

FIMA CORPORATION BERHAD
(Company No. 21185-P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007
THE FIGURES HAVE NOT BEEN AUDITED**

CONDENSED CONSOLIDATED INCOME STATEMENTS

	<i>Current Quarter</i>		<i>9 Months Cumulative</i>	
	Current Year Quarter <u>31/12/07</u> RM'000	Preceding Year Corresponding Quarter <u>31/12/06</u> RM'000	Current Year To Date <u>31/12/07</u> RM'000	Preceding Year Corresponding Period <u>31/12/06</u> RM'000
Revenue	41,602	44,422	131,555	125,324
Cost of Sales	(27,972)	(27,577)	(89,100)	(81,313)
Gross Profit	13,630	16,845	42,455	44,011
Other income	64	382	1,490	1,230
Administrative Expenses	(1,982)	(1,455)	(6,172)	(4,294)
Selling and Marketing Expenses	(387)	(288)	(1,018)	(693)
Other Expenses	(3,787)	(2,687)	(8,960)	(6,653)
Finance costs	(304)	-	(1,079)	-
Share of profit in associates	1,192	(1,864)	3,582	(1,090)
Profit before taxation	8,426	10,933	30,298	32,511
Taxation	(2,083)	(3,775)	(7,694)	(9,912)
Profit for the period	<u>6,343</u>	<u>7,158</u>	<u>22,604</u>	<u>22,599</u>
Attributable to :				
Equity holders of the parent	6,622	7,158	22,301	22,599
Minority interest	(279)	-	303	-
Profit for the period	<u>6,343</u>	<u>7,158</u>	<u>22,604</u>	<u>22,599</u>
Earnings per share				
Basic earnings per share (sen)	8.13	8.80	27.38	27.80
Fully diluted earnings per share (sen)	8.13	8.79	27.38	27.74

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2007)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED BALANCE SHEETS

	As at End Of Current Quarter 31/12/07 (unaudited) RM'000	As at Preceding Financial Year End 31/03/07 (audited) RM'000
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	39,047	6,354
Biological Assets	77,585	-
Investment Properties	69,516	68,790
Prepaid land lease payments	9,505	6,707
Intangible assets	638	-
Interest in Associates	27,060	66,986
Long Term Receivables	3,038	3,596
Deferred Tax Assets	1,754	1,180
	228,143	153,613
Current Assets		
Inventories	45,189	35,252
Trade Receivables	41,160	24,324
Other Receivables	7,384	6,989
Due from Related Companies	1,740	1,127
Cash and Bank Balances	22,920	29,198
	118,393	96,890
TOTAL ASSETS	346,536	250,503
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	82,427	82,427
Share Premium	534	534
Treasury Shares	(1,871)	(1,389)
Other Reserve	(5,108)	-
Retained Earnings	136,858	119,379
	212,840	200,951
Minority Interest	24,744	-
Total Equity	237,584	200,951
Non-Current Liabilities		
Retirement Benefit Obligations	315	368
Deferred Tax Liabilities	574	-
	889	368
Current Liabilities		
Borrowings	40,000	-
Trade Payables	44,303	32,669
Other Payables	21,602	14,021
Tax Payable	2,158	2,485
Due to Related Companies	-	9
	108,063	49,184
Total Liabilities	108,952	49,552
TOTAL EQUITY AND LIABILITIES	346,536	250,503
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>2.62</u>	<u>2.47</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2007)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007

	<-----Attributable to Equity Holders of the Parent----->						Minority Interest	Total Equity
	<-----Non-Distributable----->			Distributable				
	Share Capital	Share Premium	Treasury Shares	Other Reserve	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 01 April 2006	81,864	342	(1,389)	-	100,576	181,393	-	181,393
Net Profit	-	-	-	-	22,599	22,599	-	22,599
Dividends Paid	-	-	-	-	(4,675)	(4,675)	-	(4,675)
Issue of share capital	350	76	-	-	-	426	-	426
At 31 December 2006	<u>82,214</u>	<u>418</u>	<u>(1,389)</u>	<u>-</u>	<u>118,500</u>	<u>199,743</u>	<u>-</u>	<u>199,743</u>
At 01 April 2007	82,427	534	(1,389)	-	119,379	200,951	-	200,951
Net Profit	-	-	-	-	22,301	22,301	303	22,604
Dividends Paid	-	-	-	-	(4,822)	(4,822)	-	(4,822)
Purchase of Treasury Shares	-	-	(482)	-	-	(482)	-	(482)
Foreign currency translation	-	-	-	(12,950)	-	(12,950)	-	(12,950)
Revaluation of assets	-	-	-	7,842	-	7,842	1,961	9,803
Acquisition of subsidiary	-	-	-	-	-	-	22,480	22,480
At 31 December 2007	<u>82,427</u>	<u>534</u>	<u>(1,871)</u>	<u>(5,108)</u>	<u>136,858</u>	<u>212,840</u>	<u>24,744</u>	<u>237,584</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2007)

**FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007**

	9 months ended	
	31/12/07	31/12/06
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	30,298	32,511
Adjustments for :		
Depreciation	6,535	3,118
Amortisation of prepaid land lease payments	88	-
Bad & doubtful debts (net)	(2,008)	-
Reversal of provision for retirement benefit	(9)	(166)
Inventories written down/(Write back of inventories written down)	89	(724)
Loss on disposal of property, plant and equipment	-	(54)
Share of (loss)/profit in associated company	(3,582)	1,056
Interest expense	1,079	-
Interest income	(1,442)	(1,230)
Operating profit before working capital changes	31,048	34,511
(Increase)/Decrease in receivables	(14,309)	7,059
Increase in inventories	(8,348)	(12,599)
Decrease/(Increase) in related companies balances	36,482	(4,807)
Increase in payables	14,997	10,755
Cash generated from operations	59,870	34,919
Tax paid	(8,021)	(8,852)
Retirement benefit paid	(44)	-
Interest paid	(1,079)	-
Interest income received	1,442	1,230
Net cash generated from operating activities	<u>52,168</u>	<u>27,297</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(10,609)	(1,992)
Proceeds from disposal of property, plant and equipment	-	160
Acquisition of subsidiary	(81,539)	(3,000)
Purchase of shares in associated company	-	(10,000)
Net cash used in investing activities	<u>(92,148)</u>	<u>(14,832)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(4,822)	(4,675)
Purchase of Treasury Shares	(482)	-
Issuance of shares	-	426
Drawdown of Revolving Credit	39,006	-
Net cash generated/(used) in financing activities	<u>33,702</u>	<u>(4,249)</u>
CASH AND CASH EQUIVALENTS		
Net increase/(decrease)	(6,278)	8,216
At the beginning of financial period	29,198	46,983
At the end of financial period	<u>22,920</u>	<u>55,199</u>
CASH AND CASH EQUIVALENTS COMPRISE OF :		
Cash and bank balances	7,212	1,554
Deposits with licensed banks	15,708	53,679
	<u>22,920</u>	<u>55,233</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2007)

FIMA CORPORATION BERHAD (Company No. 21185-P)
NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007

Part A - FRS 134 Requirements

Part B - Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements

PART A - FRS 134 Requirements

A1. Basis of Preparation and Accounting Policies

The interim statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2007.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2007 except for the adoption of revised FRS 117-Leases and FRS 124-Related Party Disclosures issued by MASB that are effective for the Group's annual reporting date, 31 March 2008.

The adoption of the FRSs listed above, other than those stated below, does not have any significant financial impact on the Group. The principal effects of changes in accounting policies resulting from the adoption of the new/revised FRSs are as follows:

(a) FRS 117: Leases

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight-line basis over the lease term. Prior to 1 April 2007, leasehold land was classified as property, plant and equipment. At 1 April 2007, the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and certain comparative amounts as at 31 March 2007 have been restated as follows:

	<u>As previously reported</u>	<u>Adoption of FRS 117</u>	<u>As restated</u>
	RM'000	RM'000	RM'000
Balance as at 31 March 2007			
Property, plant and equipment	13,061	(6,707)	6,354
Prepaid lease payments	-	6,707	6,707

(b) FRS 124: Related Party Disclosures

This standard affects the identification of related parties and other similar related party disclosures. This standard requires the disclosure of related party transactions and outstanding balances with other entities in a group. Intra-group related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements of the Group.

The adoption of this FRS has no financial impact on the Group's consolidation financial statements.

A3. Audit Qualification

The preceding annual financial statements of the Group were not subject to any audit qualification.

A4. Seasonality or cyclical of the interim operations.

The production of security and confidential documents is influenced by the cyclical changes in volume of certain jobs.

A5. Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A6. Changes in estimates

There were no changes or estimates that have a material effect to the current quarter's results.

A7. Issuances, cancellation, repurchases, resale and repayment of debt and equity securities.

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial year to date except for the following:-

- i) During the current quarter, the Company repurchased 79,300 of its issued ordinary shares from the open market at an average price of RM2.29 per share. The total consideration paid for the repurchase including transaction costs was RM182,898 and this was financed by internally generated funds. Of the total 82,426,810 issued and fully paid ordinary shares as at 31 December 2007, 1,130,400 shares are held as treasury shares by the Company.

