



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2012.**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31/03/2012 (RM'000)	Preceding Year Corresponding Quarter 31/03/2011 (RM'000)	Current Year to date 31/03/2012 (RM'000)	Preceding Period Ended 31/03/2011 (RM'000)
<b>Continuing Operations:</b>				
<b>Revenue</b>	65,002	57,047	65,002	57,047
Cost of sales	(63,401)	(55,062)	(63,401)	(55,062)
Gross profit	1,601	1,985	1,601	1,985
Other operating income	1,882	1,196	1,882	1,196
Finance cost	(859)	(665)	(859)	(665)
Gain/(loss) on financial assets measured at fair value	-	-	-	-
Share of profit/(loss) of associates	-	-	-	-
Profit before tax	2,624	2,516	2,624	2,516
Income tax expense	(704)	(842)	(704)	(842)
<b>Profit for the period from continuing operations</b>	1,920	1,674	1,920	1,674
<b>Loss from discontinued operation</b>	-	-	-	-
<b>Profit for the period</b>	1,920	1,674	1,920	1,674
<b>Other Comprehensive Income:</b>				
Gain on revaluation of property, plant and equipment	-	-	-	-
<b>Other Comprehensive Income net of tax</b>	-	-	-	-
<b>Total Comprehensive Income for the period</b>	1,920	1,674	1,920	1,674
<b>Net Profit/(loss) attributable to:</b>				
Owners of the Parent				
- income from continuing operations	669	859	669	859
- loss from discontinued operations	-	-	-	-
Non-Controlling Interest	1,251	815	1,251	815
Profit for the period	1,920	1,674	1,920	1,674
Total comprehensive income attributable to:				
Owners of the Parent	669	859	669	859
Non-Controlling Interest	1,251	815	1,251	815
	1,920	1,674	1,920	1,674
Earnings/(Loss) per share (in sen)				
Basic EPS (in sen)	0.61	0.78	0.61	0.78
Fully diluted EPS (in sen)	N/A	N/A	N/A	N/A

**Note:-N/A – Not applicable**

**(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)**



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012.**

	Unaudited As at 31/03/2012 RM'000	Audited As at 31/12/2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	228,172	229,630
Investment properties	45,063	45,129
Investment in associated company	0	0
Other Investment	500	500
	<b>273,735</b>	<b>275,259</b>
<b>Current Assets</b>		
Inventories	95,743	92,268
Property Development Cost	20,587	20,626
Trade receivables	42,340	46,529
Other receivables	8,072	16,556
Tax recoverable	927	1,761
Deposit with licensed banks	14,319	10,882
Cash and bank balances	4,724	5,103
	<b>186,714</b>	<b>193,725</b>
<b>TOTAL ASSETS</b>	<b>460,449</b>	<b>468,984</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owner of the parents</b>		
Share Capital	109,851	109,851
Share premium	92,431	92,431
Other reserves	124,711	124,710
Retained earnings-profit/(loss)	(40,219)	(40,847)
	286,774	286,145
<b>Non-Controlling Interest</b>	23,492	22,971
<b>Total Equity</b>	<b>310,266</b>	<b>309,116</b>
<b>Non-current liabilities</b>		
Amount due to directors	0	0
Deferred Taxation	24,111	24,111
Hire Purchase obligations	945	838
Bank borrowings	18,538	23,416
	<b>43,594</b>	<b>48,365</b>
<b>Current Liabilities</b>		
Trade payables	7,938	10,673
Other payables	50,648	60,885
Provision for liabilities	3,037	3,037
Hire purchase obligations	585	520
Bank borrowings	39,211	29,279
Tax Payable	5,171	7,109
	<b>106,589</b>	<b>111,503</b>
<b>Total Liabilities</b>	<b>150,183</b>	<b>159,868</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>460,449</b>	<b>468,984</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<b>2.61</b>	<b>2.60</b>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)



