NTPM HOLDINGS BERHAD

(Company No. 384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 January 2012	31 January 2011	31 January 2012	31 January 2011
	RM'000	RM'000	RM'000	RM'000
Revenue	**116,304**	**114,869**	**334,162**	**315,846**
Operating profit	**19,108**	**21,222**	**45,714**	**54,609**
Interest income	51	19	153	55
Interest expense	(1,096)	(643)	(2,493)	(1,701)
Profit before taxation	**18,063**	**20,598**	**43,374**	**52,963**
Taxation	(3,679)	(4,892)	(10,407)	(12,513)
Profit after taxation	**14,384**	**15,706**	**32,967**	**40,450**
Profit attributable to:				
Owners of the parent	14,384	15,706	32,967	40,450
Non-controlling interests	-	-	-	-
	14,384	**15,706**	**32,967**	**40,450**
Basic/Diluted earnings per ordinary share (sen)	1.3	1.4	2.9	3.6

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

The accompanying notes are an integral part of this statement.

NTPM HOLDINGS BERHAD

(Company No. 384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 January 2012	31 January 2011	31 January 2012	31 January 2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	14,384	15,706	32,967	40,450
Other comprehensive income :				
Foreign currency translation	(366)	(517)	(53)	164
Cash flow hedges	-	318	-	1,332
Total comprehensive income for the period	**14,018**	**15,507**	**32,914**	**41,946**
Total comprehensive income attributable to:				
Owners of the parent	14,018	15,507	32,914	41,946
Non-controlling interests	-	-	-	-
	14,018	**15,507**	**32,914**	**41,946**

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

The accompanying notes are an integral part of this statement.

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (3rd Q)		Cumulative Quarter (9 months)	
	Current Period Quarter	Preceding Period Corresponding Quarter	Current Period To Date	Preceding Period Corresponding Period
	31 January 2012	31 January 2011	31 January 2012	31 January 2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Other income including investment income	(266)	(194)	(902)	(901)
(b) Depreciation and amortisation	5,600	5,298	16,579	15,185
(c) Provision for and write off of receivables	150	154	459	477
(d) Provision for and write off/(back) of inventories	(95)	-	(95)	-
(e) Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
(f) Impairment/(Reversal of impairment) of assets	-	-	-	-
(g) Foreign exchange loss/(gain)	74	26	270	(919)
(h) (Gain)/loss on derivatives	(315)	(397)	(467)	431
(i) Exceptional items	-	-	-	-

The Notes to Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

The accompanying notes are an integral part of this statement.

NTPM HOLDINGS BERHAD
(Company No. 384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited) As at 31 January 2012	(Audited) As at 30 April 2011
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	229,669	207,527
PREPAID LAND LEASE PAYMENTS	718	733
DEFERRED TAX ASSETS	345	566
	230,732	208,826
CURRENT ASSETS		
Inventories	94,724	86,685
Trade receivables	74,527	63,556
Other receivables	20,218	14,339
Derivative assets	568	101
Cash and bank balances	21,574	26,915
	211,611	191,596
TOTAL ASSETS	442,343	400,422
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	112,320	112,320
TREASURY SHARES	(28)	(23)
RESERVES	153,073	136,445
TOTAL EQUITY	265,365	248,742
NON-CURRENT LIABILITIES		
BORROWINGS	30,003	9,000
DEFERRED TAX LIABILITIES	17,433	18,217
RETIREMENT BENEFIT OBLIGATIONS	1,103	994
	48,539	28,211
CURRENT LIABILITIES		
Retirement benefit obligations	36	36
Borrowings	77,003	67,949
Trade payables	23,311	24,750
Other payables	26,998	29,570
Tax payable	1,091	1,164
	128,439	123,469
TOTAL LIABILITIES	176,978	151,680
TOTAL EQUITY AND LIABILITIES	442,343	400,422
Net Assets per share based on ordinary shares of RM0.10 per each (RM)	0.24	0.22

