



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
THE TWELVE MONTHS ENDED 31 DECEMBER 2012 - unaudited

<i>In thousands of RM</i>	Current Quarter		Current Period	
	31 December		31 December	
	2012	2011	2012	2011
Revenue	377,597	402,804	1,512,619	1,610,187
Cost of goods sold	(302,555)	(334,743)	(1,235,323)	(1,351,326)
Gross profit	75,042	68,061	277,296	258,861
Other income	10,428	14,790	12,095	15,929
Distribution expenses	(15,968)	(19,574)	(59,561)	(53,904)
Administrative expenses	(14,236)	(21,185)	(84,315)	(84,173)
Other expenses	(18,165)	(23,644)	(43,677)	(47,320)
Results from operating activities	37,101	18,448	101,838	89,393
Share of profit of equity accounted investee, net of tax	1,207	545	2,337	2,534
Finance income	1,257	1,007	2,961	4,860
Finance costs	(9,068)	(10,112)	(35,263)	(39,111)
Profit before tax	30,497	9,888	71,873	57,676
Income tax expense	(7,598)	3,809	(18,868)	(18,437)
Profit for the period	22,899	13,697	53,005	39,239
Other comprehensive income				
Foreign currency translation differences for foreign operations	(115)	(9,413)	(2,992)	(1,292)
Fair value of available-for-sale financial assets	-	(13,669)	-	(16,638)
Total comprehensive income for the period	22,784	(9,385)	50,013	21,309
Profit attributable to :				
Owners of the Company	18,076	9,459	36,083	22,272
Non-controlling interests	4,823	4,238	16,922	16,967
	22,899	13,697	53,005	39,239
Total comprehensive income attributable to :				
Owners of the Company	17,961	(13,623)	33,091	4,342
Non-controlling interests	4,823	4,238	16,922	16,967
	22,784	(9,385)	50,013	21,309
Basic earnings per share (Sen)	4.46	2.34	8.90	5.50
Diluted earnings per share (Sen)	4.46	2.05	8.90	4.84

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012 - unaudited

<i>In thousands of RM</i>	As at 31 December 2012	As at 31 December 2011 restated *	As at 1 January 2011 restated *
ASSETS			
Property, plant and equipment	570,729	619,132	629,091
Intangible assets	302,341	303,713	303,245
Investment properties	90,207	50,793	42,682
Prepaid lease payments	6,131	6,553	6,921
Investment in associates	12,875	10,538	8,004
Other investments	124	124	24,515
Deferred tax assets	15,044	10,001	3,269
Total non-current assets	<u>997,451</u>	<u>1,000,854</u>	<u>1,017,727</u>
Trade and other receivables	371,554	354,515	409,204
Inventories	368,208	391,317	308,062
Current tax assets	61,451	66,270	61,035
Assets classified as held for sale	-	1,740	1,740
Cash and cash equivalents	293,961	180,541	212,159
Total current assets	<u>1,095,174</u>	<u>994,383</u>	<u>992,200</u>
TOTAL ASSETS	<u><u>2,092,625</u></u>	<u><u>1,995,237</u></u>	<u><u>2,009,927</u></u>
EQUITY AND LIABILITIES			
Share capital	457,630	404,756	404,741
Reserves	32,902	16,860	34,785
Retained earnings	344,950	319,916	311,604
Total equity attributable to equity holders of the Company	<u>835,482</u>	<u>741,532</u>	<u>751,130</u>
Non-controlling interests	<u>132,591</u>	<u>128,030</u>	<u>126,884</u>
Total equity	<u>968,073</u>	<u>869,562</u>	<u>878,014</u>
Loans and borrowings	550,000	122,438	311,254
Deferred tax liabilities	27,430	20,705	21,193
Total non-current liabilities	<u>577,430</u>	<u>143,143</u>	<u>332,447</u>
Provisions	341	766	850
Trade and other payables	205,246	263,238	222,138
Current tax liabilities	47,892	53,458	46,522
Loans and borrowings	293,643	665,070	529,956
Total current liabilities	<u>547,122</u>	<u>982,532</u>	<u>799,466</u>
Total liabilities	<u>1,124,552</u>	<u>1,125,675</u>	<u>1,131,913</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,092,625</u></u>	<u><u>1,995,237</u></u>	<u><u>2,009,927</u></u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	184	185	187