**MINHO (M) BERHAD** (200930 – H)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2012.**

	← Attributable to equity holders of the company →							Non-Controlling Interest	Total Equity
	← Non-distributable →				Distributable				
	Share Capital	Share Premium	Reserve on consolidation	Asset revaluation reserves	Equity component from the replacement warrants	Retained Losses	Total		
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	RM'000
<b>Period ended 31 March 2012</b>									
<b>Balance as at 01.01.2011</b>	109,851	92,431	13,464	109,748	1,498	(40,847)	286,145	22,971	309,116
Prior years adjustments	-	-	-	-		(40)	(40)		(40)
As restated	109,851	92,431	13,464	109,748	1,498	(40,887)	286,105	22,971	309,076
Total comprehensive income for the period				-		669	669	1,251	1,920
Reversal due disposal of asset				-			-		-
Acquisition of additional equity in a subsidiary						-	-	-	-
Dividend distributed to Non-Controlling Interest								(730)	(730)
<b>Balance as at 31.12.2012</b>	109,851	92,431	13,464	109,748	1,498	(40,218)	286,774	23,492	310,266
<b>Period ended 31 March 2011</b>									
<b>Balance as at 01.01.2011</b>	109,851	92,431	13,464	115,507	1,498	(51,442)	281,309	23,479	304,788
Prior years adjustments							-		-
Total comprehensive income for the period						859	859	815	1,674
Acquisition of additional equity in a subsidiary							-	-	-
Dividend distributed to Non-Controlling Interest								(2,669)	(2,669)
<b>Balance as at 31.03.2011</b>	109,851	92,431	13,464	115,507	1,498	(50,583)	282,168	21,625	303,793

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2012.**

	Cumulative Period	
	Current Year to date 31/03/2012 <u>RM'000</u>	Preceding Period Ended 31/03/2011 <u>RM'000</u>
<b>Cash Flows From Operating Activities</b>		
<b>Profit/(Loss) before taxation</b>	2,624	2,516
Adjustments for :		
Depreciation, amortisation and impairment losses	2,037	1,746
Interest income	(104)	(75)
Interest expenses	812	664
Share of profit in associates		
Fair value gain of financial instruments measured at fair		
Provision:		
Provision for doubtful debts		
Write back of provision for doubtful debts	(4)	(4)
Write down of inventories	1,098	-
Write back of stock value	-	-
Other non-cash items		
(Gain)/loss on disposal of property, plant & equipment	-	-
Asset written off	-	-
Operating profit before changes in working capital	6,463	4,847
Net change in current assets	9,197	8,865
Net change in current liabilities	(12,973)	(3,162)
Cash flow from operation	2,687	10,550
Taxes paid	(2,033)	(1,126)
<b>Net Cash Flows From Operating Activities</b>	<b>654</b>	<b>9,424</b>
<b>Cash Flows From Investing Activities:</b>		
Purchase of PPE and investment property	(456)	(470)
Purchase of freehold land		
Purchased freehold land for property development		
Purchase of financial assets	-	-
Acquisition of additional investment in a subsidiary		-
Proceeds from sale of non-current assets		356
Reclass other investment to deposit with licensed bank	-	-
Dividend received	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(456)</b>	<b>(114)</b>
<b>Cash Flows From Financing Activities:</b>		
Issue of ordinary shares	-	
Bank borrowings and other liabilities (Net)	3,372	(9,936)
Dividends paid to non controlling interest in subsidiary company	(730)	(2,670)
<b>Net Cash Flows From Financing Activities</b>	<b>2,642</b>	<b>(12,606)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	2,840	(3,296)
<b>Cash and Cash Equivalents at the beginning of the year</b>	15,985	18,942
<b>Effects of changes in foreign exchange rates</b>	218	1
<b>Cash and Cash Equivalents at end of the period</b>	<b>19,043</b>	<b>15,647</b>
<b>Cash and cash equivalent comprise the following:-</b>		
Bank and cash balances	4,724	6,013
Deposit with license bank	14,319	9,634
	<b>19,043</b>	<b>15,647</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)



**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134: INTERIM FINANCIAL STATEMENT.**

**1. Basis of preparation and Accounting Policies.**

The Interim Financial Report of the Group is unaudited and has been prepared in accordance with the reporting requirements outlined in Financial Reporting Standards ("FRS") 134: "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (Bursa) Listing Requirements and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2011.

