FIMA CORPORATION BERHAD (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

	Current Quarter		9 Months Cumulative	
	Current Year Quarter 31/12/11 RM'000	Preceding Year Corresponding Quarter 31/12/10 RM'000	Current Year To Date 31/12/11 RM'000	Preceding Year Corresponding Period 31/12/10 RM'000
Revenue	66,636	75,422	232,877	229,082
Cost of sales	(42,057)	(37,998)	(127,249)	(122,208)
Gross profit	**24,579**	**37,424**	**105,628**	**106,874**
Interest income	1,082	883	3,978	2,229
Other income	6	179	52	654
Administrative expenses	(6,521)	(3,042)	(14,073)	(9,106)
Selling and marketing expenses	(1,248)	(301)	(1,901)	(958)
Other operating expenses	(2,403)	(1,440)	(12,666)	(8,408)
Finance costs	(293)	(382)	(907)	(1,317)
Share of profit of associates	1,476	413	3,704	1,459
Profit before tax	16,678	33,734	83,815	91,427
Income tax expense	(4,394)	(8,499)	(22,711)	(23,134)
Profit net of tax	**12,284**	**25,235**	**61,104**	**68,293**
Other comprehensive income, net of tax				
Foreign currency translation	(5,181)	(901)	2,773	(3,257)
Other comprehensive income for the period	(5,181)	(901)	2,773	(3,257)
Total comprehensive income for the period	**7,103**	**24,334**	**63,877**	**65,036**
Profit attributable to :				
Owners of the Company	11,322	23,241	55,155	62,859
Minority interest	962	1,994	5,949	5,434
Profit for the period	**12,284**	**25,235**	**61,104**	**68,293**
Total comprehensive income attributable to :				
Owners of the Company	6,141	22,340	57,928	59,602
Minority interest	962	1,994	5,949	5,434
Total comprehensive income for the period	**7,103**	**24,334**	**63,877**	**65,036**
Earnings per share attributable to owners of the Company				
Basic/diluted earnings per share (sen)	14.07	28.88	68.54	78.11

(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 (21185-P)

FIMA CORPORATION BERHAD

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at End Of Current Quarter 31/12/11 (unaudited)	As at Preceding Financial Year End 31/03/11 (audited)
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant & equipment	36,402	41,018
Biological assets	70,174	73,392
Investment properties	70,098	71,230
Goodwill on consolidation	510	510
Interest in associates	25,969	34,077
Deferred tax assets	3,979	3,979
	207,132	224,206
Current Assets		
Inventories	59,789	43,635
Trade receivables	81,565	71,809
Other receivables	33,877	7,379
Due from related companies	18	8
Cash and bank balances	185,714	168,801
	360,963	291,632
TOTAL ASSETS	**568,095**	**515,838**
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	82,427	82,427
Share premium	534	534
Treasury shares	(3,604)	(3,604)
Other reserves	3,346	(3,047)
Retained earnings	338,535	304,504
	421,238	380,814
Minority Interest	21,286	20,049
Total Equity	442,524	400,863
Non-Current Liabilities		
Borrowings	4,577	4,577
Retirement benefit obligations	1,026	1,035
Deferred tax liabilities	1	1
	5,604	5,613
Current Liabilities		
Borrowings	-	35,000
Trade payables	73,850	38,738
Other payables	23,450	23,756
Provision for compensation claim	2,120	2,120
Tax payable	20,547	9,588
Due to related companies	-	160
	119,967	109,362
Total Liabilities	125,571	114,975
TOTAL EQUITY AND LIABILITIES	**568,095**	**515,838**
Net assets per share attributable to ordinary equity holders of the Company (RM)	5.23	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 (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

