

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2010

	Unaudited As at 30.11.2010 RM'000	Audited As at 31.05.2010 RM'000
ASSETS		
Non-current assets		
Plant and equipment	1,040	1,063
Intangible assets	1,292	1,108
	<u>2,332</u>	<u>2,171</u>
Current assets		
Inventories	1,355	1,344
Trade receivables	4,169	2,943
Other receivables, deposits and prepayments	432	111
Tax recoverable	-	46
Fixed deposits with licensed bank	13,815	11,993
Cash and bank balances	2,947	3,453
	<u>22,718</u>	<u>19,890</u>
TOTAL ASSETS	<u>25,050</u>	<u>22,061</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	9,800	9,800
Share premium	707	707
Other reserve	(2,600)	(2,602)
Translation reserve	6	-
Retained earnings	14,990	13,190
	<u>22,903</u>	<u>21,095</u>
Total equity	<u>22,903</u>	<u>21,095</u>
Non-current liabilities		
Deferred tax liabilities	395	340
	<u>395</u>	<u>340</u>
Current liabilities		
Trade payables	395	279
Other payables and accruals	345	331
Tax payable	208	16
Dividend payable	804	-
	<u>1,752</u>	<u>626</u>
Total liabilities	<u>2,147</u>	<u>966</u>
TOTAL EQUITY AND LIABILITIES	<u>25,050</u>	<u>22,061</u>
Net assets per share (RM)	<u>0.23</u>	<u>0.22</u>

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.

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 NOVEMBER 2010
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.11.2010 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.11.2009 RM'000	CURRENT YEAR- TO-DATE 30.11.2010 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.11.2009 RM'000
Revenue	3,006	2,948	7,073	7,684
Cost of sales	-1,170	-1,098	-2,520	-3,104
Gross Profit	<u>1,836</u>	<u>1,850</u>	<u>4,553</u>	<u>4,580</u>
Other income	93	56	181	123
Selling & distribution costs	-44	-23	-86	-49
Administrative expenses	-452	-719	-1,071	-1,126
Profit Before Taxation	<u>1,433</u>	<u>1,164</u>	<u>3,577</u>	<u>3,528</u>
Income tax expense	-338	-389	-973	-486
Profit After Taxation	<u>1,095</u>	<u>775</u>	<u>2,604</u>	<u>3,042</u>
Other Comprehensive Income,	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Foreign currency translation	8	-	8	-
Total Comprehensive Income For The Period	<u>1,103</u>	<u>775</u>	<u>2,612</u>	<u>3,042</u>
Total Comprehensive Income Attributable To :				
Equity holders of the parent	1,103	775	2,612	3,042
Minority interest	-	-	-	-
	<u>1,103</u>	<u>775</u>	<u>2,612</u>	<u>3,042</u>
Earnings per share attributable to equity holders of the Company:				
- Basic (Sen)	1.13	0.79	2.67	3.10
- 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.

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 NOVEMBER 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
<u>6 months period ended 30 November 2010</u>						
As at 1 June 2010	9,800	707	(2,600)	(2)	13,190	21,095
Dividend payable	-	-	-	-	(804)	(804)
Total comprehensive income for the period	-	-	-	8	2,604	2,612
As at 30 November 2010	9,800	707	(2,600)	6	14,990	22,903
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<u>6 months period ended 30 November 2009</u>						
As at 1 June 2009	9,800	707	(2,600)	*	10,871	18,778
Dividend paid	-	-	-	-	(1,695)	(1,695)
Foreign exchange translation reserve	-	-	-	1	-	1
Total comprehensive income for the period	-	-	-	-	3,042	3,042
As at 30 November 2009	9,800	707	(2,600)	1	12,218	20,126

* 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.

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 NOVEMBER 2010
(The figures have not been audited)

	CURRENT YEAR- TO-DATE 30.11.2010 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.11.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the financial period	3,577	3,528
Adjustments for non cash items	<u>(312)</u>	<u>(357)</u>
	3,265	3,171
Changes in working capital	<u>(1,393)</u>	<u>147</u>
Cash from operations	1,872	3,318
Taxation paid	(684)	(142)
Net cash from operating activities	<u>1,188</u>	<u>3,176</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipments	(41)	(352)
Interest received	155	123
Net cash from/(used in) investing activities	<u>114</u>	<u>(229)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(1,695)
Net cash used in financing activities	<u>-</u>	<u>(1,695)</u>
Effect of exchange rate changes	14	137
Net Change in Cash & Cash Equivalents	1,316	1,389
Cash and Cash Equivalents at beginning of period	15,446	11,355
Cash and Cash Equivalents at end of period	<u>16,762</u>	<u>12,744</u>
Cash and cash equivalents at the end of the financial period		
comprise the following:	30.11.2010	30.11.2009
	RM'000	RM'000
Fixed deposits with licensed bank	13,815	11,382
Cash and bank balances	2,947	1,362
	<u>16,762</u>	<u>12,744</u>

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 30 NOVEMBER 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)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 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 30 November 2010.

