



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

A. EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

1. Basis of Preparation

This interim report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and para 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computation adopted by the Company and its subsidiaries (the “Group”) for this interim financial report are in compliance with the new and revised FRSs issued by the Malaysian Accounting Standards Board (“MASB”).

This interim report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2011. 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 year ended 31 December 2011.

2. Adoption of New and Revised Accounting Policies

- (a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 8 Operating Segments

FRS 101 (Revised) Presentation of Financial Statements

FRS 123 (Revised) Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Vesting Conditions and Cancellations

Amendments to FRS 7, FRS 139 and IC Interpretation 9

Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

Adoption of New and Revised Accounting Policies (Cont'd)

Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments

IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Annual Improvements to FRSs (2009)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim report, other than the following FRS's as set out below:

(i) FRS 7 requires additional disclosures about the Group's financial instruments. Prior to 1 January 2010, information about financial statements was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosures and Presentation. FRS 7 requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group has applied FRS 7 prospectively in accordance with the transitional provisions. Accordingly, the new disclosures have not been applied to the comparatives and are included throughout the Group's Interim Financial Report for the quarter ended 31 March 2012.

(ii) The adoption of FRS 139 (including the consequential amendments) did not have any material impact on the Group's interim financial report.

(iii) FRS 101 (Revised) introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as one single statement.

The revised standard also separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of comprehensive income as other comprehensive income.

FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

Adoption of New and Revised Accounting Policies (Cont'd)

Comparative information has been re-presented so that it is in conformity with the requirements of this revised standard.

(b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) those have been issued by the MASB but are not yet effective for the current financial period:-

FRS and IC Interpretations (including the Consequential Amendments)	Effective Date
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendment to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendment to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010
Amendment to FRS 5: Plan to Sell the Controlling Interest In a subsidiary	1 July 2010
Amendment to FRS 7: Improving Disclosure about Financial Instruments	1 January 2011
Amendment to FRS 138: Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

Adoption of New and Revised Accounting Policies (Cont'd)

IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 & FRS 3 (Revised)	1 July 2010

3. Audit Report

The auditors' report of the Group's annual audited financial statements for the year ended 31 December 2011 was not subject to any audit qualification.

4. Seasonal or Cyclical Factors

The Group's business operations for the quarter ended 31 March 2012 have not been significantly affected by seasonal or cyclical factors.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter ended 31 March 2012.

6. Effects of Changes in Estimates

There were no changes in estimates that have a material effect on the current quarter ended 31 March 2012.

7. Changes in Debt and Equity Securities

There were no changes in debt and equity securities for the current quarter ended 31 March 2012.

8. Dividend Paid

There were no dividends paid during the current quarter ended 31 March 2012.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

9. Segmental Reporting

Segmental information for the Group by business segment for the cumulative quarter ended 31 March 2012 are as follows:

Division	Revenue RM '000	Elimination RM '000	Consolidation RM '000	Profit/(Loss) Before Tax RM'000
FMS	6,840	-	6,840	2,218
PAS	1,160	-	1,160	(15)
WMS	523	-	523	(42)
Others	197	197	-	(137)
Total	8,720	197	8,523	2,024

FMS – Financial Management Solutions, PAS – Payment Aggregation Solutions, WMS – Wealth Management Solutions.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 31 March 2012.

11. Contingent Liabilities

The Group does not have any contingent liabilities as at the end of the current quarter ended 31 March 2012.

12. Capital Commitments

The Group does not have any material commitment for capital expenditure for the current quarter ended 31 March 2012.

13. Material Subsequent Events

Below are the material subsequent events:

- On 9 April 2012 the FMS division received 2 letter of awards from Pertubuhan Keselamatan Sosial for the sum of RM24,505,600 and RM9,018,750. The contract periods for both are 16 months each.
- On 17 April 2012 the FMS division received 2 Letter of Award's from Lembaga Hasil Dalam Negeri for the sum of RM3,000,000 and RM2,600,000. The contract period is 3 years, and 2 years and 3 months.
- On 25 April 2012 the Company proposed to undertake a bonus issue of 43,025,00 Warrants in Century Software Holdings Berhad on the basis of one (1) free warrant for every eight (8) existing shares held on an entitlement date to be determined later.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

14. Related Party Transaction

Below is the related party transaction contracted.