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2011. It contains unaudited condensed consolidated financial statements and selected explanatory notes. These explanatory notes 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. The condensed consolidated interim financial report and notes thereon do not include all of the information requires for a full set of financial statements prepared in accordance with Financial Reporting Standards (FRS).

**1.1. Significant Accounting Policies**

The significant accounting policies and method of computation adopted by the Group are consistent with those of the audited financial statements for the financial year ended 31 December 2011, except for the adoption of the following new Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretations by the Group. The significant accounting policies adopted in the preparation of this interim financial report are consistent with those in the audited financial statements for the year ended 31 December 2011.

The following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2012.

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 2	Share-based Payment- Vesting Conditions and Cancellations
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives Improvement to FRS issued in 2009
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 12	Service concession Arrangements
IC Interpretation 13	Customer Loyalty Programmers
IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction	
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operations
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9 :	Reassessment of Embedded Derivatives
TR 3	Guidance on Disclosures of Transition to IFRSs

The above FRSs, Amendments to FRSs and Interpretations have no significant impact on the financial statements of the Group upon their initial application.

## **1.2. Malaysian Financial Reporting Standards.**

On 19 November 2011, MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”) in conjunction with the MASB’s plan to converge with International Financial Reporting Standards (“IFRS”) in 2012. The MFRS Framework comprises Standards as issued by the International Accounting Standards Board (“IASB”) that are effective on 1 January 2012 and new/revised Standards that will be effective after 1 January 2012.

The MFRS Framework is to be applied by all Entities Other Than Private entities for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parents, significant investor and venture (herein referred as “Transitioning Entities”). The adoption of the MFRS Framework by Transitioning Entities is deferred by another year and hence, will be mandatory only for annual financial period beginning on or after 1 January 2013.

## **2. Auditors' Report On Preceding Annual Financial Statements**

The auditors' report of the audited financial statements for the financial year ended 31 March 2012 was not subject to any qualification.

## **3. Seasonal or Cyclical Factors**

The business operations of the Group are generally affected negatively by the monsoon seasons and the major festive seasons namely Hari Raya Aidilfitri and Chinese New Year holidays. Such occasions not only undoubtedly limit our ability to undertake certain operational activities at our end; they do also by and large, curtail demand from our customers, who are also negatively impacted by these factors.

## **4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows.

## **5. Changes In Estimates of Amounts Reported Previously**

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years which may have a material effect on the current interim period.



## 6. Issuances and Repayments of Debt and Equity Securities

There were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Company for the financial period ended 31 March 2012.

## 7. Dividends Paid

There were no dividends declared and paid by the Company for the financial period ended 31 March 2012.

## 8. Segment Information

The Group's segment information for the financial period ended 31 March 2012 is as follows:-

	<b>Timber Extraction RM'000</b>	<b>Timber Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Services &amp; Treatment RM'000</b>	<b>Property Development RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>2012</b>							
<b>Revenue</b>							
<i>External Sales</i>	-	37,305	13,243	6,230	8,201	24	65,002
<i>Inter segmental sales</i>	-	1,620	620	1,219	-	-	3,459
Total Revenue	-	38,925	13,863	7,449	8,201	24	68,461
Segments Profits	-62	769	902	106	897	12	2,623
Elimination							-
Taxation							(704)
Profit after taxation							1,919
Minority interest							(1,251)
Net profit for the year							668
Segments Assets	8,496	111,596	144,719	166,113	25,267	3,758	459,949
Other Investment							500
							460,449
Segment Liabilities	3,284	61,964	27,917	44,566	11,796	657	150,184
<b>2011</b>							
<b>Revenue</b>							
<i>External Sales</i>	-	36,930	14,910	5,183	-	24	57,047
<i>Inter segmental sales</i>	-	2,113	1,009	1,417	-	-	4,539
Total Revenue	-	39,043	15,919	6,600	-	24	61,586
Segments Profits	-5	1,418	1,636	(134)	-	2,567	5,482
Elimination							(2,966)
Taxation							(842)
Profit after taxation							1,674
Minority interest							(815)
Net profit for the year							859
Segments Assets	8,066	103,711	138,948	188,051	-	5,025	443,800
Other Investment							500
							444,300
Segment Liabilities	3,289	61,180	22,818	51,862	-	858	140,007



**9. Property, Plant, and Equipment.**

Carrying Amount of Revalued Assets

The valuations of property, plant, and equipment have been brought forward without amendment from the financial statements for year ended 31 December 2011.

