

**FIBON BERHAD (Company No. 811010-H)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 AUGUST 2010**  
**(The figures have not been audited)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31.08.2010 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.08.2009 RM'000	CURRENT YEAR- TO-DATE 31.08.2010 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.08.2009 RM'000
Revenue	4,067	4,736	4,067	4,736
Cost of sales	-1,350	-2,006	-1,350	-2,006
<b>Gross Profit</b>	<b>2,717</b>	<b>2,730</b>	<b>2,717</b>	<b>2,730</b>
Other income	88	67	88	67
Selling & distribution costs	-42	-26	-42	-26
Administrative expenses	-619	-407	-619	-407
<b>Profit Before Taxation</b>	<b>2,144</b>	<b>2,364</b>	<b>2,144</b>	<b>2,364</b>
Income tax expense	-635	-97	-635	-97
<b>Profit After Taxation</b>	<b>1,509</b>	<b>2,267</b>	<b>1,509</b>	<b>2,267</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income For The Period</b>	<b>1,509</b>	<b>2,267</b>	<b>1,509</b>	<b>2,267</b>
Profit Attributable To :				
Equity holders of the parent	1,509	2,267	1,509	2,267
Non-controlling interest	-	-	-	-
	<b>1,509</b>	<b>2,267</b>	<b>1,509</b>	<b>2,267</b>
Total Comprehensive Income Attributable To :				
Equity holders of the parent	1,509	2,267	1,509	2,267
Non-controlling interest	-	-	-	-
	<b>1,509</b>	<b>2,267</b>	<b>1,509</b>	<b>2,267</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
- Basic (Sen)	1.54	2.31	1.54	2.31
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010 and the accompanying explanatory notes attached to this interim financial statements.

**FIBON BERHAD (Company No. 811010-H)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2010**

	Unaudited As at 31.08.2010 RM'000	Audited As at 31.05.2010 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	1,048	1,063
Intangible assets	1,117	1,108
	2,165	2,171
<b>Current assets</b>		
Inventories	1,061	1,344
Trade receivables	4,205	2,943
Other receivables, deposits and prepayments	423	111
Tax recoverable	4	46
Fixed deposits with licensed bank	13,220	11,993
Cash and bank balances	2,702	3,453
	21,615	19,890
<b>TOTAL ASSETS</b>	<b>23,780</b>	<b>22,061</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	9,800	9,800
Share premium	707	707
Other reserve	(2,600)	(2,602)
Translation reserve	(1)	-
Retained earnings	14,699	13,190
	22,605	21,095
<b>Total equity</b>	<b>22,605</b>	<b>21,095</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	465	340
	465	340
<b>Current liabilities</b>		
Trade payables	271	279
Other payables and accruals	345	331
Tax payable	94	16
	710	626
<b>Total liabilities</b>	<b>1,175</b>	<b>966</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,780</b>	<b>22,061</b>
<b>Net assets per share (RM)</b>	<b>0.23</b>	<b>0.22</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD (Company No. 811010-H)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 AUGUST 2010**  
**(The figures have not been audited)**

	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<b><u>3 months period ended 31 August 2010</u></b>						
As at 1 June 2010	9,800	707	(2,600)	(2)	13,190	21,095
Foreign exchange translation reserve	-	-	-	1	-	1
Total comprehensive income for the period	-	-	-	-	1,509	1,509
As at 31 August 2010	9,800	707	(2,600)	(1)	14,699	22,605
<b><u>3 months period ended 31 August 2009</u></b>						
As at 1 June 2009	9,800	707	(2,600)	*	10,871	18,778
Total comprehensive income for the period	-	-	-	-	2,267	2,267
As at 31 August 2009	9,800	707	(2,600)	*	13,138	21,045

\* Less than RM1,000

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD (Company No. 811010-H)**  
**(Incorporated in Malaysia)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 AUGUST 2010**  
**(The figures have not been audited)**

	<b>CURRENT YEAR- TO-DATE 31.08.2010 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31.08.2009 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax for the financial period	2,144	2,364
Adjustments for non cash items	(30)	(348)
	<u>2,114</u>	<u>2,016</u>
Changes in working capital	(1,224)	*
Cash from operations	<u>890</u>	<u>2,016</u>
Taxation paid	(389)	(85)
Net cash from operating activities	<u>501</u>	<u>1,931</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipments	(18)	(43)
Interest received	77	67
Net cash (used in)/from investing activities	<u>59</u>	<u>24</u>
Effect of exchange rate changes	(84)	146
Net Change in Cash & Cash Equivalents	476	2,101
Cash and Cash Equivalents at beginning of period	15,446	11,355
Cash and Cash Equivalents at end of period	<u>15,922</u>	<u>13,456</u>
<b>Cash and cash equivalents at the end of the financial period</b>		
<b>comprise the following:</b>	<b>31.08.2010</b>	<b>31.08.2009</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits with licensed bank	13,220	12,351
Cash and bank balances	2,702	1,105
	<u>15,922</u>	<u>13,456</u>

\* Less than RM1,000

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 May 2010 and the accompanying explanatory notes attached to this interim financial statements.

