

FIMA CORPORATION BERHAD
(Company No. 21185-P)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2011
THE FIGURES HAVE NOT BEEN AUDITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Current Quarter</i>		<i>3 Months Cumulative</i>	
	Current Year Quarter <u>30/06/11</u> RM'000	Preceding Year Corresponding Quarter <u>30/06/10</u> RM'000	Current Year To Date <u>30/06/11</u> RM'000	Preceding Year Corresponding Period <u>30/06/10</u> RM'000
Revenue	91,046	81,044	91,046	81,044
Cost of sales	<u>(44,717)</u>	<u>(42,312)</u>	<u>(44,717)</u>	<u>(42,312)</u>
Gross profit	46,329	38,732	46,329	38,732
Other income	1,404	804	1,404	804
Administrative expenses	(4,048)	(2,831)	(4,048)	(2,831)
Selling and marketing expenses	(346)	(371)	(346)	(371)
Other expenses	(4,612)	(4,279)	(4,612)	(4,279)
Finance costs	(380)	(300)	(380)	(300)
Share of profit/(loss) of associates	<u>1,358</u>	<u>1,739</u>	<u>1,358</u>	<u>1,739</u>
Profit before tax	39,705	33,494	39,705	33,494
Income tax expenses	<u>(9,418)</u>	<u>(8,569)</u>	<u>(9,418)</u>	<u>(8,569)</u>
Profit net of tax	<u>30,287</u>	<u>24,925</u>	<u>30,287</u>	<u>24,925</u>
Other comprehensive income, net of tax				
Foreign currency translation	<u>2,049</u>	<u>155</u>	<u>2,049</u>	<u>155</u>
Other comprehensive income for the year	2,049	155	2,049	155
Total comprehensive income for the period	<u>32,336</u>	<u>25,080</u>	<u>32,336</u>	<u>25,080</u>
Profit attributable to :				
Owners of the parent	26,877	22,929	26,877	22,929
Minority interest	3,410	1,996	3,410	1,996
Profit for the period	<u>30,287</u>	<u>24,925</u>	<u>30,287</u>	<u>24,925</u>
Total comprehensive income attributable to :				
Owners of the parent	28,926	23,084	28,926	23,084
Minority interest	3,410	1,996	3,410	1,996
Total comprehensive income for the period	<u>32,336</u>	<u>25,080</u>	<u>32,336</u>	<u>25,080</u>
Earnings per share attributable to owners of the parent				
Basic/diluted earnings per share (sen)	33.40	28.49	33.40	28.49

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at End Of Current Quarter 30/06/11 (unaudited)	As at Preceding Financial Year End 31/03/11
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant & equipment	39,507	41,018
Biological assets	73,353	73,392
Investment properties	70,852	71,230
Goodwill on consolidation	510	510
Interest in associates	35,436	34,077
Deferred tax assets	3,997	3,979
	223,655	224,206
Current Assets		
Inventories	48,241	43,635
Trade receivables	60,923	71,809
Other receivables	15,490	7,379
Due from related companies	553	8
Cash and bank balances	212,213	168,801
	337,420	291,632
TOTAL ASSETS	561,075	515,838
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	82,427	82,427
Share premium	534	534
Treasury shares	(3,604)	(3,604)
Other reserves	(998)	(3,047)
Retained earnings	331,381	304,504
	409,740	380,814
Minority Interest	23,459	20,049
Total Equity	433,199	400,863
Non-Current Liabilities		
Borrowings	4,577	4,577
Retirement benefit obligations	1,050	1,035
Deferred tax liabilities	1	1
	5,628	5,613
Current Liabilities		
Borrowings	35,000	35,000
Trade payables	43,169	38,738
Other payables	25,519	23,756
Provision for compensation claim	2,120	2,120
Tax payable	16,381	9,588
Due to Related Companies	59	160
	122,248	109,362
Total Liabilities	127,876	114,975
TOTAL EQUITY AND LIABILITIES	561,075	515,838
Net assets per share attributable to ordinary equity holders of the parent (RM)	5.09	4.73