A8. Dividends paid

	Cummulative Quarter Ended	
	31/12/07	31/12/06
	RM'000	RM'000
Final Dividend Paid		
2006 - 8% less taxation 28% (Paid on 5 September 2006)		4,675
2007 - 8% less taxation 26% (Paid on 9 October 2007)	4,822	

A9. Segmental Information

<u>Segments</u>	Current Year Totade	
	31/12/07	
	Revenue	Profit/(Loss)
	RM'000	RM'000
Production and trading of security & confidential documents	113,562	26,533
Oil palm production and processing	14,775	1,513
Property Management	3,980	996
Others	-	(2,326)
	<u>132,317</u>	<u>26,716</u>
Group's share of associated company's results	-	3,582
	<u>132,317</u>	<u>30,298</u>
Eliminations	(762)	-
Group Results	<u>131,555</u>	<u>30,298</u>

A10. Valuation of property, plant and equipment

Property, plant and equipment are not stated at any revalued amounts except for assets of subsidiary, PT Nunukan Jaya Lestari, which were revalued on 1 October 2007 by PT Artanila Permai, an independent professional valuer.

A11. Subsequent events

There were no material events subsequent to the end of the current quarter.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to date including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations other than:

- (i) On 9 April 2007, a wholly-owned subsidiary, FCB Management Sdn Bhd ("FCB Management") increased its equity interest in an associate company, PT Nunukan Jaya Lestari ("NJL") from 32.5% to 80.0% by subscribing to the following:
1. 472,500 new shares issued by NJL for a cash consideration of RM21.0 million.
 2. Rp.135.0 billion nominal value of redeemable convertible loan stock issued by NJL for a cash consideration of RM60.0 million.

The acquired subsidiary has contributed the following results to the Group:

	Current Year To date 31/12/07 RM'000
Revenue	14,775
Profit for the period	<u>1,513</u>

The assets and liabilities arising from the acquisition are as follows:

	Fair Value RM'000	Acquiree's Carrying Amount RM'000
Property, plant & equipment	108,655	108,655
Inventories	1,821	1,821
Other receivables	387	387
Cash and bank balances	14,461	14,461
Trade and other payables	(16,290)	(16,290)
Borrowings	(1,079)	(1,079)
Foreign exchange translation	4,444	4,444
Total net assets	<u>112,399</u>	<u>112,399</u>
Less : Minority Interest	<u>22,480</u>	
	89,919	
Transfer from investment in associate	<u>5,443</u>	
	95,362	
Goodwill arising on acquisition	638	
Total cost of acquisition	<u>96,000</u>	

A12. Changes in the composition of the Group (Cont'd)

The cash outflow on acquisition is as follows:

	Current Year Totdate 31/12/07 RM'000
Purchase consideration satisfied in cash	96,000
Cash and cash equivalent of subsidiary acquired	<u>(14,461)</u>
Net cash outflow of the Group	<u>81,539</u>

A13. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since the last annual balance sheet (other than changes in material litigation disclosed in Note B11).

A14. Capital Commitments

	As at 31/12/07 RM'000
Property, plant and equipment	
Approved and contracted for	10,211
Approved but not contracted for	<u>8,849</u>
	<u>19,060</u>

A15. Acquisition of Property, Plant and Equipment

As at the end of the financial period todate, the Group has acquired the following assets.

	Current Year Totdate 31/12/07 RM'000
Property	1,796
Plant and Machinery	8,673
Furniture, Fittings and Computers	<u>140</u>
	<u>10,609</u>

A16. Related Party Transactions

	Current Year Totdate 31/12/07 RM'000
Kumpulan Fima Berhad, penultimate holding company	
Interest income receivable	(30)
Rental income receivable	(333)
Sales made - Printing of documents	(13)

Fellow Subsidiaries :

Malaysian Transnational Trading Corporation Berhad	
Rental income receivable	(71)
Fima TLP Feedlot	
Management services receivable	(75)

A16. Related Party Transactions (Cont'd)

Related by virtue of having common director/(s)/shareholder/(s) :

Nationwide Express Courier Services Berhad	
Purchases made - Delivery services	125
Rental income receivable	(74)

Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	207

Associated Company :

Giesecke & Devrient Malaysia Sdn Bhd	
Management services receivable	(18)

A17. Inventories

During the quarter, the amount of inventories written down was RM38,000.

PART B - Bursa Securities Listing Requirements

B1. Review of Performance

Revenue todate for the Group closed at RM131.6 million, an increase of RM6.2 million or 5% over the corresponding period of last year. The increase was mainly attributable to revenue generated from oil palm production and processing. However, a lower sales volume was recorded in the production and trading of security and confidential documents which resulted in lower pre-tax profit from this segment. The Group recorded a profit before taxation of RM30.3 million, representing a decrease of RM2.2 million or 6.8% over the corresponding period of last year.

