

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited

The Directors are pleased to announce the following:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual quarter ended		Cumulative quarter ended	
		31/03/2013	31/03/2012	31/03/2013	31/03/2012
		RM'000	RM'000	RM'000	RM'000
Revenue	9	90,228	80,702	258,241	325,693
Cost of sales		(52,621)	(87,755)	(203,871)	(306,904)
Gross profit/(loss)		<u>37,607</u>	<u>(7,053)</u>	<u>54,370</u>	<u>18,789</u>
Other items of income					
Other income		16,172	10,430	17,942	13,644
Other items of expense					
Selling and marketing expenses		(2,856)	(1,441)	(10,456)	(7,310)
Administrative and other expenses		(13,744)	(18,973)	(34,403)	(51,573)
Finance costs		(913)	(1,411)	(4,928)	(5,219)
Share of results of associates		5,533	(33)	6,112	(35)
Share of results of joint venture		1,312	2,019	10,013	5,781
Profit/(Loss) before tax		<u>43,111</u>	<u>(16,462)</u>	<u>38,650</u>	<u>(25,923)</u>
Income tax expense	19	(991)	(2,409)	(2,222)	(3,830)
Profit/(Loss) net of tax		<u>42,120</u>	<u>(18,871)</u>	<u>36,428</u>	<u>(29,753)</u>
Other comprehensive income for the period, net of tax					
Foreign currency translation		(1,797)	(878)	1,436	4,849
Total comprehensive income for the Period		<u>40,323</u>	<u>(19,749)</u>	<u>37,864</u>	<u>(24,904)</u>
Profit/(Loss) attributable to:					
Owners of the parent		42,492	(20,596)	36,705	(31,797)
Non-controlling interest		(372)	1,725	(277)	2,044
		<u>42,120</u>	<u>(18,871)</u>	<u>36,428</u>	<u>(29,753)</u>
Total comprehensive income attributable to:					
Owners of the parent		40,695	(21,474)	38,141	(26,948)
Non-controlling interest		(372)	1,725	(277)	2,044
		<u>40,323</u>	<u>(19,749)</u>	<u>37,864</u>	<u>(24,904)</u>
Earnings/(Loss) per share attributable to owners of the parent (sen per share)					
Basic	25	<u>18.39</u>	<u>(8.92)</u>	<u>15.89</u>	<u>(13.76)</u>

Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2012.

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31/03/2013 RM'000	As at 31/03/2012 RM'000 Audited	As at 01/04/2011 RM'000 Audited
ASSETS				
Non-current assets				
Property, plant and equipment	10	93,486	99,938	122,993
Investment properties		-	-	278
Goodwill		62,700	62,916	63,858
Investment in associates		21,197	15,072	18,383
Investment in joint venture		21,336	11,300	4,206
Other investments		377	377	412
Trade receivables		-	2,580	7,488
Deferred tax assets		11,172	4,710	4,475
		<u>210,268</u>	<u>196,893</u>	<u>222,093</u>
Current assets				
Inventories		49,686	53,360	49,582
Trade and other receivables		160,145	146,601	314,126
Other current assets		25,438	16,239	22,955
Income tax recoverable		1,064	5,753	5,100
Cash and bank balances		54,087	47,375	30,859
		<u>290,420</u>	<u>269,328</u>	<u>422,622</u>
Non-current asset held for sale		3,858	14,206	225
		<u>294,278</u>	<u>283,534</u>	<u>422,847</u>
Total assets		<u>504,546</u>	<u>480,427</u>	<u>644,940</u>
Equity and liabilities				
Current liabilities				
Defined benefit plan		-	321	141
Loans and borrowings	22	54,791	74,234	72,817
Trade and other payables		171,251	128,292	210,823
Gross amount due to customers for contract		19,732	24,257	114,355
Provisions		815	35,220	5,164
Income tax payable		698	1,465	140
		<u>247,287</u>	<u>263,789</u>	<u>403,440</u>
Net current assets		46,991	19,745	19,407

