

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Income Statements**  
**For the Second Quarter Ended 30 September 2007**  
**Except as disclosed otherwise, the figures have not been audited**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-9-2007	Preceding Year Corresponding Quarter 30-9-2006	Current Year To Date 30-9-2007	Preceding Year Corresponding Period 30-9-2006
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	73,884	75,748	148,411	143,157
Cost of sales		(48,354)	(50,015)	(96,529)	(95,064)
<b>Gross profit</b>		<b>25,530</b>	<b>25,733</b>	<b>51,882</b>	<b>48,093</b>
Other income		2,002	1,758	2,676	2,430
Administrative expenses		(10,330)	(10,663)	(20,306)	(19,890)
Selling and marketing expenses		(978)	(1,267)	(2,296)	(2,423)
Other expenses		(2,595)	(909)	(6,743)	(2,556)
		(13,903)	(12,839)	(29,345)	(24,869)
Finance cost		(1,407)	(763)	(2,688)	(1,606)
Share of profit of associates		1,750	531	2,736	1,205
<b>Profit before tax</b>	A9	<b>13,972</b>	<b>14,420</b>	<b>25,261</b>	<b>25,253</b>
Income tax expense	B5	(3,576)	(4,272)	(7,238)	(7,546)
<b>Profit for the period</b>		<b>10,396</b>	<b>10,148</b>	<b>18,023</b>	<b>17,707</b>
Attributable to :					
Equity holders of the parent		5,223	6,585	10,767	11,556
Minority interests		5,173	3,563	7,256	6,151
		10,396	10,148	18,023	17,707
<b>Earnings per share attributable to equity holders of the parent:</b>					
Basic earnings per share (sen)		1.98	2.50	4.09	4.39

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Balance Sheets as at 30 September 2007****Except as disclosed otherwise, the figures have not been audited**

	Note	As At End Of Current Quarter 30-9-2007	As At Preceding Financial Year Ended 31-03-2007 (Audited)
		RM'000	RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A2 (c)	234,030	114,221
Investment properties		73,614	72,751
Prepaid lease payment	A2 (c)	51,218	51,471
Plantation development expenditure		4,173	4,085
Interests in associates		32,379	73,498
Other investments		22	22
Deferred tax assets		2,239	3,470
Goodwill on consolidation		10,706	10,069
		<u>408,381</u>	<u>329,587</u>
<b>Current Assets</b>			
Inventories		71,948	53,818
Trade receivables		64,467	52,785
Other receivables		25,374	20,469
Cash and bank balances		39,919	57,874
		<u>201,708</u>	<u>184,946</u>
<b>TOTAL ASSETS</b>		<u>610,089</u>	<u>514,533</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		263,160	263,160
Reserves		27,139	22,658
		<u>290,299</u>	<u>285,818</u>
Minority interests		108,411	78,973
<b>Total equity</b>		<u>398,710</u>	<u>364,791</u>
<b>Non-current liabilities</b>			
Long term borrowings		38,548	34,127
Retirement benefit obligations		2,711	2,626
Deferred tax liabilities		17,296	18,215
		<u>58,555</u>	<u>54,968</u>
<b>Current Liabilities</b>			
Short term borrowings		57,083	24,341
Trade payables		53,871	41,478
Other payables		32,804	25,515
Taxation		9,066	3,440
		<u>152,824</u>	<u>94,774</u>
<b>Total liabilities</b>		<u>211,379</u>	<u>149,742</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>610,089</u>	<u>514,533</u>
Net assets per share (RM)		<u>1.10</u>	<u>1.09</u>

**KUMPULAN FIMA BERHAD**  
(Company No.:11817-V)  
(Incorporated in Malaysia)

**Condensed Consolidated Statements of Changes in Equity**  
**For the Second Quarter Ended 30 September 2007**  
**Except as disclosed otherwise, the figures have not been audited**