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

The accompanying notes are an integral part of this statement.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Nine Months Ended 31 January 2012

	Attributable to owners of the parent					Non-controlling Interests	Total Equity
	Non-distibutable			Distibutable			
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 May 2011	112,320	(23)	20,386	116,059	248,742	-	248,742
Total comprehensive income for the period	-	-	(53)	32,967	32,914	-	32,914
Transactions with owners :							
Acquisition of treasury shares	-	(5)	-	-	(5)	-	(5)
Dividends	-	-	-	(16,286)	(16,286)	-	(16,286)
Total transactions with owners :	-	(5)	-	(16,286)	(16,291)	-	(16,291)
At 31 January 2012	**112,320**	**(28)**	**20,333**	**132,740**	**265,365**	**-**	**265,365**

Nine Months Ended 31 January 2011

	Attributable to owners of the parent					Non-controlling Interests	Total Equity
	Non-distibutable			Distibutable			
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 May 2010	112,320	(11)	20,018	96,130	228,457	-	228,457
Effect of adopting FRS 139	-	-	(1,540)	438	(1,102)	-	(1,102)
	112,320	(11)	18,478	96,568	227,355	-	227,355
Total comprehensive income for the period	-	-	1,496	40,450	41,946	-	41,946
Transactions with owners :							
Acquisition of treasury shares	-	(6)	-	-	(6)	-	(6)
Dividends	-	-	-	(16,286)	(16,286)	-	(16,286)
Total transactions with owners :	-	(6)	-	(16,286)	(16,292)	-	(16,292)
At 31 January 2011	**112,320**	**(17)**	**19,974**	**120,732**	**253,009**	**-**	**253,009**

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011

The accompanying notes are an integral part of this statement.

NTPM HOLDINGS BERHAD
(Company No. 384662 U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(The figures have not been audited)

	9 months ended 31 January 2012 RM'000	9 months ended 31 January 2011 RM'000
OPERATING ACTIVITIES		
Profit before tax	43,374	52,963
Adjustments for:		
Amortisation of prepaid land lease payments	15	15
Bad debts written off	1,052	27
Depreciation	16,564	15,170
Effect of exchange rate changes	(15)	224
Interest expense	2,493	1,701
Interest income	(153)	(55)
Inventories written back	(95)	-
(Gain)/Loss on disposal of property, plant and equipment	(12)	25
Net fair value (gain)/loss on derivatives	(467)	431
Plant and equipment written off	41	221
Provision for retirement benefits	286	199
(Reversal of impairement loss)/impairment loss on loan and receivables	(593)	450
Unrealised foreign exchange gain	(10)	(146)
Total adjustments	19,106	18,262
Operating cash flows before changes in working capital	62,480	71,225
Changes in working capital		
Increase in receivables	(16,327)	(17,413)
Increase in inventories	(7,945)	(10,136)
Decrease in payables	(4,048)	(579)
Decrease in retirement benefit obligations	(176)	(100)
Total changes in working capital	(28,496)	(28,228)
Cash flows from operations	33,984	42,997
Interest paid	(2,494)	(1,702)
Tax paid	(12,241)	(15,524)
Tax refunded	227	-
Net cash flow generated from operating activities	19,476	25,771
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(38,735)	(33,829)
Interest received	153	55
Proceeds from disposal of plant and equipment	-	173
Net cash used in investing activities	(38,582)	(33,601)
FINANCING ACTIVITIES		
Net change in bank borrowings	3,219	37,978
Repayment of term loans	(7,724)	(5,377)
Drawndown of term loans	34,586	-
Repayment of obligations under finance leases	(25)	(19)
Dividends paid to shareholders	(16,286)	(16,286)
Shares repurchase	(5)	(6)
Net cash generated from financing activities	13,765	16,290
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,341)	8,460
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	26,915	11,574
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	21,574	20,034

Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	13,714	12,162
Deposits with licensed banks:		
Fixed deposit	7,860	7,872
Short term placements	-	-
	21,574	20,034

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 30 April 2011.

