of First Instance gave the verdict to dismiss the case on 21 August 2006, PIT has proceeded with the appeal No. 01057/2549 (2006) in the Court of Appeal through the Samutprakarn Provincial Court against the decision on 29 December 2006. However, the Court of Appeal has decided to uphold the judgement of the Court of First Instance. On 16 October 2008, PIT had filed an appeal to Supreme Court against the judgement of the Court of Appeal.

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**  
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**25 Dividends**

The following Dividends for the year ended 31 December 2010, has been approved by the Company's shareholders at the Fourteenth Annual General Meeting on 20 May 2011 and will be paid on 8 June 2011 to depositors registered in the Record of Depositors on 25 May 2011:

- (a) A Special Dividend of 23 sen per share less income tax at 25%; and
- (b) A First and Final Dividend of 12 sen per share less income tax at 25%.

**26 Earnings Per Ordinary Share**

*(a) Basic earnings per ordinary share*

Basic earnings per ordinary share amounts are calculated by dividing profit attributable to the ordinary equity shareholders by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	Quarter Ended		Period Ended	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Profit attributable to ordinary equity shareholders (RM'000)	5,427	6,788	5,427	6,788
Weighted average number of ordinary share in issue (units'000)	63,980	63,995	63,980	63,995
Basic earnings per ordinary share (sen)	<u>8.483</u>	<u>10.607</u>	<u>8.483</u>	<u>10.607</u>

*(b) Diluted earnings per ordinary share*

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial period-to-date.

**27 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the Group's most recent annual audited financial statements did not contain any qualification.

**28 Supplementary Information Disclosed Pursuant to Bursa Securities Listing Requirements**

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities LR. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the prescribed format required.

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The breakdown of the retained earnings of the Group as at 31 March 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and 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.

The breakdown of the retained profits of the Group as at 31 March 2011, into realised and unrealised profits, pursuant to directives, is as follows:

	As at 31.03.2011	As at 31.12.2010
	RM'000	RM'000
Total retained profits of P.I.E. Industrial Berhad and it's subsidiaries		
- Realised	178,210	172,759
- Unrealised	4,106	4,171
	<u>182,316</u>	<u>176,930</u>
Total share of retained profits from jointly controlled entity		
- Realised	347	347
- Unrealised	-	-
	<u>182,663</u>	<u>177,277</u>
Add : Consolidation adjustments	(40,942)	(41,081)
Total Group retained profits as per consolidated accounts	<u><u>141,721</u></u>	<u><u>136,196</u></u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and is not made for any other purposes.