



**SCIENTEX BERHAD**  
(Company No: 7867-P)  
(Incorporated in Malaysia)

**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 31 July 2009

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**For the financial quarter ended 31 July 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.07.2009 RM'000	Preceding year corresponding quarter 31.07.2008 RM'000	Current year to date 31.07.2009 RM'000	Preceding year (Audited) 31.07.2008 RM'000
<b>Revenue</b>	<b>134,756</b>	<b>167,597</b>	<b>509,731</b>	<b>656,596</b>
<b>Operating profit</b>	<b>15,588</b>	<b>22,318</b>	<b>42,490</b>	<b>59,282</b>
Interest expense	(424)	(677)	(1,904)	(3,327)
Investing results	649	790	1,466	1,459
<b>Profit before tax</b>	<b>15,813</b>	<b>22,431</b>	<b>42,052</b>	<b>57,414</b>
Taxation	(992)	(301)	(3,475)	(4,379)
<b>Profit for the period / year</b>	<b>14,821</b>	<b>22,130</b>	<b>38,577</b>	<b>53,035</b>
<b>Attributable to:</b>				
Equity holders of the Company	14,374	21,799	37,459	47,698
Minority interest	447	331	1,118	5,337
<b>Profit for the period / year</b>	<b>14,821</b>	<b>22,130</b>	<b>38,577</b>	<b>53,035</b>
Earnings per share attributable to equity holders of the Company (sen):				
Basic	6.67	10.10	17.39	24.14
Diluted	6.67	10.10	17.39	24.14

*(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 July 2008)*



**SCIENTEX BERHAD**  
(Company No.7867-P)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET**  
As at 31 July 2009

	<b>AS AT END OF FINANCIAL YEAR ENDED 31.07.2009 RM'000 (Unaudited)</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31.07.2008 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	169,818	180,804
Land held for property development	148,787	140,298
Prepaid land lease payments	33,580	33,713
Investment in associates	6,915	15,958
Other investments	5,330	781
Intangible assets	-	1,640
	<b>364,430</b>	<b>373,194</b>
<b>Current assets</b>		
Property development costs	60,389	29,384
Inventories	61,682	77,233
Trade and other receivables	82,491	112,092
Cash and bank balances	15,604	29,469
	<b>220,166</b>	<b>248,178</b>
<b>TOTAL ASSETS</b>	<b>584,596</b>	<b>621,372</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	115,000	115,223
Reserves	260,094	230,728
	<b>375,094</b>	<b>345,951</b>
Minority interests	36,135	34,969
<b>Total equity</b>	<b>411,229</b>	<b>380,920</b>
<b>Non-current liabilities</b>		
Borrowings	22,163	32,152
Retirement benefit obligations	6,019	5,535
Deferred tax liabilities	17,723	18,907
	<b>45,905</b>	<b>56,594</b>
<b>Current liabilities</b>		
Borrowings	14,451	38,622
Retirement benefit obligations	205	249
Trade and other payables	111,401	143,888
Income tax payable	1,405	1,099
	<b>127,462</b>	<b>183,858</b>
<b>Total liabilities</b>	<b>173,367</b>	<b>240,452</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>584,596</b>	<b>621,372</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.74	1.61