The accompanying notes are an integral part of this statement.

INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2012

NOTES TO THE INTERIM FINANCIAL REPORT

PART A: REQUIREMENTS OF FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial report is un-audited and has been prepared in compliance with FRS 134 Interim Financial Reporting and Paragraph 9.22 of Bursa Malaysia Securities Berhad (BMSB) Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 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 30 April 2011.

2. Changes In Accounting Policies

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual financial statements for the year ended 30 April 2011 except for the adoption of the following new and amended FRS and IC Interpretations with effect from 1 May 2011.

- 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 1 *Additional Exemptions for First-time Adopters*
- Amendments to FRS 2 *Share-based Payment*
- Amendments to FRS 2 *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 138 *Intangible Assets*
- Amendments to FRSs *'Improvements to FRSs (2010)'*
- 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 4 *Determining whether an Arrangement contains a Lease*
- IC Interpretation 18 *Transfers of Assets from Customers*
- Amendments to IC Interpretation 9 *Reassessment of Embedded Derivatives*
- Technical Release 3 *Guidance on Disclosures of Transition to IFRSs*
- Technical Release i-4 *Shariah Compliant Sale Contracts*

NOTES TO THE INTERIM FINANCIAL REPORT

Adoption of the above standards and interpretations did not result in any significant changes in accounting policies or presentation of the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture ("MFRS 141") and IC Interpretation 15 Agreements for Construction of Real Estate ("IC 15"), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 April 2013. In presenting its first MFRS financial statements, the Group might be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition, if any, will be made retrospectively against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in this interim financial report could be different if prepared under the MFRS Framework.

3. Significant Accounting Estimates And Judgements

(a) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognised in the financial statements.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unused Reinvestment Allowance to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and reinvestment allowance can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of unrecognised tax losses and capital allowances of the Group was RM5.086 million (30.4.2011: RM4.261 million).

(ii) Depreciation of plant and equipment

The cost of paper making machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 April 2011 was not subject to any audit qualification.

5. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the financial period under review.

6. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial period.

7. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

8. Debt and equity securities

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial period except for the following:

NOTES TO THE INTERIM FINANCIAL REPORT

(a) Share Repurchase

During the financial period ended 31 January 2012, the Company had repurchased a total of 10,000 ordinary shares of RM0.10 each of its issued share capital from the open market for a total consideration (inclusive of commission, stamp duty and other charges) of RM5,198 at an average cost of RM0.52 per share. The repurchased transaction was financed by internally generated fund. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

9. Dividend paid

The single tier final dividend of 14.5% amounting to RM16,285,689 in respect of the financial year ended 30 April 2011 on 1,123,151,000 ordinary shares of RM0.10 each (1.45sen per share) was paid on 18 October 2011.

10. Segment information

Segment information is presented in respect of the Group's two core products based operating segments.

Segment information for the period ended 31 January 2012 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	270,355	63,807	334,162
Segment profit	39,402	3,972	43,374
Included in the measure of segment profit are			
- depreciation and amortisation	14,645	1,934	16,579
- non-cash expenses other than depreciation and amortisation	9	16	25
Segment assets	390,113	52,230	442,343
Included in the measure of segment assets is			
- capital expenditure	34,031	4,704	38,735

NOTES TO THE INTERIM FINANCIAL REPORT

Segment information for the period ended 31 January 2011 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	263,576	52,270	315,846
Segment profit	47,398	5,565	52,963
Included in the measure of segment profit are			
- depreciation and amortisation	13,680	1,490	15,170
- non-cash expenses other than depreciation and amortisation	1,077	30	1,107
Segment assets	347,471	47,230	394,701
Included in the measure of segment assets is			
- capital expenditure	27,515	6,314	33,829

Prior to 31 January 2012, the Group presented its segmental information into major business segments namely the manufacturing segment and the trading segment. The directors decided that the growing importance of contributions from its personal care segment warrant a change in presentation of its segmental information. The segmental information is now organized into the Group's two core products namely the tissue related products and personal care products as to give a fairer presentation of the results and the financial position of the Group. Following this change, the corresponding items of segment information for the period ended 31 January 2011 have been restated accordingly in order to conform with current period to date's presentation.