* Upon adoption of MFRS, the Condensed Consolidated Statement of Financial Position at 31 December 2011 and 1 January 2012 have been restated.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2012 – unaudited

← Attributable to equity holders of the Company →

In thousands of RM

	← Non-distributable →				Distributable						
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Fair value reserve	Other capital reserve	Treasury Shares	Retained earnings	Total	Non-controlling Interest	Total equity
At 1 January 2012	404,756	20,910	73	(1,292)	23	2,982	(5,836)	319,916	741,532	128,030	869,562
Foreign exchange translation differences	-	-	-	(2,992)	-	-	-	-	(2,992)	-	(2,992)
Total other comprehensive income for the period	-	-	-	(2,992)	-	-	-	-	(2,992)	-	(2,992)
Profit for the year	-	-	-	-	-	-	-	36,083	36,083	16,922	53,005
Total comprehensive income for the period	-	-	-	(2,992)	-	-	-	36,083	33,091	16,922	50,013
Issue of shares:											
Conversion of warrants	52,874	19,034	-	-	-	-	-	-	71,908	-	71,908
Dividends to owners of the Company	-	-	-	-	-	-	-	(11,049)	(11,049)	-	(11,049)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(12,361)	(12,361)
At 31 December 2012	457,630	39,944	73	(4,284)	23	2,982	(5,836)	344,950	835,482	132,591	968,073

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Reports.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2011 – restated
In thousands of RM

	← Attributable to equity holders of the Company →								Retained earnings	Total	Non-controlling interest	Total equity
	← Non-distributable →				Distributable							
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Revaluation reserve	Fair value reserve	Other capital reserve	Treasury shares				
At 1 January 2011												
- as previously stated	404,741	20,905	73	(8,831)	52,798	16,661	2,982	(5,836)	267,637	751,130	126,884	878,014
- effect of adopting MFRSs	-	-	-	8,831	(52,798)	-	-	-	43,967	-	-	-
At 1 January 2011 (restated)	404,741	20,905	73	-	-	16,661	2,982	(5,836)	311,604	751,130	126,884	878,014
Foreign exchange translation differences	-	-	-	(1,292)	-	-	-	-	-	(1,292)	-	(1,292)
Fair value of available for sale	-	-	-	-	-	(16,638)	-	-	-	(16,638)	-	(16,638)
Total other comprehensive income for the year	-	-	-	(1,292)	-	(16,638)	-	-	-	(17,930)	-	(17,930)
Profit for the year	-	-	-	-	-	-	-	-	22,272	22,272	16,967	39,239
Total comprehensive income for the year	-	-	-	(1,292)	-	(16,638)	-	-	22,272	4,342	16,967	21,309
Issue of shares:												
Conversion of warrants	15	5	-	-	-	-	-	-	-	20	-	20
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(10,646)	(10,646)	-	(10,646)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(12,079)	(12,079)
Dilution for changes in stake	-	-	-	-	-	-	-	-	(3,314)	(3,314)	(3,742)	(7,056)
At 31 December 2011 (restated)	404,756	20,910	73	(1,292)	-	23	2,982	(5,836)	319,916	741,532	128,030	869,562

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Interim Financial Report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2012 – unaudited

<i>In thousands of RM</i>	Twelve Months Ended 31 December	
	2012	2011
Cash flows from operating activities		
Profit before taxation	71,873	57,676
Adjustments for:		
Amortisation of prepaid lease payments	422	445
Change in fair value of investment properties	(7,367)	(2,391)
Depreciation of property, plant and equipment	49,183	43,117
Gain on disposal of property, plant and equipment	(3,527)	(206)
Gain on disposal of other investment	-	(9,481)
Share of profit of equity accounted associates	(2,337)	(2,534)
Net impairment loss on intangible assets	800	-
Interest income	(2,961)	(4,860)
Finance costs	35,263	39,111
Property, plant and equipment written off	-	156
<i>Operating profit before changes in working capital</i>	<u>141,349</u>	<u>121,033</u>
Change in inventories	23,109	(83,255)
Change in receivables, deposits and prepayments	(17,039)	54,689
Change in payables and accruals	(58,417)	41,016
<i>Cash generated from operations</i>	<u>89,002</u>	<u>133,483</u>
Finance costs paid	(35,263)	(39,111)
Interest income	2,961	4,860
Income tax paid	(17,933)	(23,956)
Net cash generated from operating activities	<u>38,767</u>	<u>75,276</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(37,241)	(38,840)
Proceeds from disposal of other investment	-	17,234
Proceeds from disposal of property, plant and equipment	1,741	430
Net cash used in investing activities	<u>(35,500)</u>	<u>(21,176)</u>
Cash flows from financing activities		
Acquisition of non-controlling interest	-	(7,056)
Net drawdown/ (repayment) of loans and borrowings	56,135	(53,702)
Dividends paid to minority shareholder	(12,361)	(12,079)
Dividends paid to shareholders of the Company	(11,049)	(10,646)
Proceeds from exercise of warrants	71,909	20
Net cash generated from/ (used in) financing activities	<u>104,634</u>	<u>(83,463)</u>
Exchange difference on translation of the financial statements of foreign operations	5,519	(2,255)
Net increase/ (decrease) in cash and cash equivalents	<u>113,420</u>	<u>(31,618)</u>
Cash and cash equivalents at 1 January	180,541	211,612
Cash and cash equivalents as at 31 December	<u>293,961</u>	<u>179,994</u>

