

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2011 (RM'000)	Preceding Year Corresponding Quarter 31/12/2010 (RM'000)	Current Year To Date 31/12/2011 (RM'000)	Preceding Year Corresponding Period 31/12/2010 (RM'000)
Revenue	119,436	101,514	534,297	472,214
Operating expenses	(111,915)	(97,949)	(505,133)	(453,117)
Other operating income	138	26	1,594	474
Profit from operations	7,659	3,591	30,758	19,571
(Impairment loss)/fair value gain on derivative financial instruments	(39)	11	-	17
Fair value gain on financial assets at fair value through profit or loss	463	400	2,543	521
Impairment loss on available-for-sale financial assets	(1,096)	-	(2,704)	(97)
Income from other investments and finance	29	17	168	971
Impairment of plant, property and equipment	-	-	(1,820)	(11,000)
Severance payment	-	(2,323)	(577)	(2,323)
Gain from liquidation of a subsidiary	-	-	4,119	-
Profit before tax	7,016	1,696	32,487	7,660
Taxation	(2,056)	(2,195)	(7,499)	(3,842)
Net profit/(loss) for the financial period/year	4,960	(499)	24,988	3,818
Other comprehensive income after tax:				
Net currency translation differences from foreign subsidiaries and liquidation of a subsidiary	30	1,635	(4,413)	1,927
Net fair value gain on available-for-sale financial assets	3,109	1,815	3,570	4,186
Other comprehensive income/(loss) for the financial period/year, net of tax	3,139	3,450	(843)	6,113
Total comprehensive income for the financial period/year	8,099	2,951	24,145	9,931
Net profit/(loss) attributable to:				
- Owners of the parent	4,961	(499)	24,983	3,817
- Non-controlling interests	(1)	-	5	1
	4,960	(499)	24,988	3,818
Total comprehensive income attributable to:				
- Owners of the parent	8,100	2,951	24,140	9,930
- Non-controlling interests	(1)	-	5	1
	8,099	2,951	24,145	9,931
Earnings per share (sen) for profit/(loss) attributable to owners of the parent:				
- basic/diluted	3.25	(0.33)	16.36	2.50

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011**

	Unaudited as at 31/12/2011 (RM'000)	Audited as at 31/12/2010 (RM'000)
Non-current assets		
Property, plant and equipment	74,212	58,310
Investment properties	15,536	10,366
Available-for-sale financial assets	20,294	19,429
Intangible asset	8,893	10,799
Prepaid lease rental	4,935	5,126
Deferred tax assets	1,498	1,461
	125,368	105,491
Current assets		
Non-current assets held for sale	985	-
Inventories	99,360	73,316
Trade receivables	53,374	65,602
Amount due from immediate holding company	-	9,243
Amounts due from related companies	44	1,917
Other receivables, deposits and prepayments	59,468	23,164
Derivative financial asset	-	17
Tax recoverable	2,150	977
Financial assets at fair value through profit or loss	32,064	48,521
Deposits and cash balances	15,010	16,501
	262,455	239,258
Current liabilities		
Trade payables	30,276	21,379
Other payables and accrued expenses	61,404	59,411
Amount due to penultimate holding company	2,139	1,535
Amount due to immediate holding company	18,412	-
Amounts due to related companies	2,133	-
Tax payable	1,755	1,864
	116,119	84,189
Net current assets	146,336	155,069
Non-current liabilities		
Provision for retirement benefits	5,477	5,313
Deferred tax liabilities	1,998	1,416
	7,475	6,729
Net assets	264,229	253,831
Capital and reserves attributable to owners of the parent		
Share capital	153,548	153,548
Reserves	112,307	101,910
Treasury shares	(1,857)	(1,853)
	263,998	253,605
Non-controlling interests	231	226
Total equity	264,229	253,831
Net assets per share (RM) attributable to owners of the parent	1.73	1.66