11. Valuation of property, plant and equipment

The valuations of land and building have been brought forward, without amendment from the annual financial statements for the year ended 30 April 2011. The carrying value is based on a valuation carried out on 30 April 2007 by independent qualified valuers less depreciation.

During the period, the acquisition of property, plant and equipment amounted to RM38.74 million.

NOTES TO THE INTERIM FINANCIAL REPORT

12. Significant material and subsequent events to the balance sheet date

There were no significant material and subsequent events at the end of the financial period ended 31 January 2012 that have not been reflected in the interim financial statements as at the date of this report.

13. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date other than as disclosed below:

(a) On 10 May 2011, the Company has incorporated a sub-subsidiary known as NTPM Paper Mill (Bentong) Sdn. Bhd. ("NTPM Bentong"). The authorised, issued and paid up share capital of NTPM Bentong is RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each. On 7 December 2011, NTPM Bentong increased its authorised and paid up share capital to RM5,000,000 and RM3,000,000 respectively. NTPM (Singapore) Pte. Ltd., a wholly owned subsidiary of the Company owns 100% of the said issued and paid-up capital of NTPM Bentong.

The principal activities of NTPM Bentong are manufacturing and trading of paper products.

14. Changes in corporate guarantees, contingent liabilities or contingent assets

The corporate guarantees of the Company are as follows:

		As at 31.01.2012 RM'000	As at 30.4.2011 RM'000
(a)	Corporate guarantees given to banks as securities for credit facilities granted to a subsidiary	107,006	76,949

NOTES TO THE INTERIM FINANCIAL REPORT

PART B: ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

15. Review of performance

	Individual quarter ended		Cumulative period ended	
	31.01.2012	31.01.2011	31.01.2012	31.01.2011
	RM'000	RM'000	RM'000	RM'000
Revenue				
Paper Products	93,512	94,636	270,355	263,576
Personal Care Products	22,792	20,233	63,807	52,270
Group	116,304	114,869	334,162	315,846
Profit before tax				
Paper Products	17,242	18,398	39,402	47,398
Personal Care Products	821	2,200	3,972	5,565
Group	18,063	20,598	43,374	52,963

Group

Group revenue for the nine months period ended 31 January 2012 was RM334.2 million compared with RM315.8 million for the nine months period ended 31 January 2011, an increase of 5.8%. The increase in revenue was mainly due to the increase in sales of tissue products and baby diapers in the domestic market compared to the corresponding period in 2011. The Group's profit before taxation for the period ended 31 January 2012 was RM43.4 million, a decrease of 18.1% over the RM53.0 million registered in the corresponding period in 2011. The decrease in profit before taxation was mainly due to higher raw material prices and the increase in staff and utilities costs.

For the three months third quarter ended 31 January 2012, Group revenue grew by 1.3% from RM114.9 million to RM116.3 million while profit before taxation decreased by 12.3% from RM20.6 million to RM18.1 million as compared to the corresponding quarter in 2011. The increase in revenue is mainly due to the contribution from sales of baby diapers. The decrease in profit before taxation was mainly due to the increase in staff, utilities and financing costs.