←-----→  
Attributable to Equity Holders of the Parent

←-----→  
Non-distributable

	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Foreign exchange reserve	Accumulated losses	Total	Minority interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2007/8</b>										
<b>Group</b>										
<b>At 1-4-2007</b>	263,160	12,161	44,527	437	26,758	11,542	(72,767)	285,818	78,973	364,791
Translation loss	-	-	-	-	-	(6,286)	-	(6,286)	-	(6,286)
Net profit for the period	-	-	-	-	-	-	10,767	10,767	7,256	18,023
Acquisition of a subsidiary - PT Nunukan Jaya Lestari	-	-	-	-	-	-	-	-	22,480	22,480
Purchase of treasury shares of a subsidiary	-	-	-	-	-	-	-	-	(298)	(298)
<b>At 30-9-2007</b>	263,160	12,161	44,527	437	26,758	5,256	(62,000)	290,299	108,411	398,710

	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Foreign exchange reserve	Accumulated losses	Total	Minority interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2006/7</b>										
<b>Group</b>										
<b>At 1-4-2006</b>										
<b>As previously stated</b>	263,160	12,161	52,279	437	26,758	12,205	(112,563)	254,437	69,597	324,034
Prior year adjustment - effect of adopting FRS 3	-	-	-	-	-	-	9,907	9,907	-	9,907
<b>At 1-4-2006 - restated</b>	263,160	12,161	52,279	437	26,758	12,205	(102,656)	264,344	69,597	333,941
Translation gain	-	-	-	-	-	623	-	623	-	623
Net profit for the year	-	-	-	-	-	-	11,556	11,556	6,151	17,707
Transfer from revaluation reserve	-	-	(2,280)	-	-	-	2,400	120	-	120
Dividend	-	-	-	-	-	-	-	-	(1,849)	(1,849)
Increase in share capital in a subsidiary	-	-	-	-	-	-	-	-	-	-
Increase in share capital in a subsidiary via ESOS	-	-	-	-	-	-	-	-	295	295
<b>At 30-9-2006</b>	263,160	12,161	49,999	437	26,758	12,828	(88,700)	276,643	74,194	350,837

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Cash Flow Statements for the Second Quarter Ended 30 September 2007**

**Except as disclosed otherwise, the figures have not been audited**

	← 6 months ended →	
	30-9-2007	30-9-2006
	<u>RM'000</u>	<u>RM'000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	25,261	25,253
Adjustment for:		
Non-cash items	5,979	7,125
Operating profit before working capital changes	<u>31,240</u>	<u>32,378</u>
Increase in inventories	(16,100)	(14,645)
(Increase)/decrease in receivables	(16,249)	4,359
Increase in payables	21,366	13,193
Cash generated from operations	<u>20,257</u>	<u>35,285</u>
Interest paid	(3,227)	(2,242)
Taxes paid	(7,499)	(6,520)
Retirement benefits paid	(104)	(475)
Net cash generated from operating activities	<u>9,427</u>	<u>26,048</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Plantation development expenditure	(881)	(1,034)
Proceeds from disposal of property, plant and equipment	629	6,749
Purchase of property, plant and equipment	(20,980)	(2,963)
Acquisition of a subsidiary - PT Nunukan Jaya Lestari	(23,771)	-
Investment in associate	-	(10,000)
Net dividend received from an associated company	337	548
Interest received	1,555	866
Net cash used in investing activities	<u>(43,111)</u>	<u>(5,834)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(4,000)	(7,000)
Repayment of term loan of an acquired subsidiary	(57,768)	-
Drawdown of term loan	44,770	4,794
Reduction in related company balances	34,951	-
Net (repayment)/drawdown of short term borrowings	(3,405)	-
Proceeds from issuance of ordinary shares (ESOS) by a subsidiary	-	295
Acquisition of treasury shares by a subsidiary	(298)	-
Dividend paid to minority shareholders of a subsidiary	-	(1,849)
Increase in deposits on lien	-	(2,017)
Net cash generated from/(used in) financing activities	<u>14,250</u>	<u>(5,777)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(19,434)</b>	<b>14,437</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>39,886</b>	<b>53,402</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b><u>20,452</u></b>	<b><u>67,839</u></b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash in hand and at bank	23,140	16,460
Fixed deposit with financial institutions *	10,187	59,770
Secured bank overdrafts	(12,875)	(8,391)
	<u>20,452</u>	<u>67,839</u>
<b>* Fixed deposit with financial institutions comprise:</b>		
Fixed deposits	16,779	64,284
less : Deposits on lien	(6,592)	(4,514)
	<u>10,187</u>	<u>59,770</u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007 and the accompanying explanatory notes attached to the interim financial statements.