	Current Year Quarter 31 Mar 2012 RM	Current Year To-Date 31 Mar 2012 RM
Inventrix Sdn Bhd* - office rental	128,850	128,850

The transaction was contracted in the normal course of business and concluded under negotiated terms.

*a company controlled by common Directors namely, Datuk Samsul Bin Husin, Encik Abdul Mushir Bin Che Chik, Mr Tamil Selvan A/L M. Durairaj and Ms Ang Hsin Hsien.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

1. Group Performance Review

a) Performance of the Current Quarter v Previous Year Corresponding Quarter

For the current quarter under review, the Group registered a revenue of RM8.52 million compared to the previous year corresponding quarter's revenue of RM7.65 million. The higher revenue of 11.37% in comparison to the preceding year corresponding quarter was mainly attributed by higher level of maintenance income secured in relation to the FMS division.

As for the profit before taxation, the Group registered RM2.02 million for the current quarter compared to the previous year corresponding quarter's profit before taxation of RM1.95 million, the profits for the current quarter is after incurring a higher operating cost for the group in comparison with the preceding quarter.

Tabulated below is the segmental break down of the revenue and profit before tax (PBT) for the Group.

	2012		2011	
	Revenue RM '000	PBT RM '000	Revenue RM '000	PBT RM '000
FMS	6,840	2,218	6,430	1,873
PAS	1,161	(15)	1,220	171
WMS	522	(42)	-	-
Others	-	(137)	-	(96)
Total	8,523	2,024	7,650	1,948

b) Performance of the Current Financial Year v Previous Financial Year

The performance remain the same as above as it is the first quarter for the financial year ending 2012.

2. Comparison with Immediate Preceding Quarter's Results

The Group registered a revenue and profit before taxation of RM10.66 million and RM2.93 million for the immediate preceding quarter ended 31 December 2011 against lower revenue of RM8.52 million and profit before taxation of RM2.02 million for the current quarter under review.

The higher turnover for the preceding quarter was derived mainly from the contribution arising from the Groups' ongoing Outcome Based Budgeting project implemented at the Ministry of Finance.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

3. Business Prospects

The Group is confident of achieving better performance for the financial year ending 31 December 2012 based on the market developments and market trends impacting the Group's business divisions as follows:-

Financial Management Solutions division (FMS) – the recent award of new contracts by Pertubuhan Keselamatan Sosial and Lembaga Hasil Dalam Negeri for a total contract value of RM39,124,350 provide a strong revenue traction for stable growth and sustainable profits.

Payment Aggregate Solutions division (PAS) – this division has been streamline to focus on the financial institution's growing needs for e-transactions going forward.

Wealth Management Solutions division (WMS) – active tendering of contracts for both Indonesian and Malaysian markets for wealth management solutions and banking services are being initiated, after this division successfully secured its maiden project in Malaysia for RM130,146.30 on 10 January 2012.

4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

5. Income Tax Expense

The taxation figures are as follows:

	Current Year Quarter 31 Mar 2012 RM'000	Current Year To-Date 31 Mar 2012 RM'000
Current tax	9	9

The current tax paid/payable is mainly in respect of interest income from bank deposits, as both the subsidiaries Century Software (M) Sdn Bhd and T-Melmax Sdn Bhd has been granted Multimedia Super Corridor status, which qualifies the subsidiaries for the Pioneer Status incentive under the Promotion of Investment Act, 1986. As for the Indonesian subsidiary PT Praisindo the tax payable were pertaining to corporation tax and value added tax.

6. Sales of Unquoted Investments and/or Properties

There were no disposals of unquoted investments and/or properties held by the Group as at the date of this interim report.