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 July 2008)*



**SCIENTEX BERHAD**  
(Company No: 7867-P)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 JULY 2009**

	Attributable to Equity Holders of the Company											
	Reserves											Total equity
	Non-distributable							Distributable				
	Issued capital RM'000	Share premium RM'000	Property revaluation surplus RM'000	Foreign exchange reserve RM'000	Treasury shares RM'000	Warrant and other reserves RM'000	Capital redemption reserve RM'000	Equity: compensation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interests RM'000	
At 1 August 2008	115,223	21,994	38,103	(1,470)	(21,725)	461	17,244	-	176,121	345,951	34,969	380,920
Profit for the period	-	-	-	-	-	-	-	-	37,459	37,459	1,118	38,577
Cancellation of treasury shares	(223)	(644)	-	-	644	-	223	-	-	-	-	-
Currency translation differences, representing net gain not recognised in the income statement	-	-	-	2,454	-	-	-	-	-	2,454	355	2,809
Additional interest in existing subsidiaries	-	-	-	-	-	-	-	-	-	-	(44)	(44)
Realisation of revaluation reserves	-	-	(2,226)	-	-	-	-	-	2,226	-	-	-
Dividends	-	-	-	-	-	-	-	-	(10,770)	(10,770)	(263)	(11,033)
At 31 July 2009	115,000	21,350	35,877	984	(21,081)	461	17,467	-	205,036	375,094	36,135	411,229
At 1 August 2007	100,000	2,264	41,003	(1,740)	(16,716)	461	17,244	178	141,908	284,602	102,173	386,775
Profit for the period	-	-	-	-	-	-	-	-	47,698	47,698	5,337	53,035
Acquisition of treasury shares	-	-	-	-	(10,942)	-	-	-	-	(10,942)	-	(10,942)
Cancellation of ESOS	-	-	-	-	-	-	-	(178)	178	-	-	-
Currency translation differences, representing net gain not recognised in the income statement	-	-	-	270	-	-	-	-	-	270	(218)	52
Additional interest in existing subsidiary	15,223	19,730	-	-	-	-	-	-	-	34,953	(70,801)	(35,848)
Dividends	-	-	-	-	5,933	-	-	-	(16,563)	(10,630)	(1,522)	(12,152)
Realisation of revaluation reserves	-	-	(2,900)	-	-	-	-	-	2,900	-	-	-
At 31 July 2008	115,223	21,994	38,103	(1,470)	(21,725)	461	17,244	-	176,121	345,951	34,969	380,920

*(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 31 July 2008)*



**SCIENTEX BERHAD**  
 (Company No: 7867 - P)  
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**For the financial year ended 31 July 2009**

	<b>12 MONTHS ENDED 31.07.2009 RM'000</b>	<b>(Audited) 12 MONTHS ENDED 31.07.2008 RM'000</b>
Net cash generated from operating activities	70,698	63,286
Net cash used in investing activities	(24,976)	(43,096)
Net cash used in financing activities	(59,617)	(19,379)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(13,895)</u>	<u>811</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<u>29,319</u>	<u>28,508</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<u><b>15,424</b></u>	<u><b>29,319</b></u>

Cash and cash equivalents in the cash flow statement comprise :

Cash and bank balances	12,534	14,419
Short term deposits	3,070	15,050
Bank overdrafts	(180)	(150)
	<u>15,424</u>	<u>29,319</u>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 July 2008)*

**SCIENTEX BERHAD**  
(Company No : 7867-P)  
(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE FINANCIAL QUARTER ENDED 31 JULY 2009**

**A1 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134, Interim Financial Reporting and Chapter 9 Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements for the year ended 31 July 2008.

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 July 2008.

**A2 Audit report**

The Group's preceding annual financial statements for the financial year ended 31 July 2008 was not qualified.

**A3 Seasonal or cyclical factors**

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

**A4 Unusual items affecting assets, liabilities, equity, net income or cash flows**

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

**A5 Material changes in estimates**

There were no changes in estimates of amounts reported in prior interim periods that have a material effect in the current financial quarter under review.

**A6 Changes in debts and equity securities**

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares except for the following:

Treasury shares

During the current financial year ended 31 July 2009, the Company repurchased 200 ordinary shares of RM0.50 each from the open market. The repurchased shares were held as treasury shares. As at 31 July 2009, the number of treasury shares held was 14,596,262 ordinary shares of RM0.50 each after cancellation of 446,266 treasury shares of RM0.50 each on 24 September 2008.

**A7 Dividends paid**

A single tier interim and final dividend of 6% and 10% amounted to RM6,462,118 and RM10,770,197 in respect of the financial year ended 31 July 2008 was paid on 15 August 2008 and 15 January 2009.

**A8 Segment information**

Segment information is presented in respect of the Group's business segments.

