

## Interim Financial Statements for the Third Quarter Ended 30 September 2012

## Condensed Consolidated Statements of Comprehensive Income for the Third Quarter Ended 30 September 2012

(Unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30/09/2012 RM'000	Preceding Year Corresponding Quarter 30/09/2011 RM'000	Current Year To-Date 30/09/2012 RM'000	Preceding Year Corresponding Period 30/09/2011 RM'000
Revenue	157,002	142,872	491,540	476,692
Operating expenses	(156,053)	(143,523)	(490,716)	(478,930)
Other operating income	1,279	3,725	5,592	8,732
Profit from operations	2,228	3,074	6,416	6,494
Finance costs	(1,046)	(1,097)	(3,067)	(2,820)
Profit before taxation	1,182	1,977	3,349	3,674
Taxation	(587)	(710)	(2,049)	(1,872)
<b>Profit after taxation</b>	<b>595</b>	<b>1,267</b>	<b>1,300</b>	<b>1,802</b>
Other comprehensive income				
Available-for-sale financial assets	(56)	(135)	(59)	(130)
Currency translation differences	(3)	-	10	21
Other comprehensive income, net of tax	(59)	(135)	(49)	(109)
<b>Total comprehensive income</b>	<b>536</b>	<b>1,132</b>	<b>1,251</b>	<b>1,693</b>
Profit for the period attributable to:				
Owners of the parent	109	1,055	798	1,678
Non-controlling interests	486	212	502	124
	595	1,267	1,300	1,802
Total comprehensive income for the period attributable to:				
Owners of the parent	50	920	749	1,575
Non-controlling interests	486	212	502	118
	536	1,132	1,251	1,693
Earnings per share attributable to owners of the parent				
- Basic (sen)	0.15	1.46	1.10	2.32
- Diluted, sen	Not applicable	Not applicable	Not applicable	Not applicable

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

## Interim Financial Statements for the Third Quarter Ended 30 September 2012

## Condensed Consolidated Statements of Financial Position as at 30 September 2012

	AS AT END OF CURRENT QUARTER <u>30/09/2012</u> Unaudited RM'000	AS AT PRECEDING FINANCIAL YEAR END <u>31/12/2011</u> Audited RM'000
<b>Non-current Assets</b>		
Property, plant and equipment	37,940	38,845
Investment properties	45,080	46,505
Land held for property development	1,382	-
Investments in associated companies	7	7
Other investments	1,362	1,421
Goodwill	819	819
Deferred tax assets	1,448	1,372
	<u>88,038</u>	<u>88,969</u>
<b>Current Assets</b>		
Development Expenditure	12,356	7,720
Inventories	27,213	31,507
Trade and other receivables	237,613	214,065
Taxation recoverable	1,701	1,708
Short term investments	5,223	5,223
Cash and cash equivalents	15,573	11,354
	<u>299,679</u>	<u>271,577</u>
<b>Current Liabilities</b>		
Trade and other payables	144,744	121,648
Overdraft and short term borrowings	83,706	69,103
Commercial papers	-	10,000
Taxation	636	387
	<u>229,086</u>	<u>201,138</u>
<b>NET CURRENT ASSETS</b>	<u>70,593</u>	<u>70,439</u>
	<u>158,631</u>	<u>159,408</u>
<b>FINANCED BY:</b>		
<b>Total Equity</b>		
Share capital	72,469	72,469
Share premium	3,457	3,457
Reserves	73,657	74,539
Equity attributable to owners of the parent	149,583	150,465
Non-controlling interests	7,860	7,358
	<u>157,443</u>	<u>157,823</u>
<b>Non-current Liabilities</b>		
Other deferred liabilities	877	1,299
Deferred tax liabilities	311	286
	<u>1,188</u>	<u>1,585</u>
	<u>158,631</u>	<u>159,408</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

Interim Financial Statements for the Third Quarter Ended 30 September 2012

Condensed Consolidated Statements of Changes in Equity for the Third Quarter Ended 30 September 2012

(Unaudited)