**10. Material events Subsequent to the End of the Interim Reporting Period**

There are no material events subsequent to the financial period ended 31 March 2012 that have not been reflected in the related financial statements.

**11. Changes in the Composition of the Group**

There was no material changes in the composition of the Group during the financial period ended 31 March 2012.

**12. Contingent Liabilities – Unsecured**

As at 31 March 2012, the Company had contingent liabilities in the form of corporate guarantees given to financial institutions in respect of facilities granted to subsidiary companies amounting to RM118,424,576.71, of which an amount of RM47,464,173.00 were utilized.

**13. Capital Commitments**

There are no material capital commitments as at the date of this announcement.





**MINHO (M) BERHAD** (200930 – H)  
(Incorporated in Malaysia)

**14. Related Party Transactions.**

The summary of related party transactions for current quarter and cumulative period to date is as follows:-

Relationship with Minho Group	Nature of Recurrent Transaction	Recurrent Transaction with Minho or Subsidiary Company	Frequency of Transaction	Total Value (Transaction) 01/01/2012 to 3/31/2012 (RM ' 000)		Total Value (Transaction) 01/07/2011 to 6/29/2012 (RM ' 000)		Approved Value 01/07/2011 to 29/06/2012 (RM ' 000)		Balance of the approved amount as at 31/03/2012 (RM ' 000)		Balance due to / from the companies 3/31/2012 (RM ' 000)		Creditors Ageing as at 31/03/2012 (RM'000) Payables		
				Q1 2012												
				Receivables	Payables	Receivables	Payables	Receivables	Payables	Receivables	Payables	Receivables	Payables	Receivables	Payables	30days
Dato' Loo Keng An, a director and major shareholder of Minho is also a director of D.M. Timber Sdn Bhd.	Purchase of timber.	Lionvest Timber Industries Sdn Bhd	Monthly		1,555	-	2,050		15,000		12,950		143	143		
Sykt. Minho Kilning (Klang) Sdn Bhd is wholly-owned subsidiary of Minho Holdings Sdn Bhd, a major shareholder of Minho	<sup>(i)</sup> Rental & Storage Charges.	Syarikat Minho Kilning S/B <sup>(ii)</sup>	Monthly		660	-	2,007		4,500		2,493		676	227	225	224
Mr Loo Say Leng and Mr Ng Hoe Chang are directors of QR Printing Sdn Bhd and also directors of Minho which owned 100% shares in Syt Minho Kilning Sdn Bhd.	Insurance brokerage fee.	Syarikat Minho Kilning Sdn Bhd	Yearly		21	-	26		800		774		121	21		100
Mr Eng Kin Hong and Mr Ng Chee Min are directors and major shareholders of Lionvest Timber Industries Sdn Bhd and Mahawangsa Timber Industries Sdn Bhd and Sri Temerloh Industries Sdn Bhd.	Purchase of logs	Lionvest Timber Industries Sdn Bhd.	Monthly			-	307		5,000		4,693					
	Purchase of logs.	Lionvest Timber Industries Sdn Bhd.	Monthly		458	-	1,361		5,000		3,639		140	140		
	Sales of sawntimber	Lionvest Timber Industries Sdn Bhd.	Monthly	145		186	-	800		614		88				
Mr Yap Nam Fee is major shareholder of Pembinaan Infra E&J S/B and also major shareholder of MS.Mr Yap Nam Fee is a director of EJ and MS	Construction cost for infrastructure & building works	My Squares Development Sdn Bhd (MS)	Monthly		5,722		5,722		24,000		18,278		658	658		
<b>Total</b>				<b>145</b>	<b>8,416</b>	<b>186</b>	<b>11,473</b>	<b>800</b>	<b>54,300</b>	<b>614</b>	<b>42,827</b>	<b>88</b>	<b>1,738</b>	<b>1,189</b>	<b>225</b>	<b>324</b>