**Current financial quarter ended 31 July 2009**

<u>Revenue</u>	RM'000
Manufacturing	111,995
Property development	<u>22,761</u>
Total revenue	<u>134,756</u>
<u>Results</u>	RM'000
Manufacturing	7,110
Property development	<u>8,478</u>
Profit from operations	<u>15,588</u>

**SCIENTEX BERHAD**  
(Company No : 7867-P)  
(Incorporated in Malaysia)

**A8 Segment information (Cont'd)**

**Current year to date ended 31 July 2009**

<u>Revenue</u>	RM'000
Manufacturing	428,404
Property development	81,327
Total revenue	<u>509,731</u>
<u>Results</u>	RM'000
Manufacturing	22,548
Property development	19,942
Profit from operations	<u>42,490</u>

**A9 Valuation of property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the audited financial statements for the year ended 31 July 2008.

**A10 Events subsequent to the end of the reporting period**

On 6 August 2009, the Company entered into a Conditional Share Sale Agreement ("Agreement") with Sumitomo Bakelite Co., Ltd ("the Vendor") to acquire 29,850,002 ordinary shares of RM1.00 each ("shares") representing 66.33% of the paid-up capital of Rigidtex Sdn Bhd ("Rigidtex") for a cash consideration of RM1,145,046. As all the conditions in the Agreement has been fulfilled, Rigidtex (now known as Scientex Industries Group Sdn Bhd) has become a subsidiary of the Company.

Other than the above, there were no material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements for the said period as at the date of this report.

**A11 Changes in the composition of the Group**

There were no material changes in the composition of the Group during the current financial quarter under review, except for the acquisition of shares in Rising Heights Development Sdn Bhd as disclosed in Note B8.

**A12 Contingent liabilities**

There were no contingent liabilities or assets for the Group as at the end of the current financial quarter under review.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**  
**OF BURSA MALAYSIA SECURITIES BERHAD**  
**INTERIM FINANCIAL REPORT**  
**FOR THE FINANCIAL QUARTER ENDED 31 JULY 2009**

**B1 Review of performance**

The Group recorded a revenue of RM509.7 million for the financial year ended 31 July 2009, a decrease of 22.4% as compared with the preceding financial year's revenue of RM656.6 million. The decrease was mainly due to lower sales volume and selling prices in the manufacturing division. The lower selling prices were in line with an overall decline in raw material prices.

Profit before taxation of the Group for the financial year ended 31 July 2009 was RM42.1 million as compared with RM57.4 million recorded in the preceding financial year. The higher profit before taxation in the prior year was attributable to negative goodwill recognised. Comparing the operational profit of the current and preceding financial year, there is minimal decrease in the performance.

**B2 Variations of the quarterly results as compared to the results of the preceding quarter**

For the current financial quarter under review, the Group recorded a revenue of RM134.8 million, an increase of 18.5% as compared with RM113.7 million recorded in the preceding financial quarter. The higher revenue achieved was contributed by both manufacturing and property divisions.

Profit before taxation for the current financial quarter under review was RM15.8 million, an increase of 42.0% as compared with RM11.1 million recorded in the preceding financial quarter. The significant increase in profit was in line with the increase in sales and profit margins by both the manufacturing and property divisions.

**SCIENTEX BERHAD**  
(Company No : 7867-P)  
(Incorporated in Malaysia)

**B3 Current financial year prospects**

The Directors are cautious of the Group's performance for the new financial year ending 31 July 2010 in view of the current global economic instability. Notwithstanding the uncertainty in the global economy, there are emerging signs of economic recovery which has contributed to better results in the last two financial quarters. With pro-active measures being taken and implemented by the Group, the Directors look forward to see better performance by the Group as global business sentiments improve further.

The Group will focus its efforts to manage its cash flow position, to further reduce operating costs, to improve production efficiency and to position itself to capitalise on any new and good business opportunities that may arise in the near future in order to sustain the Group's continuous growth.

**B4 Variations of actual profit from forecast profit**

This note is not applicable as the Group did not issue and publish any profit forecast for the current financial quarter under review.

**B5 Taxation**

Details of tax expense for the current financial quarter were as follows :-

	3 months ended		12 months ended	
	31.07.2009	31.07.2008	31.07.2009	31.07.2008
	RM'000	RM'000	RM'000	RM'000
In respect of current quarter :				
- Income tax	1,952	1,218	4,435	6,191
- Deferred taxation	(1,188)	(1,297)	(1,188)	(1,297)
In respect of prior years :				
- Income tax	228	380	228	575
- Deferred taxation	-	-	-	(1,090)
	992	301	3,475	4,379

The Group's effective tax rate for the current financial quarter and current year to date is lower than the statutory income tax rate mainly due to utilisation of tax incentives by some of the subsidiaries.