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

	Note	As at 31/03/2013 RM'000	As at 31/03/2012 RM'000 Audited	As at 01/04/2011 RM'000 Audited
Non-current liabilities				
Defined benefit plan		13,548	12,853	12,258
Loans and borrowings	22	383	1,110	931
Deferred tax liabilities		252	253	495
Trade payables		41,094	36,585	35,391
		<u>55,278</u>	<u>50,801</u>	<u>49,075</u>
Total liabilities		<u>302,564</u>	<u>314,590</u>	<u>452,515</u>
Net Assets		<u>201,982</u>	<u>165,837</u>	<u>192,425</u>
Equity attributable to owners of the parent				
Share capital		231,633	231,633	231,633
Reserves		(40,132)	(74,650)	(46,018)
		<u>191,501</u>	<u>155,078</u>	<u>183,710</u>
Non-controlling interest		10,481	10,759	8,715
Total equity		<u>201,982</u>	<u>165,837</u>	<u>192,425</u>
Total equity and liabilities		<u>504,546</u>	<u>480,427</u>	<u>644,940</u>
Net Assets Per Share Attributable To Ordinary Equity Holders of the Parent (RM)		0.87	0.72	0.83

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2012

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent										Non-controlling Interest	Total Equity
	Non-Distributable					Distributable						
	Share Capital RM'000	Share Premium RM'000	Share Redemption Reserve RM'000	Revaluation Reserve RM'000	Exchange Translation Reserve RM'000	Other Reserve RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000	RM'000	RM'000	RM'000
2013												
At 1 April 2012	231,633	108,138	90	-	661	29,258	(1,905)	(212,797)	155,078	10,759	165,837	
-as previously stated	-	-	-	-	(661)	-	-	661	-	-	-	
-effect of adopting MFRS	231,633	108,138	90	-	-	29,258	(1,905)	(212,136)	155,078	10,759	165,837	
As at April 2012, as restated	-	-	-	-	-	-	-	38,141	38,141	(277)	37,864	
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	
Transactions with owners	-	-	-	-	-	13	-	-	13	-	13	
Share of associate's capital reserve	-	-	-	-	-	-	-	-	-	-	-	
Subsidiary's bonus issue	-	-	-	-	-	-	-	-	-	-	-	
capitalized from retained profits	-	-	-	-	-	-	-	-	-	-	-	
Dividends on ordinary shares	-	-	-	-	-	-	-	(1,732)	(1,732)	-	(1,732)	
Total transactions with owners	231,633	108,138	90	-	-	29,271	(1,905)	(175,727)	191,501	10,482	201,982	
At 31 March 2013	-	-	-	-	-	13	-	-	(1,719)	-	(1,719)	

MTD ACPI ENGINEERING BERHAD (Company No: 258836-V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 December 2012
The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent										Non-controlling Interest	Total Equity
	Non-Distributable					Distributable						
	Share Capital RM'000	Share Premium RM'000	Share Redemption Reserve RM'000	Revaluation Reserve RM'000	Exchange Translation Reserve RM'000	Other Reserve RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total RM'000	Total RM'000	RM'000	RM'000
2012												
At 1 April 2011	231,633	108,138	90	-	(4,188)	29,210	(1,905)	(179,268)	183,710	8,715	192,425	
Total comprehensive income	-	-	-	-	4,849	-	-	(31,797)	(26,948)	2,044	(24,904)	
Transactions with owners												
Share of associate's capital Reserve	-	-	-	-	-	48	-	-	48	-	48	
Subsidiary's bonus issue capitalized from retained Profits	-	-	-	-	-	-	-	-	-	-	-	
Dividends on ordinary shares	-	-	-	-	-	-	-	(1,732)	(1,732)	-	(1,732)	
Total transactions with Owners	-	-	-	-	-	48	-	(1,732)	(1,684)	-	(1,684)	
At 31 March 2012	231,633	108,138	90	-	661	29,258	(1,905)	(212,797)	155,078	10,759	165,837	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2012.

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	12 months to 31/03/2013 RM'000	12 months to 31/03/2012 RM'000
Operating activities		
Profit/(Loss) before tax	38,650	(25,923)
Adjustments for:		
Interest income	(588)	(375)
Net impairment losses on financial assets	3,954	4,370
Impairment losses on non-financial assets	(2,817)	2,743
Depreciation of property, plant and equipment	7,994	8,976
Property, plant and equipment written off	775	2,724
(Gain)/Loss on disposal of property, plant and equipment	1,715	1,958
Interest expense	4,928	5,219
Provisions	940	34,799
Share of results of associates	(6,112)	35
Share of results of joint venture	(10,013)	(5,781)
Other non-cash items	(3,397)	3,344
Operating cash flows before changes in working capital	<u>36,029</u>	<u>32,089</u>
Changes in working capital		
Net changes in current assets	(6,297)	165,783
Net changes in current liabilities	851	(169,465)
Cash flows generated from/(used in) operations	<u>30,583</u>	<u>28,407</u>
Retirement benefit paid	(312)	(63)
Tax paid	(4,762)	(3,638)
Net cash flows (used in)/generated from operating activities	<u>25,509</u>	<u>24,706</u>
Investing activities		
Interest received	588	375
Purchase of property, plant and equipment	(3,350)	(12,762)
Proceeds from disposal of property, plant and equipment	730	5,852
Proceeds from disposal of non-current asset held for sale	11,688	225
Investment in a joint venture	-	(1,313)
Net cash flows generated from investing activities	<u>9,656</u>	<u>(7,623)</u>
Financing activities		
Dividend paid on ordinary shares	(1,732)	(1,732)
Interest paid	(8,054)	(5,482)
Net (repayments)/proceeds of loans and borrowings	(19,766)	2,922
Net cash flows (used in)/generated from financing activities	<u>(29,552)</u>	<u>(4,292)</u>
Net (decrease)/increase in cash and cash equivalents	5,613	12,791
Effects of exchange rate changes on cash and cash equivalents	1,502	5,051
Cash and cash equivalent at beginning of year	42,856	25,014
Cash and cash equivalents at end of financial period	<u>49,971</u>	<u>42,856</u>