**FIBON BERHAD (Company No. 811010-H)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2010***

**A. INFORMATION REQUIRED BY FRS 134**

**1. *Basis of Preparation and Changes in Accounting Policies***

The condensed interim financial report is unaudited and has been prepared in accordance with FRS 134 - Interim Financial Reporting and Part A of Appendix 9B of the Bursa Malaysia Securities Berhad ("BMSB") Main Market Listing Requirements, and should be read in conjunction with the audited financial statements for the year ended 31 May 2010.

The accounting policies, methods of computation and basis of consolidation applied in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 May 2010, except for the adoption of the following new/revised Financial Reporting Standard ("FRS"), amendments to published standards and interpretations to existing standards as follows:

FRS 4 Insurance Contracts  
FRS 7 Financial Instruments: Disclosures  
FRS 8 Operating Segments  
FRS 101 (Revised) Presentation of Financial Statements  
FRS 123 (Revised) Borrowing Costs  
FRS 139 Financial Instruments: Recognition and Measurement  
Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate  
Amendments to FRS 2: Vesting Conditions and Cancellations  
Amendments to FRS 7, FRS 139 and IC Interpretation 9  
Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation  
Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments  
IC Interpretation 9 Reassessment of Embedded Derivatives  
IC Interpretation 10 Interim Financial Reporting and Impairment  
IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions  
IC Interpretation 13 Customer Loyalty Programmes  
IC Interpretation 14 : FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction  
Annual Improvements to FRSs (2009)

The adoption of these new and revised FRSs, amendments to FRSs and interpretations do not have any significant impact on the interim financial report of the Group.

**2. *Audit Report***

The auditor's report of the annual financial statements for the financial year ended 31 May 2010 did not contain any qualification.

**3. *Seasonal or Cyclical Factors***

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

**4. *Items of Unusual Nature or Amount***

There were no items affecting the assets, liabilities, equity, net income or cashflow during the current financial quarter under review that are unusual by reason of their size, nature or incidence.

**FIBON BERHAD (Company No. 811010-H)**

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2010**

**5. Changes in Estimates**

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current financial quarter.

**6. Debts and Equity Securities**

There were no issuance, repurchase, or repayment of debts and equity securities for the current financial period ended 31 August 2010.

**7. Dividends paid**

There were no dividends paid by the Company during the current financial quarter ended 31 August 2010.

**8. Segmental Information**

Sales revenue by products for the three (3) months financial period up to 31 August:

	<b>Current Period 31 August 2010 RM'000</b>	<b>Previous Period 31 August 2009 RM'000</b>
Manufacturing goods	3,637	3,191
Trading goods	430	1,545
<b>Total</b>	<b>4,067</b>	<b>4,736</b>

**9. Valuation of Property, Plant and Equipment**

There was no valuation of property, plant and equipment during the current financial quarter.

**10. Material Events Subsequent to the end of the Reporting Period**

On 13 July 2010, Hexa Analisa Sdn Bhd, a wholly owned subsidiary of Fibon Berhad had executed a Sale and Purchase Agreement for the acquisition of land and Sale of Assets Agreement for the acquisition of Plant and Machineries for a total cash consideration of Ringgit Malaysia Two Million Nine Hundred and Sixty One Thousand Only (RM2,961,000.00) from CPC Polyply Industries (M) Sdn Bhd which constitute a related party transaction, subject to the term and conditions as stipulated in the Sale and Purchase Agreement and Sale of Assets Agreement.

The above transactions have been approved by the shareholders in an Extraordinary General Meeting which was held on 22 October 2010.

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

There were no changes in the composition of the Group during the current quarter.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no material changes in the contingent liabilities and contingent assets since the last annual balance sheet as at 31 May 2010.

**13. Capital Commitments**

There were no other capital commitments subsequent to the end of the current financial quarter reported except as disclose in Note B 8 below.

**FIBON BERHAD (Company No. 811010-H)**

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2010****B. Additional information required by BMSB Listing Requirements****1. Review of Performance**

In the current quarter ended 31 August 2010, the Group registered lower revenue of RM4,067,000 compared to previous corresponding quarter ended 31 August 2009 of RM4,736,000 mainly due to decrease in trading sales. Profit before tax has decreased from RM2,364,000 to RM2,144,000 as a result of the decrease in sales.

**2. Comparison with the preceding quarter's results**

The Group posted a higher revenue in the current quarter of RM4,067,000 as compared to the preceding quarter ended 31 May 2010 of RM2,746,000 representing an increase of RM1,321,000. Profit before tax has increased from RM1,043,000 to RM2,144,000 mainly due to higher sales and lower administrative expenses incurred.