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

Year	Attributable to owners of the parent							Non-Controlling Interests	Total Equity	
	Issued Share Capital	Share Premium	Capital Reserve	Fair Value Reserve	Foreign Exchange Reserve	Retained Earnings	Treasury Shares			Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	RM'000	(RM'000)	(RM'000)	(RM'000)	
ended 31 December 2011										
Balance as at 1 January 2011	153,548	34,445	1	6,956	4,192	56,316	(1,853)	253,605	226	253,831
<u>Comprehensive income</u>										
Net profit for the financial year	-	-	-	-	-	24,983	-	24,983	5	24,988
Fair value gain on available-for-sale financial assets	-	-	-	3,570	-	-	-	3,570	-	3,570
Currency translation differences from foreign subsidiaries and liquidation of a subsidiary	-	-	-	-	(4,413)	-	-	(4,413)	-	(4,413)
Total comprehensive income/(loss) for the period	-	-	-	3,570	(4,413)	24,983	-	24,140	5	24,145
<u>Transactions with owners</u>										
Treasury shares	-	-	-	-	-	-	(4)	(4)	-	(4)
Dividends (Final for 2010)	-	-	-	-	-	(10,307)	-	(10,307)	-	(10,307)
Dividends (Interim for 2011)	-	-	-	-	-	(3,436)	-	(3,436)	-	(3,436)
Total transactions with owners	-	-	-	-	-	(13,743)	(4)	(13,747)	-	(13,747)
Balance as at 31 December 2011	153,548	34,445	1	10,526	(221)	67,556	(1,857)	263,998	231	264,229
ended 31 December 2010										
Balance as at 1 January 2010	153,548	34,445	1	2,770	2,265	65,097	(1,850)	256,276	225	256,501
<u>Comprehensive income</u>										
Net profit for the financial year	-	-	-	-	-	3,817	-	3,817	1	3,818
Fair value gain on available-for-sale financial assets	-	-	-	4,186	-	-	-	4,186	-	4,186
Currency translation differences	-	-	-	-	1,927	-	-	1,927	-	1,927
Total comprehensive income for the period	-	-	-	4,186	1,927	3,817	-	9,930	1	9,931
<u>Transactions with owners</u>										
Treasury shares	-	-	-	-	-	-	(3)	(3)	-	(3)
Dividends (Final for 2009)	-	-	-	-	-	(6,872)	-	(6,872)	-	(6,872)
Dividends (Interim for 2010)	-	-	-	-	-	(5,726)	-	(5,726)	-	(5,726)
Total transactions with owners	-	-	-	-	-	(12,598)	(3)	(12,601)	-	(12,601)
Balance as at 31 December 2010	153,548	34,445	1	6,956	4,192	56,316	(1,853)	253,605	226	253,831

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

	12 months ended <u>31/12/2011</u> (RM'000)	12 months ended <u>31/12/2010</u> (RM'000)
Cash flows from operating activities		
Profit before tax	32,487	7,660
Adjustments for non-cash items	12,697	30,847
Operating profit before working capital changes	<u>45,184</u>	<u>38,507</u>
Net change in current assets	(37,921)	28,733
Net change in current liabilities	26,538	(28,407)
Tax paid	(8,247)	(2,292)
Net cash flows from operating activities	<u>25,554</u>	<u>36,541</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(34,129)	(2,115)
Disposal/(Purchase) of financial investment	19,000	(48,000)
Proceeds from disposal of fixed assets	1,302	190
Interest income received	73	826
Dividend received	95	145
Net cash flows used in investing activities	<u>(13,659)</u>	<u>(48,954)</u>
Cash flows from financing activities		
Purchase of treasury shares	(4)	(3)
Dividend paid	(13,743)	(12,598)
Net cash flows used in financing activities	<u>(13,747)</u>	<u>(12,601)</u>
Net decrease in cash and cash equivalents	(1,852)	(25,014)
Cash and cash equivalents at beginning of the financial year	16,501	41,893
Effects of foreign exchange on opening balance	361	(378)
Cash and cash equivalents at end of the financial year	<u>15,010</u>	<u>16,501</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**
1. Accounting Policies and Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: 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 December 2010. The 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 financial year ended 31 December 2010.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2010 except for the adoption of the following which are applicable and are expected to have no significant impact on the financial statements of the Group.