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the quarter ended 31 March 2013
The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

Cash and cash equivalent at the end of the financial period comprised the following:

	12 months to 31/03/2013 RM'000	12 months to 31/03/2012 RM'000
Deposits placed with licensed banks	7,025	24,708
Cash and bank balances	47,062	22,667
Total cash and bank balances	<u>54,087</u>	<u>47,375</u>
Bank overdrafts	(4,115)	(4,519)
Cash and cash equivalents at end of financial period	<u>49,971</u>	<u>42,856</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2012.

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirement. The interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2012.

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ended 31 March 2013. MFRS 1: First Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied. In preparing its opening MFRS Statement of Financial Position as at 1 April 2012, the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS is set out in Note 2 (c) below. This note includes the reconciliations of equity and total comprehensive income for the comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS.

2. Changes in Accounting Policies

The Group has adopted the Malaysia Financial Reporting Standards ("MFRSs") with effect from 1 April 2012. The MFRS Framework has been issued by Malaysian Accounting Standards Board ("MASB") on 19 November 2011. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2012 except as discussed below:

(a) Business combination

MFRS 1 provides the option to apply MFRS 3: Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combination prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition:

- (i) The classification of former business combinations under FRS is maintained.
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) the carrying amount of goodwill recognized under FRS is not adjusted.

(b) Foreign currency translation reserve

Under FRS, the Group recognized translation differences on foreign operations in a separate component of equity. Cumulative foreign translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS. Accordingly, the cumulative foreign currency translation differences of RM661,000 (as at 31 March 2012) were adjusted to retained earnings.

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

2. Changes in Accounting Policies (cont'd)

(c) Estimates

The estimates at 1 April 2011 and 31 March 2012 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amount in accordance with MFRS reflect conditions at 1 April 2011 and as of 31 March 2012.

The reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided as below:

Reconciliation of equity as at 31 March 2012

	FRS as at 31 March 2012 RM'000	Adjustments Note 3(b) RM'000	MFRS as at 31 March 2012 RM'000
Assets			
Non-current assets	196,893	-	196,893
Current assets	283,534	-	283,534
Total assets	480,427	-	480,427
Equity and liabilities			
Equity			
Share capital	231,633	-	231,633
Share premium	108,138	-	108,318
Capital Redemption Reserve	90	-	90
Translation Reserve	661	(661)	-
Other Reserve	29,258	-	29,258
Treasury shares	(1,905)	-	(1,905)
Retained earnings	(212,797)	661	(212,136)
Total equity	165,837	-	165,837
Non-current liabilities			
Non-current liabilities	50,801	-	50,801
Current liabilities			
Current liabilities	263,789	-	263,789
Total liabilities	314,590	-	314,590
Total equity and liabilities	480,427	-	480,427

3. Qualification of Financial Statement

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

4. Seasonal or Cyclical Factors

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

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial quarter ended 31 March 2013.

6. Changes In Estimates

There was no material change in estimates reported in the current financial quarter.

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

7. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

(a) Treasury Shares

During the financial quarter, the Company did not repurchase any of its issued ordinary shares from the open market.

As at 31 March 2013, the total shares bought back, all of which are held as treasury shares, are 637,000 shares and none of them were sold or cancelled during the current financial quarter.

8. Dividend Paid

On 29 October 2012, a first and final dividend of 1 sen less 25% taxation per share in respect of the financial year ended 31 March 2012 was paid amounting to RM1, 732,486.