7. Dividends paid

There were no dividends paid by the Company during the current financial quarter ended 30 November 2010.

8. Segmental Information

Sales revenue by products for the six (6) months financial period up to 30 November:

	Current Period 30 November 2010 RM'000	Previous Period 30 November 2009 RM'000
Manufacturing goods	6,078	5,461
Trading goods	995	2,223
Total	<u>7,073</u>	<u>7,684</u>

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

There were no material events subsequent to the end of the current financial quarter under review that has not been reflected.

11. Changes in the Composition of the Group

During current financial quarter, the Company has fully acquired Fibon Electric (M) Sdn Bhd, which is dormant, as follows:-

Subsidiary Name	Purchase Consideration RM	Basis of arriving at the purchase consideration
Fibon Electric (M) Sdn Bhd	2	Willing buyer-willing seller; based on the number of shares issued.

The above acquisition was satisfied by the cash payment of RM2.00 for 2 number of share issued in Fibon Electric (M) Sdn Bhd. The acquisition was completed on 9 November 2010.

The acquisition was accounted for under the acquisition method.

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.

FIBON BERHAD (Company No. 811010-H)

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2010***

13. Capital Commitments

As at 30/11/2010
RM'000

Authorised, contracted but not provided for:-

- Purchase of property, plant and equipment

2,961

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

FIBON BERHAD (Company No. 811010-H)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2010****B. Additional information required by BMSB Listing Requirements****1. Review of Performance**

In the current quarter ended 30 November 2010, the Group registered higher revenue of RM3,006,000 compared to previous corresponding quarter ended 30 November 2009 of RM2,948,000 mainly due to increase in manufacturing sales. Profit before tax has increased from RM1,164,000 to RM1,433,000 as a result of higher revenue and lower administrative expenses.

2. Comparison with the preceding quarter's results

The Group posted a lower revenue in the current quarter of RM3,006,000 as compared to the preceding quarter ended 31 August 2010 of RM4,067,000 representing a decrease of RM1,061,000. Profit before tax has decreased from RM2,144,000 to RM1,433,000 mainly due to lower sales.

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> 30/11/2010 RM'000	<u>Preceding year corresponding quarter</u> 30/11/2009 RM'000	<u>Current period to date</u> 30/11/2010 RM'000	<u>Preceding year corresponding period</u> 30/11/2009 RM'000
Income taxation in Malaysia				
- Current year	403	392	901	468
- (Over)/Under provision in previous year	-	(1)	1	(1)
Foreign tax	6	-	16	-
Deferred taxation				
- Current year	(83)	(2)	43	19
- Under provision in previous year	12	-	12	-
	338	389	973	486

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.

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 30 November 2010.

FIBON BERHAD (Company No. 811010-H)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 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 30 November 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 30 November 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	1,603	18 December 2011	245	13	^
(ii) Purchase of machineries	1,700	174	18 December 2011	1,526	90	^
(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	-	*
Total	9,137	6,976		2,161		

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

9. Group borrowings

As at 30 November 2010, the Group has no borrowings save for banking facilities utilised amounting to RM17,000 in the form of bank guarantee.

FIBON BERHAD (Company No. 811010-H)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2010**

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. Realised and Unrealised Profits of the Group

	As at 30/11/2010 RM'000
Realised profits	15,252
Unrealised losses	(262)
	<hr/> <u>14,990</u>

12. Material Litigation

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

13. Dividend

No dividend has been declared or paid for the quarter under review.

The Board has recommended a final single tier dividend of RM0.0082 per share in respect of the financial year ended 31 May 2010 which is not taxable in the hands of shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967. The proposed final dividend was approved by members at the Third Annual General Meeting held on 22 October 2010 and paid on 20 December 2010.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

FIBON BERHAD (Company No. 811010-H)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2010**

14. Earnings per Share ("EPS")

(i) Basic EPS

The basic EPS is calculated by dividing the net profit for the current financial quarter ended 30 November 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.

	Current Quarter	6 Months Cumulative To Date
Net profit (RM'000)	1,095	2,604
Weighted average number of ordinary shares in issue ('000)	98,000	98,000
Basic earnings per share (sen)	1.12	2.66
Diluted earnings per share (sen)	-	-

For and on behalf of
FIBON BERHAD



Noriah Binti Md Yusof
Company Secretary
Date: 14 January 2011