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES  
BERHAD LISTING REQUIREMENTS**

**15. Review of Performance of the Company and its Principal Subsidiaries**

	3 MONTHS ENDED		YEAR-TO-DATE ENDED	
	<u>Q1 2012</u>	<u>Q1 2011</u>	<u>31/03/2012</u>	<u>31/03/2011</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Revenue</b>				
- Timber Extraction	-	-	-	-
- Timber Trading	37,305	36,930	37,305	36,930
- Manufacturing	13,243	14,910	13,243	14,910
- Services & Treatment	6,230	5,183	6,230	5,183
- Property Development	8,201	-	8,201	-
- Others	24	24	24	24
	<u>65,002</u>	<u>57,047</u>	<u>65,002</u>	<u>57,047</u>
<b>Segment Profit</b>				
- Timber Extraction	(62)	(5)	(62)	(5)
- Timber Trading	769	1,418	769	1,418
- Manufacturing	902	1,636	902	1,636
- Services & Treatment	106	(134)	106	(134)
- Property Development	897	-	897	-
- Others	12	2,567	12	2,567
	<u>2,623</u>	<u>5,482</u>	<u>2,623</u>	<u>5,482</u>
Elimination	-	(2,966)	-	(2,966)
Profit before taxation	<u>2,623</u>	<u>2,516</u>	<u>2,623</u>	<u>2,516</u>
Taxation	<u>(704)</u>	<u>(842)</u>	<u>(704)</u>	<u>(842)</u>
Profit after taxation	<u>1,919</u>	<u>1,674</u>	<u>1,919</u>	<u>1,674</u>
Minority interest	<u>(1,251)</u>	<u>(815)</u>	<u>(1,251)</u>	<u>(815)</u>
Net profit for the year	<u>668</u>	<u>859</u>	<u>668</u>	<u>859</u>

**(a). Three months period and Year to date.**

The Group registered total revenue of RM65 million for Q1 2012, RM7.96 million or 14% more than the RM57.05 million recorded in Q1 2011. The turnover recorded by three of the group's market segments viz. Timber Trading, Services & Treatment and the new Property Development segment improved by RM9.62 million. The revenue for Property Development segment was based on additional 6% of the GDV for units sold. In line with improved demand for sawn timber from domestic buyers, the incoming timber for kiln drying process also increased, hence the higher turnover for Services & Treatment.

However the increase in turnover by the three abovementioned segments was partially offset by the RM1.67 million decline in turnover of our Manufacturing segment which experienced difficulties in obtaining supply of raw materials (i.e. logs) due to the continuous raining season.

It should be noted that the RM9.62 million improvements recorded by the three major revenue contributing segments, RM8.20 million came from our new Property Development segment. Hence, the increase recorded by our long established Timber Trading and Services & Treatment segments combined was only RM1.42 million for the period under review which under prevailing economic conditions, was considered acceptable.



The Group registered a pre-tax profit of RM2.62 million for Q1 2012, a slight improvement compared to pre-tax profit of RM2.52 million in the preceding year corresponding period. However, has the RM0.897 million profit contributed by the new Property Development segment not being taken into account, the picture would not be as attractive. This notwithstanding, operations for the period under review remained profitable.

#### 16. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	<b>THREE MONTHS</b>	
	<b>Q1 2012</b>	<b>Q4 2011</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>Revenue</b>		
- Timber Extraction	-	-
- Timber Trading	37,305	30,151
- Manufacturing	13,243	18,373
- Services & Treatment	6,230	5,894
- Property Development	8,201	16,184
- Others	24	328
	<u>65,002</u>	<u>70,930</u>
<b>Segment Profit</b>		
- Timber Extraction	(62)	(64)
- Timber Trading	769	655
- Manufacturing	902	(553)
- Services & Treatment	106	5,744
- Property Development	897	1,739
- Others	12	51
	<u>2,623</u>	<u>7,572</u>
Elimination	-	-
Profit before taxation	<u>2,623</u>	<u>7,572</u>
Taxation	(704)	3,647
Profit after taxation	<u>1,919</u>	<u>11,219</u>
Minority interest	(1,251)	(679)
Net profit for the year	<u>668</u>	<u>10,540</u>

The Timber Trading and Services & Treatment segment recorded an increase of RM7.49 million in their combined turnover but this was offset by significant fall of RM13.11 million in the combined turnover of Manufacturing and Property Development segments. Consequently, total net revenue for the first quarter of 2012 diminished by RM5.93 million.