**3. Commentary on the Prospects**

Despite facing various general economic challenges, the Board of Directors of Fibon Berhad is of the opinion that the performance of the Group for the financial year ending 31 May 2011 will not be severely affected.

**4. Profit Forecast and Profit Estimate**

The Group did not issue any profit forecast or profit estimate previously or for the financial year ending 31 May 2011 in any public document and hence this information is not applicable.

**5. Taxation**

	<u>Current quarter</u> 31/08/2010 RM'000	<u>Preceding year corresponding quarter</u> 31/08/2009 RM'000	<u>Current period to date</u> 31/08/2010 RM'000	<u>Preceding year corresponding period</u> 31/08/2009 RM'000
<b>Income taxation in Malaysia</b>				
- Current year	498	76	498	76
- Under/(Over) provision in previous year	1	-	1	-
<b>Foreign tax</b>	11	-	11	-
<b>Deferred taxation</b>				
- Current year	125	21	125	21
- Over provision in previous year	-	-	-	-
	635	97	635	97

The effective tax rate of the Group for the current period to date is higher than preceding year period mainly due to Pioneer Status incentives granted to the Company's wholly-owned subsidiary, Hexa Analisa Sdn Bhd, under the Promotion of Investments Act, 1986 expired on 31 August 2009.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2010**

**6. Profits on Sale of Unquoted Investments and / or Properties**

There were no sales of unquoted investments and / or properties for the current quarter and current financial period ended 31 August 2010.

**7. Purchases or Disposals of Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and current financial period ended 31 August 2010.

**8. Status of Corporate Proposals**

**a) Status of Corporate Proposal Announced but Not Completed**

On 13 July 2010, Hexa Analisa Sdn Bhd, a wholly owned subsidiary of Fibon Berhad had executed a Sale and Purchase Agreement for the acquisition of land and Sale of Assets Agreement for the acquisition of Plant and Machineries for a total cash consideration of Ringgit Malaysia Two Million Nine Hundred and Sixty One Thousand Only (RM2,961,000.00) from CPC Polyply Industries (M) Sdn Bhd which constitute a related party transaction, subject to the term and conditions as stipulated in the Sale and Purchase Agreement and Sale of Assets Agreement.

The above transactions have been approved by the shareholders in an Extraordinary General Meeting which was held on 22 October 2010.

**b) Utilisation of Proceeds**

As at 31 August 2010, the proceeds raised from the Public Issue of RM9.137 million is utilised in the following manner:

Purposes	Proceeds raised RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation RM'000	Balance Unutilised /Deviation RM'000	%	Explanations
(i) Research & development activities	1,848	1,464	18 December 2011	384	21	^
(ii) Purchase of machineries	1,700	-	18 December 2011	1,700	100	^
(iii) Geographical expansion	1,180	790	18 December 2011	390	33	^
(iv) Working capital	2,409	3,079	-	(670)	-	*
(v) Listing expenses	2,000	1,330	-	670	-	*
<b>Total</b>	<b>9,137</b>	<b>6,663</b>		<b>2,474</b>		

**Notes:**

^ The approved timeframe for utilisation is 3 years from the date of listing

\* The underutilisation of the listing expenses was adjusted to working capital



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**FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2010**

**9. Group borrowings**

As at 31 August 2010, the Group has no borrowings save for banking facilities utilised amounting to RM17,000 in the form of bank guarantee.

**10. Off Balance Sheet Financial Instruments**

As at the date of this quarterly report, the Group has no off balance sheet financial instruments of any kind.

**11. Material Litigation**

As at the date of this quarterly report, there are no material litigations against the Group or taken by the Group.

**12. Dividend**

A first and final dividend of RM0.0082 per ordinary share amounting to RM803,600 in respect of the financial year ended 31 May 2010 has been approved by the shareholders at the Annual General Meeting which was held on 22 October 2010.

**13. Earnings per Share ("EPS")**

**(i) Basic EPS**

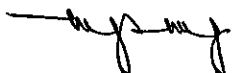
The basic EPS is calculated by dividing the net profit for the current financial quarter ended 31 August 2010 by the weighted average number of ordinary shares in issue during the period.

**(ii) Dilutive EPS**

There are no dilutive securities currently issued by Fibon Berhad and hence, no computation on diluted EPS.

	<b>Current Quarter</b>	<b>3 Months Cumulative To Date</b>
Net profit (RM'000)	1,509	1,509
Weighted average number of ordinary shares in issue ('000)	98,000	98,000
Basic earnings per share (sen)	1.54	1.54
Diluted earnings per share (sen)	-	-

For and on behalf of  
**FIBON BERHAD**



**Norah Binti Md Yusof**  
Company Secretary  
Date: 25 October 2010