NOTES TO THE INTERIM FINANCIAL REPORT

Paper Products segment

Revenue from the paper products segment for the nine months period ended 31 January 2012 was RM270.4 million compared with RM263.6 million for the nine months period ended 31 January 2011, an increase of 2.6%. The increase in revenue was mainly due to the increase in sales of tissue products in the domestic market compared to the corresponding period in 2011. The profit before taxation in the paper products segment for the period ended 31 January 2012 was RM39.4 million, a decrease of 16.9% over the RM47.4 million registered in the corresponding period in 2011. The decrease in profit before taxation was mainly due to higher raw material prices and the increase in staff and utilities costs.

Personal Care Products segment

Revenue from the personal care products segment for the nine months period ended 31 January 2012 was RM63.8 million compared with RM52.3 million for the nine months period ended 31 January 2011, an increase of 22.0%. The increase in revenue was mainly due to the increase in sales volume of baby diapers compared to the corresponding period in 2011. The profit before taxation in the personal care products segment for the period ended 31 January 2012 was RM4.0 million, a decrease of 28.6% over the RM5.6 million registered in the corresponding period in 2011. The decrease in profit before taxation was mainly due to higher raw material prices and the increase in staff costs and additional financing charges arising from assets refinancing.

16. Comparison with immediate preceding quarter's results

	Individual quarter ended		Variance	
	31.01.2012	31.01.2011		
	RM'000	RM'000	RM'000	%
Revenue	116,304	110,908	5,396	4.9
Profit before tax	18,063	12,949	5,114	39.5

The revenue for the quarter ended 31 January 2012 increased by RM5.4 million or 4.9% and profit before taxation increased by RM5.1 million or 39.5% for the current quarter as compared to the preceding quarter. The increase in profit before tax was mainly due to the increase in revenue and improved margin resulted from lower cost of materials compared to the preceding quarter.

NOTES TO THE INTERIM FINANCIAL REPORT

17. Prospects

While the Group expects the financial year to be full of challenges, the Board of Directors remains optimistic that the Group will be able to achieve satisfactory performance in the financial year ending 30 April 2012. The optimism is based on the Group's continuous effort at cost cutting measures, improvement in operation efficiency and productivity, enhancement of inventory control and credit control as well as focusing on product improvement and quality improvement in both the tissue paper and personal care segment. Furthermore, the prices of recycled paper and pulp has came down in the third quarter of the financial year 2012 and is expected to stabilize in the final quarter of the financial year ending 30 April 2012.

18. Variance of actual profit from profit forecast

Not applicable.

19. Taxation

	Current Quarter 3 months ended 31 January 2012 RM'000	Year-to-date 9 months ended 31 January 2012 RM'000
Income tax		
Current year	4,894	11,590
Prior year	(619)	(619)
	4,275	10,971
Deferred tax		
Current year	(580)	(685)
Prior year	(16)	121
	3,679	10,407

During the previous financial year ended 30 April 2011, a subsidiary was subjected to an Inland Revenue Board (IRB) field audit covering the years of assessment 2004 to 2008, where the IRB in turn raised assessments for additional tax liabilities and penalties amounting to RM2.23 million. Arising therefrom, the management estimates that further tax liabilities and penalties of RM2.18 million would be incurred for subsequent year of assessments 2009 to 2010 as a result of the spill over effect arising from the IRB findings. The Directors have reasonable grounds to believe that the subsidiary's income tax treatment is in order based on a recent decision of the Special Commissioner upheld by the High Court in relation to these issues. Based on the advice of its tax and legal advisors, an appeal has been made to the IRB.

Consequently, no provision for the additional tax liabilities and penalties in dispute has been made to date.

20. Status on corporate proposals

There were no significant corporate proposals for the current financial period to date other than as disclosed below:

(a) On 5 July 2011, a wholly-owned sub-subsidiary of the Company, NTPM Paper Mill (Bentong) Sdn. Bhd. had entered into two (2) Conditional Sale and Purchase Agreements with Union Paper Industries Sdn Bhd (UPI) to acquire the assets from UPI at a total cash consideration of RM20,000,000 of which the final payment has been fully settled and the acquisition deemed completed on 20 January 2012. The assets acquired include four pieces of leasehold land together with industrial buildings, ancillary structures and machineries, all located at Mukim and District of Bentong, State of Pahang, bearing postal address of Lot 65, Kawasan Perindustrian Bentong, 28700 Bentong, Pahang Darul Makmur.