FRSs, Improvements or Amendments to FRSs and Interpretations
Effective for financial period beginning on or after 1 July 2010

FRS 1 (revised)	First time adoption of Financial Reporting Standards
FRS 3 (revised)	Business Combination
FRS 127 (revised)	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operation
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation

Effective for financial period beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosure about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
Improvements to FRSs (2010)	

2. Disclosure of Preceding Year Unqualified Audit Report

The preceding year's audit report for the year ended 31 December 2010 was unqualified.

3. Cyclicity of Operations

The operations were normally influenced by higher demand during festive periods.

4. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There was no unusual item affecting assets, liabilities, equity, net income or cash flow in the current reporting quarter.

5. Quarterly Estimations

There was no material change in the estimation methods used in this interim reporting quarter, which will have a material effect on the financial results.

6. Debt and Equity Securities

During the quarter, the Company purchased 1,000 of its own shares of RM1.00 each at the price of RM1.82 per share from the open market on Bursa Malaysia. The shares are held as treasury shares and the purchase was financed by internally generated funds.

As at 31 December 2011, the total treasury shares purchased amounted to 845,900 ordinary shares of RM1.00 each at the average price of RM2.19 per share. These shares purchased are being held as treasury shares as allowed under Section 67A of the Company Act, 1965. None of these treasury shares have been sold or cancelled.

7. Segmental Reporting

	<u>Malaysia</u> (RM'000)	<u>Indonesia</u> (RM'000)	<u>Singapore and others</u> (RM'000)	<u>Total</u> (RM'000)
4th quarter ended 31 December 2011				
Revenue	93,719	2,415	23,302	119,436
Profit/(loss) before tax	7,617	(436)	(165)	7,016
12 months financial year ended 31 December 2011				
Revenue	410,278	28,680	95,339	534,297
Profit/(loss) before tax	29,793	650	2,044	32,487
4th quarter ended 31 December 2010				
Revenue	83,096	269	18,149	101,514
Profit/(loss) before tax	4,315	(2,556)	(63)	1,696
12 months financial year ended 31 December 2010				
Revenue	384,793	8,312	79,109	472,214
Profit/(loss) before tax	11,075	(4,140)	725	7,660
Assets as at:				
	<u>Malaysia</u> (RM'000)	<u>Indonesia</u> (RM'000)	<u>Singapore and others</u> (RM'000)	<u>Total</u> (RM'000)
31 December 2011	343,482	19,335	21,358	384,175
31 December 2010	310,769	11,617	19,925	342,311
Assets Reconciliation				
	<u>As at 31 Dec 2011</u> (RM'000)	<u>As at 31 Dec 2010</u> (RM'000)		
Segment assets	384,175	342,311		
Deferred tax assets	1,498	1,461		
Tax recoverable	2,150	977		
Total assets	<u>387,823</u>	<u>344,749</u>		

8. Valuations of Property, Plant and Equipment

There was no amendment to the valuations of property, plant and equipment brought forward.

9. Significant Events

On 15 December 2011, the racking system at the Company's main warehouse in Bukit Jelutong, Shah Alam collapsed. This has resulted in the destruction of all finished goods at the warehouse. All employees were safe and there was no injury to anyone.

The Company has in place an Industrial All Risks and Third Party insurance to cover losses in respect of the incident. To date, the losses quantified is RM21.4 million and a claim has been filed with the insurance company, which is currently being processed. Further claims in relation to consequential losses and third party claims are being quantified. The incident is not expected to have an adverse impact on the financial results as losses are covered by the Insurance policy.

10. Subsequent Events

There was no subsequent event for the current reporting quarter.

11. Changes in the Composition of the Group

There was no change in the composition of the Group for the current reporting quarter.

12. Contingent Liabilities

There was no change in the status of contingent liabilities since the financial year ended 31 December 2010 except as disclosed in Note 25 to the financial statements.

13. Performance of the Group

The Group recorded revenue of RM119.4 million for the current quarter under review, compared to RM101.5 million generated in the same quarter last year, an increase of 18%. Sales for Malaysia, Indonesia and Singapore/Export Market grew by 13%, 798% and 28% respectively during the quarter. The increase in Malaysian sales is mainly due to the early Chinese New Year festive period. For Indonesia, we continue to see positive growth as we re-launched our products and undertook more brand building activities. Singapore/Export Market is also registering strong growth mainly due to growth in the Indo-China market.