**B6 Profit/(loss) on sale of unquoted investments and/or properties**

There was no profit or loss on sale of unquoted investment and/or properties outside the ordinary course of the Group's business for the current financial quarter under review.

**B7 Quoted securities**

(a) There were no additions or disposals of quoted securities for the current financial quarter under review.

(b) There were no investments in quoted securities as at the end of the current financial quarter under review.

**B8 Status of corporate proposals**

On 8 September 2008, the Company announced that Scientex Quatari Sdn Bhd ("Scientex Quatari"), its wholly owned subsidiary, has entered into two Share Sale and Purchase Agreements with Wong Nam Loong ("the Vendor") to acquire a total of 10,260,000 ordinary shares of RM1.00 each representing approximately 52.83% of the entire issued and paid-up capital of Rising Heights Development Sdn Bhd ("Rising Heights") for a total cash consideration of RM9,252,468.

The agreements were duly extended vide Bursa announcements dated 9 December 2008 and 8 January 2009 respectively to enable the Vendor to fulfil the condition precedents by 8 April 2009 or 7 days upon fulfillment of the conditions precedent by 8 April 2009, whichever is later.

On 9 April 2009, the Company announced that Scientex Quatari and the Vendor have entered into a Supplemental Agreement dated 9 April 2009 ("the Supplemental Agreement") to vary certain terms and conditions of the Share Sale and Purchase Agreements. Pursuant to the provisions of the Supplemental Agreement, the total consideration for the total 10,260,000 ordinary shares was revised from RM9,252,468 to RM8,618,400. The cash consideration for the purchase of the 9,453,695 ordinary shares under Share Sale and Purchase Agreement 1 and 806,305 ordinary shares under Share Sale and Purchase Agreement 2 were revised to RM7,941,104 and RM677,296 respectively. Both agreements were completed on 30 June 2009.

**SCIENTEX BERHAD**  
(Company No : 7867-P)  
(Incorporated in Malaysia)

**B9 Borrowings and debt securities**

The Group's borrowings as at 31 July 2009 were as follows : -

(a) Long Term Borrowings	RM'000	RM'000
Term Loan		
-Unsecured	22,163	22,163
(b) Short Term Borrowings		
- Secured		
Term loan	102	
- Unsecured		
Term loan	10,482	
Other bank borrowings	3,867	14,451
		36,614
Included in total borrowings are borrowings denominated in foreign currencies		RM'000
- United States Dollars		11,434
- Japanese Yen		180
		11,614

**B10 Off balance sheet financial instruments**

As at 30 Sept 2009, the Group has entered into foreign currency forward contracts to hedge its exposure in US Dollar.

Foreign Currency	Notional Amount ( '000)	Exchange Rate	Equivalent in RM'000	Maturity Date
USD	10,000	3.62	36,200	Oct'09 - Jul'10

The contracted rates will be used to convert the foreign currency amounts into Ringgit Malaysia.

Financial instruments are viewed as risk management tools by the Company and are not used for trading or speculative purposes.

The accounting policy adopted is to recognise exchange gains and losses relating to these foreign currency forward contracts in the income statement in the same period as the underlying hedged item.

Other than as disclosed above, there were no other off balance sheet financial instrument entered into by the Group as at the date of this report.

**B11 Material litigation**

There was no material litigation involving any member of the Group as at the date of this report.

**B12 Dividends**

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**B13 Earnings per share**

		3 months ended		12 months ended	
(a) Basic earnings per share		31.07.2009	31.07.2008	31.07.2009	31.07.2008
Profit attributable to equity holders of the Company	(RM'000)	14,374	21,799	37,459	47,698
Weighted average number of ordinary shares in issue	('000)	215,404	215,925	215,404	197,584
Basic earnings per share	(sen)	6.67	10.10	17.39	24.14

**(b) Fully diluted earnings per share**

There was no dilution in earnings per share as there was no dilutive potential ordinary shares as at 31 July 2009.

By Order of the Board

Lau Wing Hong (MAICSA 7010572)  
Company Secretary

30 Sept 2009