

FIMA CORPORATION BERHAD
(Company No. 21185-P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009
THE FIGURES HAVE NOT BEEN AUDITED**

CONDENSED CONSOLIDATED INCOME STATEMENTS

	<i>Current Quarter</i>		<i>9 Months Cumulative</i>	
	Current Year Quarter <u>31/12/09</u> RM'000	Preceding Year Corresponding Quarter <u>31/12/08</u> RM'000	Current Year To Date <u>31/12/09</u> RM'000	Preceding Year Corresponding Period <u>31/12/08</u> RM'000
Revenue	75,497	54,801	196,975	177,709
Cost of Sales	(43,901)	(40,785)	(120,896)	(117,992)
Gross Profit	31,596	14,016	76,079	59,717
Other income	304	1,294	970	2,250
Administrative Expenses	(3,126)	(1,362)	(8,505)	(6,974)
Selling and Marketing Expenses	(319)	(113)	(756)	(870)
Other Expenses	(4,710)	(2,722)	(9,342)	(9,737)
Finance costs	(92)	(431)	(1,187)	(1,289)
Share of profit/(loss) in associates	5,658	1,923	10,863	3,454
Profit before taxation	29,311	12,605	68,122	46,551
Taxation	(6,694)	(2,778)	(15,146)	(12,358)
Profit for the period	<u>22,617</u>	<u>9,827</u>	<u>52,976</u>	<u>34,193</u>
Attributable to :				
Equity holders of the parent	20,171	9,162	48,221	31,120
Minority interest	2,446	665	4,755	3,073
Profit for the period	<u>22,617</u>	<u>9,827</u>	<u>52,976</u>	<u>34,193</u>
Earnings per share				
Basic earnings per share (sen)	25.06	11.32	59.92	38.43

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)

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

	As at End Of Current Quarter 31/12/09 (unaudited) RM'000	As at Preceding Financial Year End 31/03/09 (audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant & equipment	42,752	33,635
Biological assets	81,496	72,112
Investment properties	66,653	67,726
Prepaid land lease payments	6,612	6,656
Intangible assets	510	510
Interest in associates	37,785	32,799
Long term receivables	1,550	2,108
Deferred tax assets	9,033	7,120
	246,391	222,666
Current Assets		
Inventories	32,616	37,712
Trade receivables	76,923	78,385
Other receivables	15,356	6,803
Due from related companies	51	133
Cash and bank balances	87,691	32,203
	212,637	155,236
TOTAL ASSETS	459,028	377,902
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	82,427	82,427
Share premium	534	534
Treasury shares	(3,604)	(3,574)
Foreign translation reserve	(3,379)	(22,659)
Retained earnings	225,826	188,468
	301,804	245,196
Minority Interest	16,532	13,578
Total Equity	318,336	258,774
Non-Current Liabilities		
Borrowings	8,144	8,144
Retirement benefit obligations	671	574
Deferred tax liabilities	1,149	2
	9,964	8,720
Current Liabilities		
Borrowings	35,000	35,000
Trade payables	48,643	48,087
Other payables	29,266	22,649
Provision for compensation claim	2,120	2,120
Tax payable	15,699	2,552
	130,728	110,408
Total Liabilities	140,692	119,128
TOTAL EQUITY AND LIABILITIES	459,028	377,902
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.75	3.05