In line with lower turnover, the Group's pre-tax profit fell sharply by RM4.95 million from RM7.57 million for fourth quarter 2011 to RM2.62 million mainly owing to RM6.30 million of profit from disposal of 3 pieces of freehold land by Syarikat Minho Kilning Sdn. Bhd. as announced in our previous quarterly submission.

#### 17. Prospects for Current Financial Year

Group performance for the second quarter of year 2012 is projected to be slightly lower as logs will be in short supply due to the onset of the monsoon season which is expected to impact negatively into the next quarter. In addition, demand is likely to be lower as overseas buyers especially from the Euro -Zone countries are unfortunately continuing to experience economic difficulties, some of them quite severely.



## 18. Variance of Actual Profit from Forecast Profit

Not applicable.

## 19. Taxation

Taxation comprises:-

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31/03/2012 RM'000	31/03/2011 RM'000	31/03/2012 RM'000	31/03/2011 RM'000
Current taxation	(704)	(842)	(704)	(842)
(Over)/Under provision in respect of prior years	-	-	-	-
Foreign Taxation	-	-	-	-
Deferred Taxation	-	-	-	-
	<u>(704)</u>	<u>(842)</u>	<u>(704)</u>	<u>(842)</u>
Our share of results of associated companies	-	-	-	-
	<u>(704)</u>	<u>(842)</u>	<u>(704)</u>	<u>(842)</u>

The effective tax rates for the periods presented above are higher than the statutory tax rate principally due to losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and also to certain expenses which are not deductible for tax purposes.

## 20. Disposal of Unquoted Investments and Properties

There were no disposals of investments and/or properties for the financial period under review.

## 21. Quoted Securities

There were no purchases and/or disposals of quoted securities of the Group for the financial period ended 31 March 2012.

## 22. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 23 May 2012.

## 23. Group Borrowings

Total Group borrowings as at 31 March 2012 were as follows:-

	<u>RM'000</u>
Long Term Borrowings	
Secured	18,538
Unsecured	0
	<u>18,538</u>
Short Term Borrowings	
Secured	39,211
Unsecured	0
	<u>39,211</u>
<b>Total Borrowings</b>	<b><u>57,749</u></b>



#### 24. Off Balance Sheet Financial Instruments

There are no material financial instruments with off balance sheet risk as at the date of this report.

#### 25. Material Litigation

As at 23 May 2012, the latest practicable date that is not earlier than 7 days from the issue of this quarterly report, the Group is not engaged in any material litigation.

#### 26. Dividend

No dividend has been recommended by the Board for the period ended 31 March 2012 (2011: Nil).

#### 27. Earning/ (Loss) Per Share

(a) Basic earnings/ (loss) per share

Basic earnings/ (loss) per share of the Group is calculated by dividing the net earnings/ (loss) attributable to shareholders for the financial periods under review by the number of ordinary shares on issue during the said financial periods.

(b) Diluted earnings per share

Not applicable

#### 28. Realised and Unrealised Profit/Loss Disclosures

	<u>As at</u> <u>31/03/2012</u> RM'000	<u>As at</u> <u>31/03/2011</u> RM'000
Total retained losses of Minho (M) Berhad and its subsidiaries:		
- Realised	(23,451)	(36,290)
- Unrealised	<u>(16,767)</u>	<u>(14,337)</u>
	(40,218)	(50,627)
Add: Consolidated adjustments	<u>0</u>	<u>0</u>
Total group retained losses as per consolidated accounts	<u>(40,218)</u>	<u>(50,627)</u>

#### 29. Authorisation for issue

This interim financial information has been approved for issue in accordance with a resolution of the Board of Directors dated 30 May 2012.

#### By order of the Board

Klang, Selangor Darul Ehsan.

Dated: 30 May 2012.