	<---------- Attributable to owners of the Company						---------->				
	<----------Non-Distributable						---------->	Distributable			
	Share Capital	Share Premium	Treasury Shares	Other Reserves	Asset Revaluation Reserve	Foreign Translation Reserve	Equity Contribution from parent	Retained Earnings	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01 April 2010	82,427	534	(3,604)	(2,308)	1,530	(3,838)	-	238,296	315,345	15,922	331,267
Total comprehensive income for the period	-	-	-	(3,257)	-	(3,257)	-	62,859	59,602	5,434	65,036
Dividends Paid	-	-	-	-	-	-	-	(13,278)	(13,278)	-	(13,278)
Redemption of loan stocks	-	-	-	-	-	-	-	-	-	(1,778)	(1,778)
At 31 December 2010	82,427	534	(3,604)	(5,565)	1,530	(7,095)	-	287,877	361,669	19,578	381,247
At 01 April 2011	82,427	534	(3,604)	(3,047)	1,530	(4,577)	-	304,504	380,814	20,049	400,863
Total comprehensive income for the period	-	-	-	2,773	-	2,773	-	55,155	57,928	5,949	63,877
Grant of equity-settled share options to employees	-	-	-	3,620	-	-	3,620	-	3,620	-	3,620
Dividend paid to minority interest	-	-	-	-	-	-	-	-	-	(4,712)	(4,712)
Dividend paid	-	-	-	-	-	-	-	(21,124)	(21,124)	-	(21,124)
At 31 December 2011	82,427	534	(3,604)	3,346	1,530	(1,804)	3,620	338,535	421,238	21,286	442,524

(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 (21185-P)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

	9 months ended	
	31/12/11	31/12/10
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	83,815	91,427
Adjustments for:		
Depreciation for property, plant and equipment	8,901	7,709
Depreciation of investment properties	1,132	1,072
Amortisation of biological assets	3,218	3,115
Impairment loss on trade receivables	591	174
Write back of impairment loss on trade receivables	(65)	(241)
Provision for retirement benefit obiligations	19	30
Writedown of inventories	24	127
Reversal of inventories written down	(20)	(57)
Gain on disposal of property, plant and equipment	(34)	(46)
Grant of equity-settled share options to employees	3,620	-
Share of results of associate	(3,704)	(1,459)
Interest expense	907	1,317
Interest income	(3,978)	(2,229)
Operating profit before working capital changes	94,426	100,939
Increase in receivables	(36,780)	(1,322)
Increase in inventories	(16,158)	(16,771)
(Increase)/decrease in related companies balances	(170)	120
Increase in payables	34,806	10,363
Cash generated from operations	76,124	93,329
Tax paid	(11,752)	(12,459)
Retirement benefit paid	(28)	(29)
Net cash generated from operating activities	64,344	80,841
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,285)	(5,192)
Proceeds from disposal of property, plant and equipment	34	50
Proceeds from disposal of investment	11,812	-
Interest received	3,978	2,229
Redemption of loan stocks	-	(1,778)
Net cash generated/(used in) from investing activities	11,539	(4,691)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(907)	(1,317)
Dividends paid	(21,124)	(13,278)
Dividends paid by a subsidiary to minority interest	(4,712)	-
Dividends received	-	5,250
Repayment of short term borrowings	(35,000)	-
Net cash used in financing activities	(61,743)	(9,345)
CASH AND CASH EQUIVALENTS		
Net increase in cash and cash equivalents	14,140	66,805
Effect of foreign exchange rate changes in cash and cash equivalents	2,773	873
Cash and cash equivalents balances at beginning of year	168,801	96,144
Cash and cash equivalents at end of period	185,714	163,822
CASH AND CASH EQUIVALENTS COMPRISE OF :		
Cash and bank balances	3,990	60,742
Deposits with licensed banks	181,724	103,080
	185,714	163,822

(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)

NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

PART A - Explanatory notes pursuant to FRS 134

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: Extinguising 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 issued but not yet effective 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 cyclicality of the interim operations.

