



Interim Report on Consolidated Results for the Third Quarter ended 31st March 2010

A NOTES TO THE INTERIM FINANCIAL REPORT

A1. Accounting policies and method of computation

The interim financial report has been prepared in accordance with Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30th June 2009.

The quarterly financial statements under review have been prepared based on the same accounting policies and methods of computation as compared with those adopted for the financial statements for the financial year ended 30th June 2009.

In the current financial period, the Company adopted the new FRS 8 “Operating Segments”, which is applicable to financial statements commencing on or after 1st July 2009. The adoption of FRS 8 does not have any financial impact on the financial statements of the Group.

A2. Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A3. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current financial period.

A4. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in the estimates of amounts reported previously that have a material effect in the current financial period.

A5. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial period to date.

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A6. Dividend paid

A final dividend of 4% less tax plus 3% tax-exempt in respect of the financial year ended 30th June 2009, amounting to RM6,011,401 was paid on 7th December 2009.

A7. Segment revenue and segment result

Information on business segments for the financial period ended 31st March 2010 is as follows:-

	Manufacturing RM'000	Investment RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE					
External sales	113,964	451	6,047	-	120,462
Inter-segment sales	3,633	22,090	-	(25,723)	-
Total revenue	117,597	22,541	6,047	(25,723)	120,462
RESULT					
Operating profit	13,315	25,443	1,011	(22,090)	17,679
Interest expense					(92)
Interest income					843
Income tax expense					(3,913)
Profit after taxation					14,517

A8. Material subsequent event

There are no material events subsequent to the end of period reported on to the date of this report which have not been reflected in the financial statement for the period ended 31st March 2010.

A9. Change in composition of the Group

There are no changes in the composition of the Group for the current financial period to date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.



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A10. Contingent liabilities or contingent assets

There is no change in contingent liabilities or contingent assets since the last annual balance sheet date to the date of this report.

B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

(a) Group's revenue for the current quarter at RM42.86 million improved by RM10.43 million compared to RM32.43 million in the same quarter last year. The corresponding profit before tax of RM5.23 million increased by two folds as compared to RM2.61 million previously. The improved performance was mainly attributed to the current economic recovery resulting in increased demand for supply of goods.

(b) Group's revenue for the period to 31st March 2010 at RM120.46 million slipped by 8.8% from RM131.02 million recorded in last corresponding period. The decrease in revenue was mainly due to the reduction in average selling price of the resins division. On the other hand, net profit before tax improved substantially from RM4.66 million to RM18.43 million as a result of tight cost control in the resins division. The performance of the Group was enhanced by the profit arising from the disposal of two parcels of vacant land at IGB International Industrial Park and sale of quoted investments, amounting to RM1.55 million and RM1.52 million respectively.

B2. Comparison of results against the previous quarter ended 31st December 2009

Group's revenue for the current quarter improved by RM4.84 million from RM38.02 million to RM42.86 million as a result of higher average selling price and increased demand from customers. However, net profit before tax is lower by RM1.56 million from RM6.79 million to RM5.23 million. The higher profit in the previous quarter arose from the gain on sale of quoted investment at RM1.52 million.

B3. Prospects

The Board is of the opinion that the performance of the Group for the current financial year ending 30th June 2010 will be significantly better than the financial year ended 30th June 2009.

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B4. Comparison with profit forecast

This note is not applicable.

B5. Income Tax

Taxation comprises:-

	Current quarter ended 31/03/2010	Current period to date 31/03/2010
	RM'000	RM'000
Estimated current Malaysian taxation	1,272	3,553
Deferred taxation	27	395
	<u>1,299</u>	<u>3,948</u>
Under/(over) provision in prior years - income tax	9	(35)
	<u>1,308</u>	<u>3,913</u>

The effective tax rate of the Group for the current period to date is lower than the statutory income tax rate mainly due to the availability of unabsorbed business losses and capital allowances.

B6. Sale of unquoted investments and/or properties

The Company disposed of two parcels of vacant land at IGB International Industrial Park, Ipoh during the current financial period to date. The total consideration and profit arising from the disposal were RM2.33 million and RM1.55 million respectively.

B7. Purchase or disposal of quoted securities

(a)

	Current quarter ended 31/03/2010 RM'000	Current period to date 31/03/2010 RM'000
Total purchase consideration	<u>4,642</u>	<u>9,491</u>
Total sale proceeds	<u>-</u>	<u>4,966</u>
Gain on disposal	<u>-</u>	<u>1,523</u>

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(b) Investments in quoted securities as at 31st March 2010 are as follows:-

	RM'000
(i) Total investments at cost	24,609
(ii) Total investment at carrying value	24,609
(iii) Total investments at market value	29,847

B8. Status of Corporate proposals

There are no corporate proposals announced as at the date of this report.

B9. Group borrowings and debt securities

The Group has no borrowings and debt securities as at 31st March 2010.

B10. Off balance sheet financial instruments

There is no financial instrument with off balance sheet risk as at the date of this report that might materially affect the position or business of the Group.

B11. Changes in material litigation

There were no material changes in litigation since the last annual balance sheet date.

B12. Dividend

No interim dividend has been declared.

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B13. Earnings per share

The basic and diluted earnings per ordinary share of RM0.50 each are calculated as follows:

	Current quarter ended 31/03/2010	Current period to date 31/03/2010
Net profit attributable to ordinary shareholders (RM'000)	<u>3,598</u>	<u>13,553</u>
Weighted average number of ordinary shares of RM0.50 each	200,380,036	200,380,036
Basic/Diluted earnings per ordinary share of RM0.50 each (sen)	<u>1.8</u>	<u>6.8</u>

By Order of the Board,

Ms CHONG YOKE SENG
COMPANY SECRETARY

18th May 2010