9. Segmental Reporting

By Activities

Cumulative Quarter
31 March 2013

	Construction RM'000	Manufacturing RM'000	Elimination RM'000	Consolidated RM'000
Segment Revenue				
Revenue from external customers	147,621	110,620	-	258,241
Inter-segment revenue	6,983	21,569	(28,552)	-
Total revenue	154,604	132,189	(28,552)	258,241
Segment results	46,675	4,061	(41,225)	9,511
Other income				17,942
Finance costs				(4,928)
Share of results of associates				6,112
Share of results of joint venture				10,013
Income tax expense				(2,222)
Profit for the year				36,428

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

9. Segmental Reporting (Cont'd)

Cumulative Quarter
31 March 2012

	Construction RM'000	Manufacturing RM'000	Elimination RM'000	Consolidated RM'000
Segment Revenue				
Revenue from external customers	231,761	93,932	-	325,693
Inter-segment revenue	8,127	38,025	(46,152)	-
Total revenue	239,888	131,957	(46,152)	325,693
Segment results	(24,571)	(4,355)	(11,168)	(40,094)
Other income				13,644
Finance costs				(5,219)
Share of results of associates				(35)
Share of results of joint venture				5,781
Income tax expense				(3,830)
Loss for the year				(29,753)

10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 March 2012.

11. Subsequent Events

There were no material events subsequent to the end of the current financial quarter.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter except for the following disposal:

- (i) On 5 March 2013, MTDACPI Engineering Berhad ("Company") announced that its wholly-owned subsidiary, Associated Concrete Products (Malaysia) Sdn Bhd ("ACPM") had entered into a share sale agreement with Sabah Economic Development Corporation ("SEDCO") for the disposal of 2,940,000 ordinary shares of RM1.00 each representing 49% of the entire issued and paid-up capital of Associated Concrete Products (Sabah) Sdn Bhd ("ACPS") by ACPM to SEDCO at RM1.10 per share for a total cash consideration of RM3,234,000 ("Proposed Disposal"). Upon the completion of the Proposed Disposal, ACPS will cease to be an associate company of ACPM.

13. Changes in Contingent Liabilities and Contingent Assets

- (a) There was no change since 31 March 2012 which comprises of:

	RM'000
Corporate Guarantee given to financial institutions for facilities granted to an associate company	3,000

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

14. Review of Performance of the Group

CURRENT QUARTER vs. CORRESPONDING QUARTER

	31/03/2013	31/03/2012	Variance	
	RM'000	RM'000	RM'000	%
Segmental Turnover				
Construction	65,000	77,802	(12,802)	(16%)
Manufacturing	33,900	32,300	1,600	5%
	<u>98,900</u>	<u>110,102</u>		
Inter-segment	(8,672)	(29,400)		
	<u>90,228</u>	<u>80,702</u>	9,526	12%
Pre-tax Profit/(Loss)				
Construction	38,605	(9,748)		
Manufacturing	(2,339)	(8,700)		
	<u>36,266</u>	<u>(18,448)</u>		
Share of results of associates	5,533	(33)		
Share of results of joint venture	1,312	2,019		
	<u>43,111</u>	<u>(16,462)</u>		

For the current quarter under review, the Group recorded revenue of RM90.3 million and pre-tax profit of RM43.11 million, as compared to revenue of RM80.7 million and pre-tax loss of RM16.0 million in the corresponding quarter. This represents an increase of 12.5% for revenue and >100% for pre-tax profit.

The increase in revenue was mainly attributable to maiden contribution from newly secured jobs in the construction division. In addition, performance from its overseas manufacturing division is showing encouraging take up rates for its products.

The improvement in pre-tax profit was mainly attributable to write backs of liquidated ascertained damages (LAD) from completed projects incurred by the construction division which were booked in the previous financial year coupled with positive contributions from its overseas manufacturing units.

15. Variation of Results Against Preceding Quarter

CURRENT QUARTER vs. PRECEDING QUARTER

	31/03/2013	31/12/2012	Variance	
	RM'000	RM'000	RM'000	%
Segmental Turnover				
Construction	65,000	20,266	45,266	223%
Manufacturing	33,900	37,129	(3,229)	(8.6%)
	<u>98,900</u>	<u>57,395</u>		
Inter-segment	(8,672)	(5,014)		
	<u>90,228</u>	<u>52,381</u>	37,847	72%
Pre-tax Profit/(Loss)				
Construction	38,605	(4,371)		
Manufacturing	(2,339)	2,347		
	<u>36,266</u>	<u>(2,024)</u>		
Share of results of associates	5,533	407		
Share of results of joint venture	1,312	3,612		
	<u>43,111</u>	<u>1,995</u>		

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

15. Variation of Results Against Preceding Quarter (cont'd)

The Group recorded revenue of RM90.3 million in the current quarter as compared to RM52.4 million in the immediate preceding quarter, representing an increase of 73%. The increase was mainly attributable to maiden contribution from newly secured jobs from its construction division.

