

Condensed Consolidated Statement of Comprehensive Income for the Period Ended 31 July 2011

	Note	3 months ended		6 months ended	
		31.07.2011 RM'000	31.07.2010 RM'000	31.07.2011 RM'000	31.07.2010 RM'000
Revenue	4	41,350	38,916	72,085	71,391
Direct operating expenses		(28,522)	(26,936)	(50,522)	(49,412)
Gross profit		12,828	11,980	21,563	21,979
Other operating income		723	682	2,261	1,251
Operating expenses		(6,544)	(5,933)	(12,003)	(12,709)
Profit from operations		7,007	6,729	11,821	10,521
Finance costs		(395)	(364)	(763)	(661)
Share of profits of associates		703	398	1,099	774
Profit before tax		7,315	6,763	12,157	10,634
Income tax expense	19	(1,669)	(1,718)	(3,439)	(2,792)
Profit for the period attributable to the equity holders of the Company		5,646	5,045	8,718	7,842
Other comprehensive income, net of tax:					
Net gain from translation of foreign operations		2,652	3,197	4,566	(2,506)
Total comprehensive income for the period attributable to the equity holders of the Company		8,298	8,242	13,284	5,336
Earnings per share attributable to equity holders of the Company (sen):					
Basic/diluted, for profit for the period	27	2.5	2.2	3.9	3.5

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position As At 31 July 2011

	Note	As at 31.07.2011 RM'000	(Audited) As at 31.01.2011 RM'000
ASSETS			
Non-current assets			
Property, plant & equipment		61,047	56,064
Intangible assets		446	496
Investments in unquoted shares of associates		21,091	18,069
Investments in unquoted debentures of associate		7,233	6,404
Deferred tax asset		1,779	1,722
		<u>91,596</u>	<u>82,755</u>
Current assets			
Inventories		42,369	39,814
Trade and other receivables		42,890	41,604
Marketable securities	22	5,451	4,547
Cash and bank balances		55,343	61,714
Tax Recoverable		98	-
		<u>146,151</u>	<u>147,679</u>
TOTAL ASSETS		<u>237,747</u>	<u>230,434</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	8	112,652	112,650
Share premium		2,092	2,091
Other reserves		13,289	8,723
Retained earnings		48,764	40,046
Total equity		<u>176,797</u>	<u>163,510</u>
Non-current liabilities			
Borrowings	24	10,299	11,570
Deferred tax liabilities		1,815	1,845
		<u>12,114</u>	<u>13,415</u>
Current Liabilities			
Borrowings	24	17,105	16,674
Trade and other payables		31,731	36,009
Current tax payable		-	826
		<u>48,836</u>	<u>53,509</u>
Total liabilities		<u>60,950</u>	<u>66,924</u>
TOTAL EQUITY AND LIABILITIES		<u>237,747</u>	<u>230,434</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity for the Period Ended 31 July 2011

	Attributable to owners of the Company						
	Equity attributable to owners of the parent, total RM'000	Non-Distributable		Distributable	Non-Distributable		
		Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Other reserves, total RM'000	Asset Revaluation Reserve - Freehold Land RM'000	Foreign Currency Translation Reserves RM'000
At 1 February 2010	148,116	112,610	2,065	22,004	11,437	11,508	(71)
Total comprehensive income	22,085	-	-	24,799	(2,714)	-	(2,714)
Transactions with owners							
Dividends	(6,757)	-	-	(6,757)	-	-	-
Issue of ordinary shares pursuant to employee share option scheme	66	40	26	-	-	-	-
At 31 January 2011	163,510	112,650	2,091	40,046	8,723	11,508	(2,785)
At 1 February 2011	163,510	112,650	2,091	40,046	8,723	11,508	(2,785)
Total comprehensive income	13,284	-	-	8,718	4,566	-	4,566
Transactions with owners							
Dividends	-	-	-	-	-	-	-
Issue of ordinary shares pursuant to employee share option scheme	3	2	1	-	-	-	-
At 31 July 2011	176,797	112,652	2,092	48,764	13,289	11,508	1,781

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows for the Period Ended 31 July 2011