21. Group borrowings

	31 January 2012 RM'000
Non-current	
Unsecured	
Long term loan	30,003
Current	
Unsecured	
Bankers' acceptance	36,770
Export credit refinancing	8,107
Onshore Foreign Currency Loan(OFCL)	18,983
Term loans	13,143
	77,003

The above borrowings are denominated in Ringgit Malaysia except for Onshore Foreign Currency Loan(OFCL) which is denominated in US Dollar.

NOTES TO THE INTERIM FINANCIAL REPORT

22. Derivatives financial instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions. In general, the Group's policy is to hedge all excess amount of receivables against payables.

As at 31 January 2012, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

Foreign Currency	Outstanding Contract Amount		Fair Value	Derivative Assets/ (Liabilities)	Maturity Date
	FC '000	RM'000	RM'000	RM'000	
Bank Buy					
Singapore Dollar	713	1,750	1,722	28	10 Feb 2012
US Dollar	6,500	20,539	19,999	540	22 Jun 2012 – 17 Dec 2012

Derivatives financial instruments are categorised as fair value through profit or loss and measured at their fair value with the gain or loss recognized in the profit or loss. During the current financial quarter and financial period ended 31 January 2012, the Group recognised a gain before tax of RM315,000 and RM467,000 respectively arising from fair value changes of financial derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

The Group will fund the requirements of these derivatives from its net cash flow from operating activities when payments fall due.

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk.

There is no change in the significant policy for mitigating or controlling the interest rate risk, credit risk, liquidity risk and foreign currency risk for the Group nor the related accounting policies for the financial period ended 31 January 2012. Other related information associated with the financial instruments are consistent with the disclosures in the audited financial statements for the financial year ended 30 April 2011.

NOTES TO THE INTERIM FINANCIAL REPORT

23. Material litigation

There was no pending material litigation as at the date of this quarterly report.

24. Dividend

A single tier interim dividend of 14.5% amounting to RM16,285,689 in respect of the financial year ending 30 April 2012 on 1,123,151,000 ordinary shares of RM0.10 each (1.45sen per share) has been declared on 16 March 2012 and is to be paid on 20 April 2012 to depositors registered in the records of Depositors at the close of business on 2 April 2012. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the quarter ending 30 April 2012.

In the corresponding financial period ended 31 January 2011, a single tier interim dividend of 14.5% amounting to RM16,285,980 in respect of the financial year ended 30 April 2011 on 1,123,171,000 ordinary shares of RM0.10 each (1.45sen per share) was paid on 15 April 2011.

The total net dividend per share to date for the current financial year is 1.45sen (2011 : 1.45sen)

25. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	3 Months Period Ended 31 January		9 Months Period Ended 31 January	
	2012	**2011**	**2012**	**2011**
Net profit attributable to shareholders (RM'000)	14,384	15,706	32,967	40,450
Weighted average number of ordinary shares in issue ('000)	1,123,151	1,123,171	1,123,156	1,123,176
Basic earnings per share (sen)	1.3	1.4	2.9	3.6

NOTES TO THE INTERIM FINANCIAL REPORT

26. Realised and Unrealised Profits/Losses

The retained profits of the Group are analysed as follows: -

	As at 31//01/2012 RM'000	As at 30//04/2011 RM'000
Total retained profits of the Company and its subsidiaries : -		
-Realised	123,488	107,909
-Unrealised	(15,614)	(16,790)
	107,874	91,119
Add/(Less) : Consolidation adjustments	24,866	24,940
Total group retained profits as per consolidated accounts	132,740	116,059

By Order of the Board

Company Secretary

DATED THIS 16th DAY OF MARCH 2012.