On a year-to-date basis, the Group recorded revenue of RM534.3 million, an increase of 13% compared to last year. Yeo's brand sales in Malaysia grew by 12%, Indonesia sales grew by 245% and Singapore/Export sales grew by 21%. Our focus on growing our core brands through strong promotions and brand building has contributed to the overall growth.

In the current quarter under review, the Group recorded an operating profit of RM7.7 million, an increase of 113%, compared to RM3.6 million in the previous corresponding quarter. On a year-to-date basis, the Group recorded an operating profit of RM30.8 million, an increase of 57% compared to RM19.6 million in the previous year. The improved profitability in the quarter and year-to-date is mainly due to higher sales and better cost management.

The Group recorded a pre-tax profit of RM7.0 million for the current quarter, an increase of 314%, against a pre-tax profit of RM1.7 million in the previous corresponding quarter. The pre-tax profit for Malaysia improved by 77% while the pre-tax loss for Indonesia has decreased by 83% in the current quarter. The improvement is mainly due to higher sales and better cost management. The pre-tax loss for Singapore/Export Market has increased by 162% mainly due to exchange losses in current quarter as compared to exchange gain in previous corresponding quarter.

On a year-to-date basis, the Group recorded a pre-tax profit of RM32.5 million, compared to a pre-tax profit of RM7.7 million in the previous year. Malaysia, Indonesia and Singapore/Export Market grew by 169%, 116% and 182% respectively. The improvement in all the segments are mainly due to higher sales, better cost management, lower impairment charges and RM4.1 million gain from the liquidation of a subsidiary for Malaysia.

14. Material Change in Profit Before Tax As Compared to the Immediate Preceding Quarter

The Group recorded an operating profit of RM7.7 million for the current quarter compared to RM5.6 million in the immediate preceding quarter. The better performance is mainly due to lower operating cost.

The Group recorded a pre-tax profit of RM7.0 million for the current quarter against a pre-tax profit of RM9.7 million, compared to the immediate preceding quarter. The higher profit recorded in the immediate preceding quarter was mainly due to RM4.1 million gain from the liquidation of a subsidiary.

15. Prospects of the Group

Global economic conditions in 2012 are expected to remain challenging mainly impacted by the financial crisis in the Euro Zone. However, the economies in Asia, including Malaysia are expected to be stable and supported by increasing domestic demand. The Group is positive on its prospect for the current year. It will continue to grow its operating profit through brand building, promotion efforts and cost management.

16. Capital Commitment

Authorised capital commitments not provided and not contracted for in the interim financial statements as at 31 December 2011 in respect of property, plant and equipment amount to RM116.3 million.

17. Variance from Profit Forecast

Not applicable.

18. Taxation

The tax is as follows:

	<u>Current Quarter</u> (RM'000)	<u>YTD</u> (RM'000)
Income tax:		
Current tax	1,935	7,272
Under/(over) provision in prior years	157	(318)
Deferred tax:		
Origination and reversal of temporary differences	(139)	575
Under/(over) provision in prior years	103	(30)
	<u>2,056</u>	<u>7,499</u>

The Group's effective tax rate of 29% in the current quarter ended 31 December 2011 was higher than the statutory tax rate of 25% mainly due to the disallowed expenses from impairment cost and under provision in prior year.

The Group's effective tax rate of 23% in the current year to date ended 31 December 2011 was lower than the statutory tax rate of 25% mainly due to non-taxable income, availability of losses and allowance brought forward and over provision in prior year.

19. Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this report.

20. Group Borrowings

There was no borrowing as at the end of the reporting period.

21. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements

The following analysis of realised and unrealised retained profits/(accumulated losses) at the legal entity level is prepared in accordance with Guidance on Special matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

Realised and Unrealised Profits or Losses

	<u>As at 31 Dec 2011</u>	<u>As at 31 Dec 2010</u>
	<u>RM'000</u>	<u>RM'000</u>
Total retained profits of Yeo Hiap Seng (M) Berhad and its subsidiaries:		
- Realised	66,032	52,211
- Unrealised	3,358	(605)
	<u>69,390</u>	<u>51,606</u>
Add : Consolidation adjustments	<u>(1,834)</u>	<u>4,710</u>
Total Group retained earnings as per consolidated accounts	<u>67,556</u>	<u>56,316</u>

22. Material Litigations

There was no change in material litigations since the last annual audited financial statements other than the following:

- (i) The Board of Directors announced on 2 February 2010 that the Jakarta High Court had decided in favour of the Company and its subsidiary, PT YHS Indonesia regarding a suit filed by PT Kharisma Inti Persada ("the Plaintiff"), claiming for approximately Rupiah219.9 billion (approximately RM77 million) for an alleged breach of an alleged agreement and an alleged distributor's appointment. The Company has on 23 March 2010 received a formal notification from the Central Jakarta District Court that the Plaintiff has filed an appeal against the Jakarta High Court's decision and the Company had, on 5 April 2010, filed a counter memorandum to the Court. The Company is still awaiting the Indonesia Supreme Court decision and there has been no change in status since the last quarter reporting.
- (ii) The Board of Directors announced on 11 March 2010 that the High Court of Shah Alam has on 10 March 2010 vide the proceedings under Civil Suit no. MT3-22-936-2003 granted judgement against the Company in favour of F.Y. Sdn Bhd ("the Plaintiff"), for the alleged breach of an agreement. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. Our lawyer has advised that we have a strong case to appeal and a memorandum of appeal has been filed with the Court on 28 June 2010. There has been no change in status since the last quarter reporting except the matter came up for hearing on 6 December 2011 and the Registrar of the High Court has granted the Plaintiff an extension of time until 2 April 2012 to file the relevant documents in respect of assessment of damages.

23. Dividend Proposed/Paid

- a) (i) A final dividend of 9 sen per ordinary share of RM1.00 each less Malaysian corporate tax of 25% for the financial year ended 31 December 2011 amounting to RM10.3 million has been recommended for shareholders' approval.
- (ii) The book closure and the payment dates will be determined at a later date.
- b) (i) A final dividend of 9 sen per RM1.00 share less Malaysian corporate tax of 25% for the financial year ended 31 December 2010 amounting to RM10.3 million was approved by shareholders in the second quarter 2011 and paid on 8 July 2011.
- (ii) An interim dividend of 3 sen per RM1.00 share less Malaysian corporate tax of 25% for financial year ended 31 December 2011 amounting to RM3.44 million was declared and approved in the third quarter 2011 and paid on 12 October 2011.

24. Earnings Per Share

	<u>Current Year Quarter</u> 31/12/2011	<u>Preceding Year Corresponding Quarter</u> 31/12/2010	<u>Current Year To Date</u> 31/12/2011	<u>Preceding Year Corresponding Year</u> 31/12/2010
Net profit/(loss) attributable to owners of the parent (RM'000)	4,961	(499)	24,983	3,817
Weighted average number of ordinary shares in issue (units)	152,701,804	152,675,565	152,702,550	152,697,443
Earnings/(loss) per share:				
- Basic/diluted (sen)	<u>3.25</u>	<u>(0.33)</u>	<u>16.36</u>	<u>2.50</u>

The diluted earnings per share is the same as the basic earnings per share as the Group did not have any financial instrument in this reporting period, which may entitle its holders to ordinary shares of the Company and therefore dilute the basic earnings per share.

25. Notes to the Condensed Consolidated Statement of Comprehensive Income

The following amounts have been credited/(charged) in arriving at profit before tax:

	Current Year Quarter RM'000	Current Year To Date RM'000
a) Interest income	29	73
b) Dividend income	-	95
c) Interest expenses	N/A	N/A
d) Depreciation and amortisation	2,259	9,334
e) Bad Debts Recovered	269	298
f) Provision for write off of inventories	(357)	(488)
g) Gain on disposal of investments	-	-
h) Gain on disposal of properties	-	-
i) Foreign exchange (loss)/gain	(457)	104

By Order of the Board
SAU EAN NEE
Company Secretary
20 February 2012
Petaling Jaya