	6 months ended	
	31.07.2011 RM' 000	31.07.2010 RM' 000
Net cash used in operating activities	(1,314)	(6,964)
Net cash used in investing activities	(4,945)	(632)
Net cash generated from/(used in) financing activities	<u>26</u>	<u>(1,342)</u>
Net decrease in cash & cash equivalents	(6,233)	(8,938)
Effect of exchange rate changes	720	(2,184)
Cash & cash equivalents at beginning of the period	59,345	62,206
Cash & cash equivalents at end of the period *	<u><u>53,832</u></u>	<u><u>51,084</u></u>

* Cash and cash equivalents comprise the following as at the end of the period:

	As at 31.07.2011 RM'000	As at 31.07.2010 RM'000
Cash and bank balances	55,343	51,483
Bank overdrafts	<u>(1,511)</u>	<u>(399)</u>
Total cash and cash equivalents	<u><u>53,832</u></u>	<u><u>51,084</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Part A – Explanatory Notes Pursuant to Financial Reporting Standard 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 January 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 January 2011.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 January 2011 except for the adoption of the following new/revised FRS, Amendments to FRS and Issues Committee (“IC”) interpretations that are effective for financial year beginning 1 February 2011.

On 1 February 2011, the Group adopted the following FRSs:-

FRSs, Amendments to FRSs and Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2	Share based Payment
Amendments to FRS 2	Share based Payment - Group Cash settled Share based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether An Arrangement contains a Lease
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
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127 as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are described below.

Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interests. Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 January 2011 was not qualified.

4. Segmental Information

The Group is organised on a worldwide basis into two major geographical segments, namely Malaysia and Overseas.

	3 months ended		6 months ended	
	31.07.2011	31.07.2010	31.07.2011	31.07.2010
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Malaysia	37,904	35,649	65,484	65,231
Overseas	3,446	3,267	6,601	6,160
Total revenue	41,350	38,916	72,085	71,391
Segment Results				
Malaysia	3,634	3,768	5,178	5,963
Overseas	2,012	1,277	3,540	1,879
Total results	5,646	5,045	8,718	7,842

5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter.

6. Changes in Estimates

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

7. Seasonality or Cyclical Factors

The Group's performance was not affected by any significant seasonal or cyclical factors.

8. Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter.

9. Changes in Composition of the Group

There are no material changes in the composition of the Group during the current quarter.

10. Discontinued Operations

No major operations were discontinued during the current quarter.

11. Capital Commitments

There were capital commitments of RM 6 million for plant and equipment as at the end of the current quarter.

12. Changes in Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities or contingent assets.

13. Subsequent Events

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

14. Related Party Disclosures

The Group had the following transactions with related parties during the period:

	6 months ended	
	31.07.2011	31.07.2010
	RM'000	RM'000
Related companies: *		
Rental income for motor vehicle	11	-
Purchase of tiles	82	-
Purchase of air tickets	53	119
Professional and share registration charges	47	33
Associates:		
Sale of products	9,734	9,317

* Related companies are companies within the Johan Holdings Berhad group.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

15. Performance Review

The Group's revenue for the current quarter of RM41.350 million was 6% higher than the corresponding period. The Group's profit before tax of RM7.315 million was 8% higher than the corresponding period. The better results during the current quarter were due to higher profit contribution from project related works and higher sale of meters.

16. Variation of Results Against Preceding Quarter

Group Results	Current quarter ended 31.07.2011	Preceding quarter ended 30.04.2011	Difference
	RM'000	RM'000	%
Revenue	41,350	30,735	35
Profit before tax	7,315	4,842	51

The Group's revenue for the current quarter of RM41.350 million was 35% higher than the preceding quarter, and the profit before tax for the current quarter of RM7.315 million was 51% higher than the preceding quarter. The higher revenue and profit was attributed to higher sale of meters and project related works.

17. Prospects

The Group will continue to capitalise on the opportunities arising from the bold initiatives taken by the Malaysian Government to stimulate the economy which will benefit the private sector. This will augur well for the Group and the Board is optimistic of its prospects.

18. Profit Forecast or Profit Guarantee

Not applicable.

19. Income Tax Expense

	3 months ended		6 months ended	
	31.07.2011 RM'000	31.07.2010 RM'000	31.07.2011 RM'000	31.07.2010 RM'000
Current tax:				
Malaysian income tax	1,203	1,237	1,772	1,938
Foreign tax	466	481	1,667	854
Total income tax expense	1,669	1,718	3,439	2,792

The effective tax rate for the current period was higher than the statutory tax rate principally due to the withholding taxes on dividend declared by a foreign subsidiary.