The Condensed Cash Flow Statement should be read in conjunction with the Notes to the Interim Financial Report.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

For the Period Ended 31 December 2012

NOTES TO THE INTERIM FINANCIAL REPORT

A1) Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial 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 2011.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied. An explanation of how the transition to MFRSs has affected the reported financial position, financial performance and cash flows of the Group is provided.

Except 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 annual financial statements as at and for the year ended 31 December 2011.

(i) Property, plant and equipment

In the previous years, the Group has availed itself to the transitional provision when MASB first adopted IAS 16, Property, plant and equipment in 1998. Land and buildings were revalued in December 2010 and no later valuation has been recorded for these property, plant and equipment.

Upon transition to MFRSs, the Group adopts the cost model for its property, land and building and elected to apply the optional exemption to use that previous revaluation as deemed cost under MFRSs. The revaluation reserve of RM52,798,000 at 1 January 2011 and 31 December 2011 was reclassified to retained earnings.

(ii) Foreign currency translation reserve

Under FRS, the Group recognized translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS.

Accordingly, the foreign currency translation reserve of (RM8,831,000) at 1 January 2011 and 31 December 2011 was reclassified to retained earnings.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
(Incorporated in Malaysia)
For the Period Ended 31 December 2012

A1) Basis of preparation (Continued)

The impact arising from the changes are summarized as follows:

In thousands of RM

	FRS	Reclassifications	MFRS
<u>As at 1 January 2011</u>			
Equity			
Translation reserve	(8,831)	8,831	-
Revaluation reserve	52,798	(52,798)	-
Retained earnings	267,637	43,967	311,604
<u>As at 31 December 2011</u>			
Equity			
Translation reserve	(10,123)	8,831	(1,292)
Revaluation reserve	52,798	(52,798)	-
Retained earnings	275,949	43,967	319,916

The Group has not early adopted any new/revised MFRSs and IC Interpretations that has been issued as at the date of authorization of these Interim Financial Statements but is not yet effective for the Group.

A2) Disclosure of audit report qualification

The auditor's report on the financial statements of the Group and the Company for the year ended 31 December 2011 was not subject to any qualification.

A3) Explanatory comments about the seasonality or cyclicity of operations

The Group's operations were not subjected to any material seasonal or cyclical factor other than market fluctuations in selling prices and costs of raw materials.

A4) Unusual Items due to their nature, size or incidence

There was no item affecting assets, liabilities, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and financial period ended 31 December 2012.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

For the Period Ended 31 December 2012

A5) Changes in prior estimates of amounts which materially affect the current interim period

There was no material changes in the prior estimates which would materially affect the current interim period.

A6) Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There was no issuance, repurchase of debt and equity securities during the quarter under review. The number of Treasury Shares held as at 31 December 2012 was 2,998,000. During the quarter, share capital and share premium increased by RM52,873,871 and RM19,034,593 respectively due to the conversion of 52,873,871 warrants.

A7) Dividends paid

No dividend was paid in the current quarter under review.