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009

	←-----Attributable to Equity Holders of the Parent-----→						Minority Interest	Total Equity
	←-----Non-Distributable-----→			Distributable				
	Share Capital	Share Premium	Treasury Shares	Foreign Translation Reserve	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 01 April 2008	82,427	534	(2,161)	(14,424)	141,027	207,403	21,793	229,196
Net Profit	-	-	-	-	31,120	31,120	3,073	34,193
Dividends Paid	-	-	-	-	(9,689)	(9,689)	-	(9,689)
Purchase of Treasury Shares	-	-	(1,258)	-	-	(1,258)	-	(1,258)
Foreign currency translation	-	-	-	(8,104)	-	(8,104)	-	(8,104)
Redemption of loan stocks	-	-	-	-	-	-	(2,422)	(2,422)
At 31 December 2008	<u>82,427</u>	<u>534</u>	<u>(3,419)</u>	<u>(22,528)</u>	<u>162,458</u>	<u>219,472</u>	<u>22,444</u>	<u>241,916</u>
At 01 April 2009	82,427	534	(3,574)	(22,659)	188,468	245,196	13,578	258,774
Net Profit	-	-	-	-	48,221	48,221	4,755	52,976
Dividends Paid	-	-	-	-	(10,863)	(10,863)	-	(10,863)
Purchase of Treasury Shares	-	-	(30)	-	-	(30)	-	(30)
Foreign currency translation	-	-	-	19,280	-	19,280	-	19,280
Redemption of loan stocks	-	-	-	-	-	-	(1,801)	(1,801)
At 31 December 2009	<u>82,427</u>	<u>534</u>	<u>(3,604)</u>	<u>(3,379)</u>	<u>225,826</u>	<u>301,804</u>	<u>16,532</u>	<u>318,336</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 2009)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009

	9 months ended	
	31/12/09	31/12/08
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	68,122	46,551
Adjustments for :		
Depreciation for property, plant and equipment	6,592	5,296
Depreciation of investment properties	1,073	1,074
Amortisation of biological assets	2,481	1,639
Amortisation of prepaid land lease payments	64	64
Bad & doubtful debts (net)	(479)	565
Provision/(write-back) for retirement benefit obligations	79	-
Provision for litigation claims	-	2,120
Write-back for inventories	284	4,134
Gain on disposal of property, plant and equipment	(121)	-
Share of results of associate	(10,862)	(3,454)
Unrealised foreign exchange loss	5,371	177
Interest expense	1,187	1,289
Interest income	(719)	(541)
Operating profit before working capital changes	73,072	58,914
(Increase)/decrease in receivables	(6,820)	(24,111)
Decrease in inventories	4,812	(5,018)
Increase in related companies balances	82	(549)
Increase in payables	7,173	9,795
Cash generated from operations	78,319	39,031
Tax paid	(1,999)	(6,918)
Retirement benefit paid	(28)	(6)
Interest paid	(1,187)	(1,289)
Interest income received	719	541
Net cash generated from operating activities	<u>75,824</u>	<u>31,359</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13,001)	(6,614)
Proceeds from disposal of property, plant and equipment	130	-
Dividends received	5,876	-
Redemption of loan stocks	(1,801)	(2,422)
Net cash used in investing activities	<u>(9,443)</u>	<u>(9,036)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(10,863)	(9,689)
Purchase of Treasury Shares	(30)	(1,258)
Net cash used in financing activities	<u>(10,893)</u>	<u>(10,947)</u>
CASH AND CASH EQUIVALENTS		
Net increase	55,488	11,376
At the beginning of financial period	32,203	12,220
At the end of financial period	<u>87,691</u>	<u>23,596</u>
CASH AND CASH EQUIVALENTS COMPRISE OF :		
Cash and bank balances	17,831	18,076
Deposits with licensed banks	69,860	5,460
	<u>87,691</u>	<u>23,536</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)

FIMA CORPORATION BERHAD (Company No. 21185-P)
NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009

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 2009. 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 2009.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2009.

A3. Audit Qualification

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

A4. Seasonality or cyclicity of the interim operations.

The production of security and confidential documents is influenced by cyclical changes in volume of certain jobs whilst the oil palm production and processing division is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

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 did not repurchase any of its issued ordinary shares. Of the total 82,426,810 issued and fully paid ordinary shares as at 31 December 2009, 1,956,100 shares are held as treasury shares by the Company.

A8. Dividends paid

	Cummulative Quarter Ended	
	31/12/09	31/12/08
	RM'000	RM'000
Final Dividend Paid		
2008 - 9% less taxation 25% (Paid on 11 September 2008)	-	5,456
2009 - 10% less taxation 25% (Paid on 9 October 2009)	6,035	-
Interim Dividend Paid		
2009 - 7% less taxation of 25% (Paid on 24 December 2008)	-	4,233
2010 - 8% less taxation of 25% (Paid on 24 December 2009)	4,828	-
	<u>10,863</u>	<u>9,689</u>

A9. Segmental Information

<u>Segments</u>	Current Year Todate	
	31/12/09	
	Revenue	Profit/(Loss)
	RM'000	RM'000
Production and trading of security & confidential documents	127,764	33,044
Oil palm production and processing	66,263	23,777
Property management	3,787	693
Others	-	(255)
	<u>197,814</u>	<u>57,259</u>
Group's share of associated company's results	-	10,863
	<u>197,814</u>	<u>68,122</u>
Eliminations	(839)	-
Group Results	<u>196,975</u>	<u>68,122</u>

A10. Valuation of property, plant and equipment

Property, plant and equipment are not stated at any revalued amount.