20. Retained Earnings

	As at 31.07.2011 RM'000	As at 31.01.2011 RM'000
Total accumulated losses of the Company and its subsidiaries		
Realised	(83,538)	(94,115)
Unrealised	2,120	2,545
	<u>(81,418)</u>	<u>(91,570)</u>
Total share of retained profits from associated companies		
Realised	19,042	15,762
Unrealised	(329)	(263)
	<u>(62,705)</u>	<u>(76,071)</u>
Consolidated adjustments	111,469	116,117
Total group retained earnings as per consolidated accounts	<u>48,764</u>	<u>40,046</u>

21. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties in the current quarter.

22. Marketable Securities

Details of purchases and disposals of quoted securities are as follows:

	3 months ended		6 months ended	
	31.07.2011 RM'000	31.07.2010 RM'000	31.07.2011 RM'000	31.07.2010 RM'000
Purchase consideration	209	874	887	1,211
Sales proceeds	498	1,421	980	2,486
(Loss)/Gain on disposal	<u>(11)</u>	<u>50</u>	<u>32</u>	<u>56</u>

Details of investments in quoted securities:

	As at 31.07.2011 RM'000	As at 31.01.2011 RM'000
Marketable securities:-		
At cost	5,290	4,225
At book value	5,451	4,547
At market value	<u>5,451</u>	<u>4,547</u>

23. Corporate Proposals

There were no corporate proposals that have not been completed.

24. Borrowings

	As at 31.07.2011 RM'000	As at 31.01.2011 RM'000
Short Term Borrowings:-		
Bank overdrafts	1,511	2,369
Revolving credits	7,000	3,000
Bankers acceptances	5,924	8,679
Term loans	2,400	2,400
Hire purchase and finance lease liabilities	270	226
	17,105	16,674
Long Term Borrowings:-		
Term loans	9,956	11,056
Hire purchase and finance lease liabilities	343	514
	10,299	11,570
Total Borrowings	27,404	28,244

All borrowings are denominated in Ringgit Malaysia and secured against a landed property of the Group.

25. Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments.

26. Changes in Material Litigation

There are no changes to the status of the material litigations since the last quarterly results announced by the Company on 29 June 2011.

27. Dividend Paid/ Payable

The final gross dividend of RM0.03 per share less tax at 25% for the financial year ended 31 January 2011 was approved by the shareholders on 7 July 2011 and subsequently paid on 11 August 2011 to shareholders whose name appeared in the Register of Members and/or Record of Depositors on 22 July 2011. The total gross dividend (interim and final) declared and paid for the financial year ended 31 January 2011 was RM0.05 per share. In Ringgit Malaysia term, the total net dividend for the financial year ended 31 January 2011 was RM8.448 million (FY 2010: RM6.684 million), an increase of 26.4%.

Your Board has declared an interim gross dividend of RM0.02 per share less tax at 25% (FY 2011: RM0.02 less 25% tax) amounting to RM3.380 million (FY 2011: RM3.379 million) for the financial year ending 31 January 2012.

The dividend will be paid on 31 October 2011 to shareholders whose names appear in the Register of Members and/or Record of Depositors on 12 October 2011.

28. Earnings per Share

Basic earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

a) Basic.

	3 months ended		6 months ended	
	31.07.2011	31.07.2010	31.07.2011	31.07.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	5,646	5,045	8,718	7,842
Number of ordinary shares in issue ('000)	225,302	225,219	225,300	225,219
Weighted average number of ordinary shares issued pursuant to conversion of Employee Share Option Scheme ('000)	-	45	2	21
Weighted average number of ordinary shares in issue and issuable ('000)	225,302	225,264	225,302	225,240
Earnings per share attributable to equity holders of the Company (sen):				
Basic, for profit for the period	2.5	2.2	3.9	3.5

b) Diluted

	3 months ended		6 months ended	
	31.07.2011	31.07.2010	31.07.2011	31.07.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	5,646	5,045	8,718	7,842
Weighted average number of ordinary shares in issue and issuable ('000)	225,302	225,264	225,302	225,240
Effects of dilution ('000)				
- share options	85	126	85	118
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	225,387	225,390	225,387	225,358
Earnings per share attributable to equity holders of the Company (sen):				
Diluted, for profit for the period	2.5	2.2	3.9	3.5

By Order of the Board
Teh Yong Fah
Company Secretary
27 September 2011