B2. Material change in profit before taxation for the quarter reported as compared with the preceding quarter

The Group's revenue for the quarter under review at RM41.6 million was RM8.2 million or 16.4% lower than preceding quarter. The decrease in revenue was mainly attributable to lower revenue from oil palm processing and production and trading of security and confidential documents.

Due to lower revenue, the Group registered a pre-tax profit of RM8.4 million, a decrease of RM5.6 million from RM14.0 million pre-tax profit in the preceding quarter.

B3. Prospects

Barring unforeseen circumstances, the Directors are of the view that the Group's overall performance will be satisfactory in the remaining quarter of the financial year.

B4. Variance of actual profit from forecast profit

The Group did not issue any profit forecast and/or guarantees to the public.

B5. Taxation

	Current Quarter 31/12/07 RM'000	Current Year Todate 31/12/07 RM'000
Current year's charge	2,083	7,694

The effective tax rate on Group's profit todate is marginally higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes.

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

There was no sale of unquoted investments or properties.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities.

B8. (a) Corporate proposals

There are no corporate proposals announced but not completed at the date of this report.

(b) Utilisation of proceeds raised from any corporate proposal.

Not applicable.

B9. Borrowings

	Current Year Totate 31/12/07 RM'000
Short term borrowings	
Secured	<u>40,000</u>

B10. Off Balance Sheet financial instruments

The Group is not a party to any financial instruments which may have off-balance sheet risk at the date of this report.

B11. Changes in material litigation

- i) A wholly-owned subsidiary of the Company ("Plaintiff") had served a Writ of Summons against a third party for arrears of rental income and other expenses amounting RM1.70 million. The defendant filed their Statement of Defence denying the tenancy contract and counter claim for over payment of RM2.06 million.

On 7 February 2003, the High Court ruled in the Plaintiff's favour in respect of the Plaintiff's application for Summary Judgement for the sum of RM1.18 million. The High Court also ordered that the remaining claim of RM0.52 million be proceeded with full trial. The Court had further ordered that the execution be stayed until the disposal of the trial. The case is now fixed for case management on 3 March 2008.

In view of the uncertainty of recovering the amount awarded to the Plaintiff, the amount of RM1.18 million has not been recognised in the income statement of the Plaintiff in the current financial period.

- ii) Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, the Company as the Principal Tenant had issued a termination notice dated 15 May 2000 to all its respective sub-tenants at Airtel Complex, Subang.

Pursuant to the above, on 28 September 2001, the Company was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being their renovation costs and general damages. The Board had sought the opinion from the solicitors who were of the opinion that there should be no compensation payable to the Plaintiff as the demised premise was acquired by a relevant authority which was provided in the Tenancy Agreement between the Company and the Plaintiff.

On 24 June 2002, the Plaintiff filed its amended Writ of Summons and Statement of Claims, naming MAHB as the 2nd Defendant and on 14 January 2003, served the same to the Company. On 20 January 2003, the Company's solicitors filed an amended Statement of Defence and on 22 April 2003, the 2nd Defendant obtained an order in terms from the Court to strike out the Plaintiff's claim.

The Plaintiff served its Application for Summons in Chambers on the Company on 15 December 2003. Subsequently, the Company replied to the Plaintiff on 16 December 2003 expressly stipulating that the Rules of the High Court requires the Plaintiff to file a Notice of Pre-Trial Case Management seeking the directions of the Judge as to the further conduct of the matter.

On 4 February 2004, the Plaintiff had withdrawn their Application for Summons in Chambers and the Court had directed the Plaintiff to file the necessary application in order to continue the proceeding.

The case is fixed for case management on 27 February 2008.

B12. Dividend

For the current quarter under review, no dividend has been proposed and declared.

B13. Earnings per share

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	Current Year Quarter <u>31/12/07</u>	Preceding Year Corresponding Quarter <u>31/12/06</u>	Current Year To Date <u>31/12/07</u>	Preceding Year Corresponding Period <u>31/12/06</u>
Earnings				
Profit attributable to ordinary equity holders of the parent (RM'000)	6,622	7,158	22,301	22,599
Basic Earning per Share				
Weighted average number of ordinary shares	81,462,160	81,303,109	81,462,160	81,303,109
Basic Earnings per Share (sen)	8.13	8.80	27.38	27.80
Diluted Earnings per Share				
ESOS				
Weighted average number of unissued shares	-	318,000	-	318,000
Weighted average number of shares that would have been issued at fair value	-	(141,775)	-	(141,775)
Adjusted weighted average number of ordinary shares	81,462,160	81,479,334	81,462,160	81,479,334
Diluted Earnings per Share (sen)	8.13	8.79	27.38	27.74

BY ORDER OF THE BOARD

LEE MO LENG
MOHD YUSOF BIN PANDAK YATIM
Company Secretaries

Kuala Lumpur
Date : 20 February 2008