A8) Segment reporting

<i>In thousands of RM</i> For the 12 months ended 31 December	Segment Revenue		Segment Profit/(Loss) before tax	
	2012	2011	2012	2011
Chemicals	350,788	413,225	39,040	43,531
Pharmaceuticals	284,825	262,364	25,190	19,472
Fertilizers	876,332	934,205	10,702	(9,981)
	<u>1,511,945</u>	<u>1,609,794</u>	<u>74,932</u>	<u>53,022</u>
Others* and inter segment transactions	674	393	(3,059)	4,654
Group result	<u>1,512,619</u>	<u>1,610,187</u>	<u>71,873</u>	<u>57,676</u>

* Administrative and non-core activities (including intra-Group dividends)

A9) Property, plant and equipment

Land and buildings were revalued in December 2010 and no later valuation has been recorded for these property, plant and equipment. Upon transition to MFRSs, the Group adopts the cost model for its property, land and building and elected to apply the optional exemption to use that previous revaluation as deemed cost under MFRSs.

A10) Post balance sheet event

There are no other material events after the period end that has not been reflected in the Interim Financial Reports for the financial period ended 31 December 2012.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

For the Period Ended 31 December 2012

A11) Effect of changes in the composition of the Group

There was no change in the composition of the Group for the current quarter ended 31 December 2012.

A12) Changes in contingent liabilities or contingent assets since the last annual balance sheet date

There were no changes in contingent liabilities or assets as at end of the current interim financial period.

A13) Capital Commitments

Commitments for the purchase of property, plant and equipment as at 31 December 2012.

	At 31 December 2012 RM'000	At 31 December 2011 RM'000
Approved but not contracted for	31,734	32,014
Contracted but not provided for	16,773	25,887
	<u>48,507</u>	<u>57,901</u>

**CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)****(Incorporated in Malaysia)****For the Period Ended 31 December 2012****Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B1) Review of Performance**

For the current quarter ended 31 December 2012, the Group recorded revenue of RM377.6 million, lower by 6% compared to the corresponding quarter last year. However, the Group's profit before tax for the current quarter under review increased more than double to RM30.5 million from RM9.9 million recorded in the same quarter last year. The significant improvement was mainly contributed by higher gross profit margin and reduction in operating expenses from Chemicals and Fertilizers Divisions. In addition, the Group also recognised a change in fair value of investment properties of RM7.4 million in the current quarter under review.

For the twelve months period ended 31 December 2012, the Group recorded revenue of RM1,512.6 million. This was lower by RM97.6 million or 6% as compared to the corresponding period last year, mainly due to lower sales from both Chemicals and Fertilizers Divisions. The Group recorded an increase of 25% in the current period's profit before tax to RM71.9 million compared to the same period last year of RM57.7 million. The increase was mainly contributed by the higher gross profit margin in Pharmaceuticals and Fertilizers Divisions as well as recognition of change in fair value of investment properties of RM7.4 million.

Chemicals Division recorded revenue of RM350.8 million during the period under review, representing a decrease of 15% as compared to corresponding period last year. The lower revenue recorded during the period was primarily due to lower caustic soda prices and ongoing rationalisation of its trading business portfolio. The Division recorded profit before tax of RM39.0 million for the period under review. This was lower by 10% compared to the same period last year, attributable to lower sales recorded during the period.

Pharmaceuticals Division recorded revenue of RM284.8 million for the period under review, representing an increase of 9% as compared to the same period last year. The increase in revenue was mainly contributed by the improvement in government contract and private sector sales. The Division's gross profit margin has also improved, mainly attributable to the higher selling prices of certain Over The Counter (OTC) and Ethical products. Pharmaceuticals Division recorded an increase in profit before tax by RM5.7 million from RM19.5 million in 2011 to RM25.2 million in the current period. The higher profit before tax was primarily driven by higher revenue and improvement in gross profit margins.

The Fertilizers Division recorded revenue of RM876.3 million during the period under review. This was 6% lower compared to the same period last year. With the competitive market conditions, sales volume for compound fertilizers primarily from plantation sector and dealers market fell by 18% compared to the same period last year. Although the Division recorded a lower revenue in the period under review, its profit before tax has improved two fold to RM10.7 million, as compared to the same period last year of loss before tax of (RM10.0 million). This was contributed by the increase in gross profit margins of compound and straight/ mixture fertilizers as well as its ongoing cost rationalisation.

**CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)****(Incorporated in Malaysia)****For the Period Ended 31 December 2012****B2) Material changes in the Quarterly Results compared to the results of the Preceding Quarter**

The Group recorded revenue of RM377.6 million for the current quarter. This represented a decrease of RM25 million, or 6% as compared to the immediate preceding quarter of RM402.8 million. This was primarily attributable to lower revenue contribution from the Chemicals and Fertilizers Division. Profit before tax increased from RM9.9 million in the preceding quarter to RM30.5 million in the current quarter mainly due to improvement in gross profit margins across the Divisions, operational cost reduction in Chemicals and Fertilizers Division and recognition of change in fair value of investment properties of RM7.4 million.

B3) Prospects for the next financial year

The Group will continue to focus on enhancing business profitability by improving production efficiency and cost effectiveness across all of its business division, as well as strengthening its presence in the region.

For Chemicals Division, the chlor alkali market is expected to experience a challenging first half. Due to the regional market dynamics, the Division anticipates a downward movement in chlor alkali product prices. However, moving forward into the second half of the year, the market is expected to recover incrementally. The rubber polymer and trading businesses are expected to cushion the cyclical effect of the chlor alkali market.

The demand for pharmaceuticals products is expected to remain relatively stable throughout the next financial year. The prospects for the division are positive and it is well positioned to further improve its presence both in the local and regional markets.

The demand of fertilizers is also expected to remain relatively stable throughout the next financial year. However, this expectation should be viewed cautiously as the profit margin for the Fertilizers Division may be eroded by the volatility of raw material prices and foreign currencies movement. The Division will continue to focus on cost rationalisation in the next financial year to cushion the impact of the said volatility.

The Group's performance for the financial year ending 31 December 2013 is expected to continue to be challenging.

B4) Variance of Actual Profit from Forecast Profit

The Group did not make any profit forecast or issue any profit guarantee.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
(Incorporated in Malaysia)
For the Period Ended 31 December 2012

B5) Taxation

Taxation charge of the Group for the current quarter and financial period was as follows:

	Current Quarter 31 December 2012 RM'000	Current Period 31 December 2012 RM'000
Taxation		
In respect of profit for the year	637	17,186
Transfer from deferred tax	6,961	1,682
	7,598	18,868

B6) Profit Before Tax

	Current Quarter 31 December 2012 RM'000	Current Period 31 December 2012 RM'000
Operating profit is arrived at after charging / (crediting):		
Allowance for doubtful debt	(441)	3,286
Amortisation of prepaid lease payment	88	422
Bad debts written off	1,483	1,648
Depreciation of property, plant and equipment	12,640	49,183
Interest expense	9,067	35,263
Write-down of inventories	2,395	2,398
Write-off of inventories	2,799	2,802
Net foreign exchange loss	(3,598)	2,893
Interest income	(1,257)	(2,961)
Change in fair value of investment properties	(7,367)	(7,367)

Other than the above, there were no impairment of assets and gain or loss on derivatives for the current quarter and current period ended 31 December 2012.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

For the Period Ended 31 December 2012

B7) Status of corporate proposals that have been announced by the Company but not completed as at the date of this announcement

There were no corporate proposals announced but not yet completed as at 27 February 2013.

B8) Group Borrowings and Debt Securities

The Group borrowings as at 31 December 2012 were as follows:

	31 December 2012 RM'000	31 December 2011 RM'000
Short term borrowings		
Unsecured		
Ringgit Malaysia denominated	217,869	590,121
United States Dollar denominated	75,774	74,949
	<u>293,643</u>	<u>665,070</u>
Long term borrowings		
Unsecured		
Ringgit Malaysia denominated	550,000	122,438
	<u>550,000</u>	<u>122,438</u>

B9) Off Balance Sheet Financial Instruments

The Group did not have any financial instruments with off balance sheet risks as at the date of this report.



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
(Incorporated in Malaysia)
For the Period Ended 31 December 2012

B10) Earnings per share

	Current Quarter 31 December 2012	Current Period 31 December 2012
a) Basic Earnings Per Share:-		
Profit after tax and minority shareholders' interests (RM'000)	18,076	36,083
Issued ordinary shares at beginning of the period ('000)	404,756	404,756
Effects of shares issued ('000)	579	579
Weighted average number of ordinary shares ('000) at ending of the quarter/year	405,335	405,335
Basic earnings per share (sen)	4.46	8.90
b) Diluted Earnings Per Share:-		
Profit after tax and minority shareholders' interests (RM'000)	18,076	36,083
Weighted average number of ordinary shares ('000) at ending of the quarter/year	405,335	405,335
Effects of warrants (B) ('000)	-	-
Weighted average number of ordinary shares – diluted ('000) at ending of the quarter/year	405,335	405,335
Diluted earnings per share (sen)	4.46	8.90

During the period under review, the subscription period of the Warrants-B of 88,040,592 at an exercise price of RM1.36 has expired on 26 December 2012. Accordingly, the outstanding warrants as at 26 December 2012 of 2,440,566 has lapsed.


CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)
(Incorporated in Malaysia)
For the Period Ended 31 December 2012
B11) Dividend

The Board of Directors has recommended a final single tier dividend of 5.75 sen per share (2011 : Final dividend of 2.86 sen per ordinary share comprise of 0.44 sen per share less tax at 25% and 2.42 sen per share tax exempt) in respect of the current financial year ended 31 December 2012.

The final single tier dividend is subject to shareholders' approval at the forthcoming Annual General Meeting (AGM) of the Company. The date of the AGM and book closure in respect of the final dividend will be announced in due course.

B12) Economic Profit (“EP”) Statement

<i>In millions of RM</i>	Current Quarter		Current Period	
	31 December		31 December	
	2012	2011	2012	2011
<u>Net operating profit after tax</u> <u>(“NOPAT”) computation</u>				
Earnings before interest and tax	37.1	18.9	101.9	89.9
Adjusted tax	(9.3)	(4.7)	(25.5)	(22.5)
NOPAT	27.8	14.2	76.4	67.4
<u>Economic charge computation:</u>				
Average invested capital	1,551.0	1,530.6	1,551.0	1,530.6
Weighted average cost of capital %	4.59%	5.67%	4.59%	5.67%
Economic charge	17.8	21.7	71.2	86.8
Economic profit/ (loss)	10.0	(7.5)	5.2	(19.4)

The EP statement is as prescribed under the Government-Linked Corporations (GLC) Transformation program, and is disclosed on a voluntary basis. EP measures the value created by a business during a single period reflecting how much return a business makes over its cost of capital.

B13) Material litigation

The Company and its subsidiaries have no pending material litigations at the date of this report, except as disclosed below :

Johor Bahru High Court Writ Of Summons No : 23NCVC-119-08/2012

Plaintiff : Prostar Edge (Johor) Sdn Bhd
 Defendant : CCM Chemicals Sdn Bhd



CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

For the Period Ended 31 December 2012

B13) Material litigation (Continued)

In relation to the legal proceedings commenced by the Plaintiff against the Defendant referred to in the announcement dated 28 August 2012 made by the Company to Bursa Malaysia Securities Berhad, the Defendant had on 5 October 2012 filed its defence to the Plaintiff's amended statement of claim. The Defendant has also filed a counterclaim against the Plaintiff and one of its directors, namely En. Mohd Khairi bin Mohd Rajab. In the counterclaim against the Plaintiff and En. Mohd Khairi, the Defendant is seeking the following orders:

- (1) a declaration that the Plaintiff was never appointed as the Defendant's 'sole' repacking vendor nor was a minimum quantity commitment ever agreed between the parties;
- (2) a declaration that the letter of intent dated 18.4.2006 and the letter of offer dated 6.12.2006 relied upon by the Plaintiff in its claim against the Defendant was not binding and unenforceable;
- (3) general damages;
- (4) interest on the above sum at the rate of 5% per annum from the date of the counterclaim until the date of full realization;
- (5) costs; and
- (6) such further and/or other orders and/or relief as the Court deems fit and proper.

On 5 November 2012, the Plaintiff served its reply to the Defendant's defence and defence to the Defendant's counterclaim; and En. Mohd Khairi served his defence to the Defendant's counterclaim against him. The next case management has been fixed by the High Court on 18 March 2013. The High Court has also fixed the trial to commence from 15 April 2013 until 17 April 2013.

B14) Disclosure of Realised and Unrealised

	31 December 2012 RM'000	31 December 2011 RM'000 (restated)
Total retained profits of CCM Berhad and its subsidiaries:		
- Realised	278,190	254,988
- Unrealised	66,760	64,928
Total	344,950	319,916



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B15) Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 February 2013.

By Order of the Board

NOOR AZWAH SAMSUDIN (LS0006071)

Company Secretary

27 February 2013