	← Attributable to Owners of the Parent →				Total	Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 months ended							
<u>30 September 2012</u>							
At 1 January 2012	72,469	3,457	250	74,289	150,465	7,358	157,823
Profit after taxation for the financial period	-	-	-	798	798	502	1,300
Other comprehensive income for the financial period, net of tax							
- Fair value changes of available-for-sale financial assets	-	-	(59)	-	(59)	-	(59)
- Foreign currency translation	-	-	10	-	10	-	10
Total comprehensive income for the financial period	-	-	(49)	798	749	502	1,251
Dividends paid to owners of the Parent	-	-	-	(1,631)	(1,631)	-	(1,631)
At end of the financial period	72,469	3,457	201	73,456	149,583	7,860	157,443
9 months ended							
<u>30 September 2011</u>							
At 1 January 2011	72,469	3,457	315	66,257	142,498	10,115	152,613
Profit after taxation for the financial period	-	-	-	1,678	1,678	124	1,802
Other comprehensive income for the financial period, net of tax							
- Fair value changes of available-for-sale financial assets	-	-	(124)	-	(124)	(6)	(130)
- Foreign currency translation	-	-	21	-	21	-	21
Total comprehensive income for the financial period	-	-	(103)	1,678	1,575	118	1,693
Additional investment in a subsidiary						(2,811)	(2,811)
Dividends paid to owners of the Parent	-	-	-	(1,631)	(1,631)	-	(1,631)
At end of the financial period	72,469	3,457	212	66,304	142,442	7,422	149,864

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

**Interim Financial Statements for the Third Quarter Ended 30 September 2012**

**Condensed Consolidated Statements of Cash Flows for the Third Quarter Ended 30 September 2012**  
(Unaudited)

	1.1.2012 to <u>30.09.2012</u> RM'000	1.1.2011 to <u>30.09.2011</u> RM'000
Cash flows (used in)/from operating activities		
Profit before taxation	3,349	3,674
Adjustments for:-		
Non-cash items	2,804	507
Non-operating items	<u>(609)</u>	<u>(597)</u>
Operating profit before working capital changes	5,544	3,584
Net change in current assets	(24,279)	(18,504)
Net change in current liabilities	<u>23,119</u>	<u>(5,632)</u>
Cash flows from operations	4,384	(20,552)
Taxation paid	<u>(1,844)</u>	<u>(2,385)</u>
Net cash from/(used in) operating activities	<u>2,540</u>	<u>(22,937)</u>
Cash flows used in investing activities		
Equity investments	14	(400)
Other investments	<u>(375)</u>	<u>(310)</u>
Net cash used in investing activities	<u>(361)</u>	<u>(710)</u>
Cash flows from financing activities		
Transfer from/(to) debt service reserve account	451	(9)
Dividends paid	(1,631)	(1,631)
Repayment of commercial papers	(10,000)	(5,000)
Repayment of term loan	-	(135)
Repayment of hire purchase financing	(932)	(695)
Short term bank borrowings	<u>15,742</u>	<u>22,190</u>
Net cash from financing activities	<u>3,630</u>	<u>14,720</u>
Net increase/(decrease) in cash and cash equivalents	5,809	(8,927)
Cash and cash equivalents at beginning of financial period	5,762	15,895
Cash and cash equivalents at end of financial period	<u>11,571</u>	<u>6,968</u>
Cash and cash equivalent at the end of the financial period comprise of:		
	<u>30.09.2012</u> RM'000	<u>As at 30.09.2011</u> RM'000
Cash and bank balances	15,573	13,315
Bank overdrafts	<u>(4,002)</u>	<u>(6,347)</u>
	<u>11,571</u>	<u>6,968</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

**A EXPLANATORY NOTES AS PER FRS 134**

**A1. Accounting Policies**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 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 December 2011.

The Group has adopted the Malaysian Financial Reporting Standard (“MFRS”) issued by Malaysian Accounting Standards Board (“MASB”) that will also comply with International Financial Reporting Standards in the preparation of its financial statements with effect from 1 January 2012. These interim financial statements are the Group’s first MFRS condensed interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards has therefore been applied.

The adoption of the MFRS framework did not result in any substantial change to the Group’s accounting policies nor any significant impact on its financial statements, as the accounting policies adopted by the Group under the previous FRS framework are consistent with those of the MFRS framework.

**A2. Audit Report**

The audit report of the most recent annual financial statements was not subject to any qualification.

**A3. Seasonal Or Cyclical Factors**

There is no major seasonality or cyclicity in the Group’s operations.

**A4. Unusual Items**

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

**A5. Changes In Estimates**

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

**A6. Debt And Equity Securities**

There were no share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current interim period.

**A7. Payment Of Dividend**

A first and final dividend of 3.0 sen per share less income tax at 25% on ordinary shares of RM1.00 each amounting to RM1,630,564 in respect of the financial year ended 31 December 2011 was paid on 17 August 2012.