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

A8. Dividends paid

		Cummulative Quarter Ended	
		31/12/11	31/12/10
		RM'000	RM'000
Final Dividend Paid			
2010 -	12% less taxation 25% (Paid on 8 October 2010)	-	7,242
2011 -	15% + 5% Special Dividend less taxation 25% (Paid on 7 October 2011)	12,071	-
Interim Dividend Paid			
2011 -	10% less taxation of 25% (Paid on 24 December 2010)	-	6,035
2012 -	15% less taxation of 25% (Paid on 23 December 2011)	9,053	-
		21,124	13,277

A9. Segmental Information

	9 Months Cumulative			
	Current Year Todate 31/12/11		Preceding Year Corresponding Period 31/12/10	
	Revenue RM'000	Profit Before Tax RM'000	**Revenue** RM'000	Profit Before Tax RM'000
Segments				
Production and trading of security & confidential documents	147,686	41,042	150,734	54,561
Oil palm production and processing	82,197	38,439	75,388	34,834
Property management	3,910	654	3,934	796
Others	-	(24)	-	(223)
	233,793	80,111	230,056	89,968
Share of results of associate	-	3,704	-	1,459
	233,793	83,815	230,056	91,427
Eliminations	(916)	-	(974)	-
Group Results	232,877	83,815	229,082	91,427

A10. Profit Before Tax

The following amounts have been included in arriving at profit before taxation:

	Quarter ended		*9 Months Cumulative*	
	31/12/11	31/12/10	31/12/11	31/12/10
	RM'000	RM'000	RM'000	RM'000
Other income				
Management fees	6	164	18	608
Gain on disposal of property, plant and equipment	-	15	34	46
Operating expenses				
Depreciation and amortisation	4,234	4,019	13,251	11,896
^ Foreign exchange loss/(gain)	(353)	10	3,340	1,474
Impairment loss on trade receivables	213	174	591	174
Write back of impairment loss on trade receivables	(12)	(222)	(65)	(241)
Inventories written down	-	-	24	127
Reversal of inventories written down	(3)	(177)	(20)	(57)
# Share options granted under ESOS	3,620	-	3,620	-

Note:

^ Realised foreign exchange loss on redemption of loan stock by subsidiary.

On 10 October 2011, Kumpulan Fima Berhad ("KFima") launched an Employees Share Option Scheme and 8,829,000 equity-settled share options were granted to the employees of Fima Corporation Group of companies ("the Group"). FRS 2: Share-based Payment requires an entity to measure the fair value of the equity instruments granted and reflect it in its profit or loss and financial position. In compliance with the requirements of FRS 2, the Group had recognised RM3.62 million in the financial statements being the fair value of the equity-settled share options granted by KFima to the employees of the Group. The recognition of this share-based payment is a non-cash transaction and has no financial impact on the Group's shareholders' funds.

A11. 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.

A12. Subsequent events

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

A13. Changes in the composition of the Group

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. Consequently, the Company's equity interest in the associate company decreased from 30% to 20%.

A14. 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).

A15. Capital Commitments

	As at 31/12/11 RM'000
Property, plant and equipment	
Approved and contracted for	5,657
Approved but not contracted for	6,025

A16. Acquisition of Property, Plant and Equipment

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

	Current Year Todate 31/12/11 RM'000
Plant and machinery	1,875
Motor vehicles	1,134
Buildings	1,075
Office equipment and fittings	201
	4,285

A17. Related Party Transactions

	Current Year Todate 31/12/11 RM'000
Kumpulan Fima Berhad, penultimate holding company	
Rental income receivable	(346)
Sales made - Supply of air-conditioners	(20)
Related by virtue of having common director/(s)/shareholder/(s) :	
Nationwide Express Courier Services Berhad	
Rental income receivable	(71)
Purchases made - Delivery services	88
Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	53
Related by virtue of having common director/(s)/shareholder/(s) :	
TD Technologies Sdn Bhd	
Purchases made - Software rental	50
First Zanzibar Sdn Bhd	
Purchases made - IT support	12
Associated Company :	
Giesecke & Devrient Malaysia Sdn Bhd	
Management services receivable	(18)

A18. Inventories

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

PART B - Explanatory notes pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

Revenue todate for the Group closed at RM232.9 million, an increase of RM3.8 million or 1.7% over the corresponding period of last year. The increase was mainly from oil palm production and processing which registered an increase of RM6.8 million while revenue from production and trading of security and confidential documents declined by RM3.0 million.

The Group recorded a profit before tax of RM83.8 million for the current financial year todate as compared to RM91.4 million pre-tax profit in the corresponding period last year. On 10 October 2011, Kumpulan Fima Berhad, the penultimate holding company, launched an Employees Share Option Scheme and employees of the Group were granted equity-settled share options. RM3.6 million was recognised in the financial statements being the fair value of the options granted.