7. Purchase and/ or Disposal of Quoted Securities

There were no purchases or disposal of quoted securities for the Group as at the date of this interim report.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

8. Borrowings

The Group's borrowings as at 31 March 2012 are as follows:	RM '000
Short-term borrowing	
Hire purchase	415
	<hr/>
	415
Long-term borrowing	
Hire purchase	514
	<hr/>
Total	929
	<hr/>

9. Status of Corporate Proposals

- a. On 2 March 2012 the company announced their intention to have a share buy-back scheme which is subject to shareholder's approval.

On 25 April 2012 the company announced that the Board had decided not to proceed to seek shareholders' approval for the Proposed Share Buy-Back of up to ten percent (10%) of the issued and paid-up share capital of Century Software Holdings Berhad, at the forthcoming general meeting of the Company.

The termination of the Company's Proposed Share Buy-Back scheme is to focus on utilizing the Group's resources to generate more sustainable business opportunities in view of the recent success in projects awarded by Pertubuhan Keselamatan Sosial and Lembaga Hasil Dalam Negeri.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

b. Utilisation of proceeds

The Company received proceeds of RM21.39 million from the public for the issuance of 23,000,000 new shares and the utilisation status is as follows:

Proposed Utilisation	RM'000	%	Amount Utilised 31 Mar 2012 RM'000	Amount Unutilised 31 Mar 2012 RM'000	Expected time frame for utilisation
Research and Development expenditure	6,000	28.05	3,200	2,800	Within three (3) years from the date of receipt.
Business expansion and capital expenditure	4,890	22.86	4,278	612	Within three (3) years from the date of receipt.
Working capital	4,000	18.70	4,000	-	Within three (3) years from the date of receipt.
Repayment of bank borrowings	4,000	18.70	4,000	-	Within six (6) months from the date of receipt.
Estimated listing expenses	2,500	11.69	2,500	-	Within six (6) months from the date of receipt.
	21,390	100.00	17,978	3,412	

10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this interim report.

11. Derivatives Financial Instruments

There were no derivatives financial instruments as at the date of this interim report.

12. Material Litigation

There were no material litigations involving the Group as at the date of this interim report.

13. Dividend

No dividend has been proposed or declared in relation to the current quarter ended 31 March 2012.



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

14. Additional Disclosures

	Current Year Quarter 31 Mar 2012 RM'000	Current Year To-Date 31 Mar 2012 RM'000
Interest Income	56	56
Other Income including Investment Income	-	-
Interest Expense	20	20
Depreciation and Amortization	922	922
Provision for and write off of Receivables	-	-
Impairment of Assets	-	-
Foreign Exchange (gain)/ loss	6	6

15. Realised and Unrealised Profits/(Loss) Disclosure

The following analysis 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 Securities Listing Requirements, as issues by the Malaysian Institute of Accountant ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

	As at 31 Mar 2012 RM '000	As at 31 Dec 2011 RM '000
Total retained profits/(loss) of the Company and its subsidiaries		
- Realized	33,917	31,885
- Unrealised	-	-
	<hr/>	<hr/>
Total Group Retained Profits	33,917	31,885
	<hr/>	<hr/>



CENTURY SOFTWARE HOLDINGS BERHAD

Company No. 828269-A

Incorporated in Malaysia under the Companies Act, 1965

INTERIM REPORT FOR THE QUARTER ENDED 31 MARCH 2012

16. Earnings Per Share

i. Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to-date	Preceding Year Corresponding Period
	31 Mar 2012 RM '000	31 Mar 2011 RM '000	31 Mar 2012 RM '000	31 Mar 2011 RM '000
Total comprehensive income attributable to owners of the Company (RM'000)	2.032	1,948	2,032	1,948
Weighted average number of ordinary shares in issue ('000)	344,200	172,100	344,200	172,100
Basic earnings per share (sen)	0.59	1.13	0.59	1.13

ii. Diluted

The Company does not have any convertible share or convertible financial instruments for the current quarter under review and financial year to-date.

17. Authorisation for issue

The interim financial statements were authorised for release by the Board of Directors as per the Board Meeting held on 2nd May 2012.