**A8. Segmental Reporting**

As at 30 September 2012

	Trading	Contract	Manufacture	Property Development	Property and Investment Holding	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	447,298	43,460	-	-	782	-	491,540
Profit/(Loss) from Operations	6,204	1,082	(1,053)	(320)	511	(8)	6,416
Finance costs							(3,067)
Profit before taxation							3,349
Income tax expenses							(2,049)
Profit after taxation							1,300

**A9. Property, Plant And Equipment**

Property, plant and equipment, other than freehold land are stated at cost less accumulated depreciation and any impairment losses. Freehold land is stated at cost less any impairment and is not depreciated.

**A10. Material Subsequent Events**

There are no material events subsequent to the end of the current interim period that have not been reflected in these interim financial statements.

**A11. Changes In Composition Of The Group**

There were no changes in the composition of the Group for the current interim period including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

**A12. Contingent Liabilities**

There are no material changes in contingent liabilities and contingent assets since the last annual balance sheet date.

**B. ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS**

**B1. Review Of Performance**

The Group recorded a turnover of RM492 million with a pre-tax profit of RM3.3 million for the nine months ended 30 September 2012. Compared to the corresponding period last year, turnover rose by 3.1% while pre-tax profit dropped by 8.8%. The decrease in pre-tax profit was mainly due to lower other income and higher operating expenses.

**B2. Comparison With Preceding Quarter's Result**

In the quarter under review, the Group posted a turnover of RM157 million, a decrease of 12% compared to preceding quarter. Pre-tax profit was lower by 22%, from RM1.5 million in the previous quarter to RM1.2 million due mainly to the decline turnover and lower other income.

**B3. Current Year Prospects**

Barring any unforeseen circumstances the Group expects its operations to remain stable.

**B4. Variances From Profit Forecast And Profit Guarantee**

The company did not make a profit forecast and therefore comments on variances with forecast profit are not applicable.

**B5. Taxation**

Taxation comprises the following:

	Individual Quarter <u>30/09/2012</u> RM'000	Cumulative Quarter <u>30/09/2012</u> RM'000
Malaysian income tax:		
Current year tax	483	1,873
Prior year tax	132	226
Deferred taxation	(28)	(50)
Total income tax expense	<u>587</u>	<u>2,049</u>

**B6. Sale Of Investments And Properties**

There is no material gain or loss from disposal of investments or properties for the period under review.

**B7. Purchase Or Disposal Of Quoted Securities**

a) The disposal of quoted securities for the current interim period are as follows;

	<u>RM'000</u>
Proceeds from the disposal of quoted securities	136
Carrying value of quoted securities disposed	<u>126</u>
Gain from the disposal of quoted securities	<u><u>10</u></u>

b) Total investments in quoted shares as at 30 September 2012 are as below:

	<u>RM'000</u>
(i) At cost	7,289
(ii) At carrying value	751
(iii) At market value	751

**B8. Status Of Corporate Proposals**

There is no uncompleted corporate announcement as at the date of this report.

**B9. Group Borrowings And Debt Securities**

The group borrowings and debt securities which are denominated in Ringgit Malaysia as at 30 September 2012 are as below:

	<u>RM'000</u>
Secured	712
Unsecured	<u>82,994</u>
Total short term borrowings	83,706
Secured long term borrowings	<u>-</u>
Total borrowings	<u><u>83,706</u></u>

**B10. Off Balance Sheet Financial Instruments**

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

**B11. Material Litigation**

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

**B12. Dividend**

No dividend has been recommended by the Board of Directors.



**B13. Earnings Per Share**

The basic earnings per share for the financial period have been calculated by dividing the Group's earnings by the weighted average number of ordinary shares issued.

	Individual Quarter		Cumulative Quarter	
	<u>30/09/2012</u>	<u>30/09/2011</u>	<u>30/09/2012</u>	<u>30/09/2011</u>
Profit attributable to owners of the parent (RM'000)	109	1,055	798	1,678
Weighted average number of shares outstanding ('000)	72,469	72,469	72,469	72,469
Basic earnings per share (sen)	0.15	1.46	1.10	2.32

**B14. Realised and Unrealised Profits Disclosures**

The breakdown of the retained profits of the Group as at the end of the reporting period into realised and unrealised profits/(losses) are as below:

	As at	As at
	<u>30/09/2012</u>	<u>31/12/2011</u>
	RM'000	RM'000
Total retained profits		
- realised	61,603	62,728
- unrealised	<u>11,896</u>	<u>11,603</u>
	73,499	74,331
Total share of accumulated losses of associate		
- realised	(42)	(42)
- unrealised	<u>-</u>	<u>-</u>
	<u>73,457</u>	<u>74,289</u>

BY ORDER OF THE BOARD

Chan Lai Choon  
Secretary

Kuala Lumpur  
22 November 2012