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2011

	←-----Attributable to owners of the parent----->								
	-----Non-Distributable-----					-----Distributable-----			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Asset Revaluation Reserve	Foreign Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 01 April 2010	82,427	534	(3,604)	1,530	(3,838)	238,296	315,345	15,922	331,267
Total comprehensive income for the period	-	-	-	-	155	22,929	23,084	1,996	25,080
At 30 June 2010	<u>82,427</u>	<u>534</u>	<u>(3,604)</u>	<u>1,530</u>	<u>(3,683)</u>	<u>261,225</u>	<u>338,429</u>	<u>17,918</u>	<u>356,347</u>
At 01 April 2011	82,427	534	(3,604)	1,530	(4,577)	304,504	380,814	20,049	400,863
Total comprehensive income for the period	-	-	-	-	2,049	26,877	28,926	3,410	32,336
At 30 June 2011	<u>82,427</u>	<u>534</u>	<u>(3,604)</u>	<u>1,530</u>	<u>(2,528)</u>	<u>331,381</u>	<u>409,740</u>	<u>23,459</u>	<u>433,199</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (Company No. 21185-P)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2011

	3 months ended	
	30/06/11	30/06/10
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	39,705	33,494
Adjustments for :		
Depreciation for property, plant and equipment	2,914	2,578
Depreciation of investment properties	378	358
Amortisation of biological assets	1,097	1,119
(Write-back of)/impairment loss on trade receivables	(53)	-
Bad debts recovered	-	90
Provision for retirement benefit obligations	8	16
Writedown of inventories	37	19
Gain on disposal of property, plant and equipment	(34)	(31)
Share of results of associate	(1,359)	(1,739)
Interest expense	380	300
Interest income	(1,364)	(495)
Operating profit before working capital changes	41,709	35,709
Decrease/(increase) in receivables	2,810	(8,096)
Increase in inventories	(4,643)	(9,903)
(Increase)/decrease in related companies balances	(646)	176
Increase in payables	6,194	9,771
Cash generated from operations	45,424	27,657
Tax paid	(2,625)	(2,839)
Retirement benefit paid	(3)	(8)
Interest paid	(380)	(300)
Interest income received	1,364	495
Net cash generated from operating activities	43,780	25,005
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,090)	(1,426)
Proceeds from disposal of property, plant and equipment	34	35
Dividends received	-	5,250
Net cash (used in)/generated from investing activities	(1,056)	3,859
CASH AND CASH EQUIVALENTS		
Net increase	42,724	28,864
Effect of foreign exchange rate changes in cash and cash equivalent	688	55
At the beginning of financial period	168,801	96,144
At the end of financial period	212,213	125,063
CASH AND CASH EQUIVALENTS COMPRISE OF :		
Cash and bank balances	16,581	10,007
Deposits with licensed banks	195,632	115,056
	212,213	125,063

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements)

FIMA CORPORATION BERHAD (Company No. 21185-P)
NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FINAL QUARTER ENDED 31 MARCH 2011

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 2011. 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 2011.

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 2011 except for the adoption of the following Financial Reporting Standards ("FRSs"), revised FRSs, Amendments to FRSs and IC Interpretations.

Effective for financial periods beginning on or after 1 July 2010:

FRS 1: First-time Adoption of Financial Reporting Standards

FRS 3: Business Combinations (revised)

Amendments to FRS 2: Share Based Payment

Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 127: Consolidated and Separate Financial Statements

Amendments to FRS 138: Intangible Assets

Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 12: Service Concession Arrangements

IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17: Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosure for First-Time Adopters

Amendments to FRS 7: Improving Disclosures about Financial Instruments

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

IC Interpretation 4: Determining whether an Arrangement contains a lease

IC Interpretation 18: Transfers of Assets from Customers

Effective for financial periods beginning on or after 1 July 2011:

Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

Effective for financial periods beginning on or after 1 January 2012:

FRS 124: Related Party Disclosures

IC Interpretation 15: Agreements for the Construction of Real Estate

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

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 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.

A8. Dividends paid

There were no dividends paid in the current quarter (last year: nil).

A9. Segmental Information

<u>Segments</u>	Current Year Totdate 30/06/11	
	Revenue	Profit
	RM'000	Before Tax RM'000
Production and trading of security & confidential documents	52,314	15,408
Oil palm production and processing	37,754	22,701
Property management	1,270	289
Others	-	(51)
	<u>91,338</u>	<u>38,347</u>
Group's share of associated company's results	-	1,358
	<u>91,338</u>	<u>39,705</u>
Eliminations	(292)	-
Group Results	<u>91,046</u>	<u>39,705</u>

A10. Valuation of property, plant and equipment

The carrying amounts of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

A11. Subsequent events

On 15 July 2011, the Company divested 10% equity interest comprising five million ordinary shares of RM1.00 each in associate company, Giesecke & Devrient Malaysia Sdn Bhd ("G&D") for a cash consideration of RM11.8 million, equivalent to 10% of G&D's net equity as at 30 June 2011.