The Group recorded >100% improvement in pre-tax profit of RM43.11 million as compared to a pre-tax profit of RM2.0 million in the immediate preceding quarter. The improvement was attributable to write backs of liquidated ascertained damages (LAD) from completed projects incurred by the construction division which was booked in the previous financial year coupled with positive contributions from its overseas manufacturing units.

16. Prospects for the New Financial Year

The Group near term prospects remain challenging as operating environment remained intense and competitive. The Group performance will remain dependent on its outstanding order book amounting to RM1.0 billion. The conclusion of the recent 13th general elections augurs well for the Group as infrastructure spending under the Government Transformation Plan (GTP) will remain in place. Aside from bidding for infrastructure jobs in the domestic market, the Group would continue to leverage on the strength of its holding company, AlloyMtd Group which is actively on a lookout for jobs in the Middle East and ASEAN region. Barring unforeseen events, the Group therefore expects a modest recovery in current financial year.

17. Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecast profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

18. Profit/(Loss) Before Tax

The following items have been included in arriving at loss before tax:

	Individual quarter ended		Cumulative quarter ended	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	2,224	3,010	7,994	8,976
Interest income	-	(144)	(588)	(375)
(Gain)/Loss on disposal of property, plant and equipment	(717)	(588)	1,715	1,958
Provision for doubtful debts	760	6,268	1,970	9,398
Bad debts written back	(2,676)	(1,903)	(4,755)	(4,875)

19. Income Tax Expense

	Individual quarter ended		Cumulative quarter ended	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM'000	RM'000	RM'000	RM'000
Current period's provision	(990)	(2,409)	(2,222)	(3,830)

The effective tax rate for the current quarter was higher than the statutory tax rate principally due to certain expenses which are not deductible for tax purposes.

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

20. Unquoted Investment and Properties

There was no sale of unquoted investments or properties during the current financial quarter.

21. Status of Corporate Proposals Announced

There were no corporate proposals announced during the current financial quarter.

22. Borrowings and Debt Securities

Total Group borrowings as at 31 March 2013 are as follows:-

	As at 31/03/2013 RM'000	As at 31/03/2012 RM'000
Short term borrowings		
Secured	50,748	69,773
Unsecured	4,043	4,461
	<u>54,791</u>	<u>74,234</u>
Long term borrowings		
Secured	383	1,110
	<u>55,174</u>	<u>75,344</u>

23. Material Litigation

There were no significant changes in material litigation since the last annual balance sheet date.

24. Dividend Payable

No interim dividend has been proposed for the current quarter under review.

25. Earnings/(Loss) per Share

a) Basic

Basic loss per share is calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	Individual quarter ended		Cumulative quarter ended	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) net of tax attributable to owners of the parent	42,492	(20,596)	36,705	(31,797)
	<u>Individual quarter ended</u>		<u>Cumulative quarter ended</u>	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	230,996	230,996	230,996	230,996
	<u>Individual quarter ended</u>		<u>Cumulative quarter ended</u>	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
Basic earnings/(loss) per share (sen)	18.39	(8.92)	15.89	(13.76)

MTD ACPI ENGINEERING BERHAD (Company No: 258836- V)
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

26. Disclosure of Realised and Unrealised Accumulated Losses

	As at 31/03/2013 RM'000	As at 31/12/2012 RM'000
Total accumulated losses of the Company and the subsidiaries:		
Realised	(162,977)	(209,501)
Unrealised	(28,040)	(24,301)
	<u>(191,017)</u>	<u>(233,802)</u>
Total share of retained profits from associate		
Realised	5,386	5,252
Unrealised	(739)	(739)
Total share of retained profits from joint venture		
Realised	10,013	8,701
	<u>(176,357)</u>	<u>(220,588)</u>
Less : Consolidated adjustments	630	272
Total accumulated losses as per statement of financial position	<u>(175,727)</u>	<u>(220,316)</u>

Batu Caves, Selangor
28 May 2013

By Order Of The Board
CHAN BEE KUAN (MAICSA 7003851)
LEE POH YEAN (MAICSA 7015043)
Company Secretaries