Revenue from **production and trading of security and confidential documents** dipped by 2.0% to RM147.7 million from RM150.7 million last year. On the back of lower revenue, less favourable sales mix and recognition of equity-settled share options, a profit before tax of RM41.0 million was posted, a decrease of 24.8% as compared to previous year's corresponding period.

Oil palm production and processing revenue was RM6.8 million or 9.0% higher than the corresponding period last year. The improvement was mainly attributable to 2,489 mt crude palm kernel oil sold during the financial year at an average net selling price of RM3,300/mt (last year: nil). Average net selling price of crude palm oil (net of duty and transportation cost) realized for the third quarter todate marginally increased from RM2,300/mt achieved in the previous year to RM2,331/mt. Following a higher revenue which was partially offset by higher foreign exchange loss, the division registered a pretax profit of RM38.4 million, an improvement of RM3.6 million over the corresponding period last year.

Performance of the **property management** division remained relatively constant with no significant changes.

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

The Group's revenue of RM66.6 million for the quarter under review was 11.4% lower than the preceding quarter. A pre-tax profit of RM16.7 million was recorded, a decrease of RM10.7 million or 39.2% from RM27.4 million pre-tax profit posted in the preceding quarter.

Revenue from the **production of security and confidential documents** for the quarter decreased by RM8.3 million to RM43.5 million compared to the preceding quarter due to cyclical change in volume of certain products. Pre-tax profit decreased by RM10.7 million to RM7.5 million mainly due to lower revenue, less favourable sales mix and recognition of equity-settled share options.

There was no significant change in the revenue from **oil palm production and processing** for the quarter reported compared to the preceding quarter. The division recorded a marginal lower profit before tax of RM7.8 million for the current quarter as compared to the profit before tax of RM8.0 million in the preceding quarter.

B3. Prospects

Performance of the **oil palm production and processing** division is expected to remain stable in the final quarter of the year whilst revenue from the **production of security and confidential documents** is expected to be lower due to cyclical demand of certain products. Barring any unforeseen circumstances, the Group expects to continue to record satisfactory performance for the current 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 31/12/11 RM'000	Current Year Todate 31/12/11 RM'000
Tax charge	4,394	22,711

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

B6. (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.

B7. Borrowings

As at the end of the reporting period, the Group has no borrowings.

B8. Realised/unrealised profits/(losses)

	As at 31/12/11 RM'000	As at 31/03/11 RM'000
Total retained profits/(accumulated losses) of Fima Corporation Berhad and its subsidiaries:		
- Realised	314,694	274,806
- Unrealised	(10,900)	(9,204)
	303,794	265,602
Total share of retained profits/(accumulated losses) from associated company:		
- Realised	12,296	26,083
- Unrealised	3,673	(7,006)
	15,969	19,077
Add : Consolidation adjustments	18,772	19,825
Total group retained profits as per consolidated accounts	338,535	304,504

B9. 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. In financial year 2008/2009, the Company made full provision for the compensation claim of RM2.12 million.

On 27 September 2011, the Court of Appeal had allowed the Company's appeal against the decision handed down by the High Court and directed that the matter be remitted back to the High Court for a full trial.

B10. Dividend

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

B11. Earnings per share

	Individual Quarter		*Cumulative Quarter*	
	Current Year Quarter 31/12/11	**Preceding Year Corresponding Quarter 31/12/10**	**Current Year To Date 31/12/11**	**Preceding Year Corresponding Period 31/12/10**
Earnings				
Profit attributable to owners of the Company (RM'000)	11,322	23,241	55,155	62,859
Basic Earning per Share				
Weighted average number of ordinary shares in issue	80,470,710	80,470,710	80,470,710	80,470,710
Basic earnings per share (sen)	14.07	28.88	68.54	78.11

BY ORDER OF THE BOARD

LEE MO LENG
MOHD YUSOF BIN PANDAK YATIM
Company Secretaries

Kuala Lumpur
Date : 21 February 2012