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 B12).

A14. Capital Commitments

	As at 30/06/11 RM'000
Property, plant and equipment	
Approved and contracted for	1
Approved but not contracted for	7,208
	<u>7,209</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 30/06/11 RM'000
Plant and machinery	641
Motor vehicles	12
Buildings	356
Office equipment and fittings	81
	<u>1,090</u>

A16. Related Party Transactions

	Current Year To date 30/06/11 RM'000
Kumpulan Fima Berhad, penultimate holding company	
Rental income receivable	(115)
Related by virtue of having common director/(s)/shareholder/(s) :	
Nationwide Express Courier Services Berhad	
Rental income receivable	(24)
Purchases made - Delivery services	52
Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	6
TD Technologies Sdn Bhd	
Purchases made - Software rental	17
First Zanzibar Sdn Bhd	
Purchases made - IT support	8
Associated Company :	
Giesecke & Devrient Malaysia Sdn Bhd	
Management services receivable	(6)

A17. Inventories

During the quarter, there was no significant write-down or write-back of inventories.

PART B - Bursa Securities Listing Requirements

B1. Review of Performance

For the 1st quarter, the Group's revenue increased to RM91.0 million from RM81.0 million recorded in the corresponding period last year, an improvement of RM10.0 million or 12.3%. The increase was mainly attributable 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, pretax profit recorded for the quarter under review was RM39.7 million, representing an increase of RM6.2 million or 18.5% over the same period 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 current quarter at RM91.0 million was RM22.5 million or 32.9% higher than the preceding quarter. The improvement was mainly attributable to higher sale of oil palm products.

Due to the higher revenue recorded, the Group registered a RM19.6 million increase in pretax profit by posting a profit before tax of RM39.7 million as compared to RM20.1 million pretax 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 quarters 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 30/06/11 RM'000	Current Year To date 30/06/11 RM'000
Tax charge	9,418	9,418

The effective tax rate on Group's profit to date is marginally lower than the statutory tax rate.

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

	As at 30/06/11
	RM'000
Short term borrowings	
Secured	<u>35,000</u>

B10. Realised/unrealised profits/(losses)

	As at 30/06/11	As at 31/03/11
	RM'000	RM'000
Total retained profits/(accumulated losses) of Fima Corporation Berhad and its subsidiaries:		
- Realised	303,716	274,806
- Unrealised	<u>(9,186)</u>	<u>(9,204)</u>
	294,530	265,602
Total share of retained profits/(accumulated losses) from associated company:		
- Realised	27,642	26,083
- Unrealised	<u>(7,206)</u>	<u>(7,006)</u>
	20,436	19,077
Add : Consolidation adjustments	16,415	19,825
Total group retained profits as per consolidated accounts	<u>331,381</u>	<u>304,504</u>

B11. 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.

B12. Changes in material litigation

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 Court has yet to fix the hearing date for the appeal. The Company had made full provision for the compensation claim in previous financial year.

B13. Dividend

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

B14. Earnings per share

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	<i>Current Year</i>	<i>Preceding Year</i>	<i>Current Year</i>	<i>Preceding Year</i>
	<i>Quarter</i>	<i>Corresponding Quarter</i>	<i>To Date</i>	<i>Corresponding Period</i>
	<u>30/06/11</u>	<u>30/06/10</u>	<u>30/06/11</u>	<u>30/06/10</u>
<i>Earnings</i>				
Profit attributable to owners of the parent	26,877	22,929	26,877	22,929
	<hr/>	<hr/>	<hr/>	<hr/>
Basic Earning per Share				
Weighted average number of ordinary shares	80,470,710	80,470,710	80,470,710	80,470,710
Basic Earnings per Share (sen)	33.40	28.49	33.40	28.49

BY ORDER OF THE BOARD

LEE MO LENG
MOHD YUSOF BIN PANDAK YATIM
Company Secretaries

Kuala Lumpur
Date : 15 August 2011