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.

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 31/12/09 RM'000
Property, plant and equipment	
Approved and contracted for	-
Approved but not contracted for	17,758
	<u>17,758</u>

A15. Acquisition of Property, Plant and Equipment

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

	Current Year To date 31/12/09 RM'000
Plant and Machinery	9,527
Furniture, Fittings and Computers	95
Motor Vehicles	3,379
	<u>13,001</u>

A16. Related Party Transactions

	Current Year To date 31/12/09 RM'000
Kumpulan Fima Berhad, penultimate holding company	
Rental income receivable	(294)
Fellow Subsidiaries :	
Malaysian Transnational Trading Corporation Berhad	
Rental income receivable	(71)
Related by virtue of having common director/(s)/shareholder/(s) :	
Nationwide Express Courier Services Berhad	
Purchases made - Delivery services	119
Rental income receivable	(69)
Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	209

A17. Inventories

During the quarter, the amount of inventories written down was RM253,000.

PART B - Bursa Securities Listing Requirements

B1. Review of Performance

Revenue to date for the Group closed at RM197.0 million, an increase of RM19.2 million or 10.8% over the corresponding period of last year. The increase was mainly attributed to higher revenue generated from oil palm production and processing as well as production of security and confidential documents.

On the back of higher revenue and higher share of profit from associated company, the Group recorded a profit before taxation of RM68.1 million, representing an increase of RM21.6 million or 46.3% 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 totalling RM75.5 million was RM16.9 million or 28.8% higher than the preceding quarter. The increase in revenue was mainly due to the higher volume of certain jobs in the production of security and confidential documents.

Due to the higher revenue recorded, the Group achieved a pre-tax profit of RM29.3 million, an improvement of RM11.8 million or 67.7% from the RM17.5 million profit posted in the preceding quarter. Group's share of profit in associated company also increased by RM3.6 million during the current quarter.

B3. Prospects

Barring unforeseen circumstances, the Directors are of the view that the Group's overall performance will be satisfactory in the final 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 31/12/09 RM'000	Current Year To date 31/12/09 RM'000
Tax charge	6,694	15,146

The effective tax rate on Group's profit to date 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 To date 31/12/09
	RM'000
Short term borrowings	
Secured	<u>35,000</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.

On 6 March 2003, the Defendant has filed their Notice of Appeal to the Court of Appeal against the High Court decision. On 7 January 2009, the Defendant's appeal was allowed with costs by the Court of Appeal and the Plaintiff's judgment for RM1.18 million was set aside.

The matter has been settled amicable and consent judgment was recorded on 23 November 2009.

- 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 11 November 2008, the Court had disposed off this matter summarily in favour of the plaintiff and on 4 March 2009, the Company had filed its Record of Appeal to the Court of Appeal to appeal against the decision. The Company had made full provision for the compensation claim.

B12. Dividend

For the current quarter under review, no dividend has been proposed and declared (last year: nil).

B13. Earnings per share

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	Current Year Quarter <u>31/12/09</u>	Preceding Year Corresponding Quarter <u>31/12/08</u>	Current Year To Date <u>31/12/09</u>	Preceding Year Corresponding Period <u>31/12/08</u>
<i>Earnings</i>				
Profit attributable to ordinary equity holders of the parent (RM'000)	20,171	9,162	48,221	31,120
Basic Earning per Share				
Weighted average number of ordinary shares	80,478,960	80,968,859	80,478,960	80,968,859
Basic Earnings per Share (sen)	25.06	11.32	59.92	38.43

BY ORDER OF THE BOARD

LEE MO LENG
MOHD YUSOF BIN PANDAK YATIM
 Company Secretaries

Kuala Lumpur
 Date : 24 February 2010