- PART A - requirement of FRS 134
- PART B - requirement of Bursa Securities Listing Requirements

### **PART A-MASB**

#### **A1. Accounting policies**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007. 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 financial year ended 31 March 2007.

#### **A2. Changes in accounting policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 March 2007, except for the adoption of revised FRS 117 and FRS 124 issued by MASB which is effective for the Group's financial year ending 31 March 2008.

The principal effects of the changes in accounting policies resulting from the adoption of FRS 117 and FRS 124 are summarised below:

##### **(a) FRS 117: Leases**

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

Prior to 1 April 2007, leasehold land was classified as property, plant and equipment. At 1 April 2007, the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively.

**(b) FRS 124 : Related Party Disclosures**

This standard affects the identification of related parties and other similar related party disclosures. This standard requires the disclosure of related party transactions and outstanding balances with other entities in a group. Intra-group related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements of the Group.

The adoption of this FRS has no financial impact on the Group's Consolidated financial statements.

**(c) Comparatives**

The following comparative amounts have been restated due to the adoption of new and revised FRSs:

	← Adjustments →		
	Previously Stated RM'000	FRS 117 RM'000	Restated RM'000
<b>At 31 March 2007</b>			
Property, plant and equipment	165,692	(51,471)	114,221
Prepaid leased payment	-	51,471	51,471

**A3. Auditors' Report on Preceding Annual Financial Statements.**

The financial statements of the Group were not subject to any audit qualification for the financial year ended 31 March 2007.

**A4. Seasonal and cyclical factors**

The results of the Group have not been affected by seasonal or cyclical factors, except for the manufacturing segment.

**A5. Unusual items affecting the financial statements**

There were no unusual items affecting the financial statements of the Group for the current quarter.

**A6. Changes in estimates**

There were no changes in estimates arising from the adoption of the new and/or revised FRSs, that have had a material effect on the current quarter's results.

**A7. Issuances, cancellation, repurchases, resale and repayment of debts and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

**A8. Dividend paid**

There were no dividend paid during the current quarter.

**A9. Segmental revenue and results for business segments**

Revenue	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-9-2007	Preceding Year Corresponding Quarter 30-9-2006	Current Year To Date 30-9-2007	Preceding Year Corresponding Period 30-9-2006
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	42,463	42,855	79,188	80,902
Bulking	9,604	8,059	19,550	15,600
Agrobased	13,161	20,311	35,155	39,378
Plantations	8,053	520	12,015	959
Trading	609	4,005	2,439	6,314
Others	7,305	16,952	7,658	17,306
	81,195	92,702	156,005	160,459
Elimination of inter-segment sales	(7,311)	(16,954)	(7,594)	(17,302)
	73,884	75,748	148,411	143,157

Profit before tax	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-9-2007	Preceding Year Corresponding Quarter 30-9-2006	Current Year To Date 30-9-2007	Preceding Year Corresponding Period 30-9-2006
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	8,096	12,064	16,575	20,804
Bulking	4,646	2,957	8,190	5,814
Agrobased	(1,730)	5	(668)	(48)
Plantations	4,558	88	3,290	185
Trading	(279)	812	90	1,146
Others	3,940	14,650	2,057	12,989
	19,231	30,576	29,534	40,890
Associated companies	1,750	531	2,736	1,205
	20,981	31,107	32,270	42,095
Eliminations	(7,009)	(16,687)	(7,009)	(16,842)
	13,972	14,420	25,261	25,253

\* Production and trading of security documents.

**A10. Valuation of property, plant and equipment**

The valuations of land and buildings have been brought forward without any adjustments from the financial statements for the year ended 31 March 2007.

**A11. Subsequent material events**

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

**A12. Inventories**

During the quarter, there were no material write-back or write down of inventories.

**A13. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter.

**A14. Changes in contingent liabilities**

There were no additional contingent liabilities during the current quarter, except as disclosed in Note B11 herein.

**A15. Significant acquisition of property, plant and equipment**

As at end of the current quarter the Group's significant acquisitions of property, plant and equipment are as follows :

	<u>RM'000</u>
Plant and equipment	7,582
Vehicles	607
Property	1,796
Work-in-progress :	
Biodiesel plants	8,408
Cattle shed	807
	<u>19,200</u>



**A16. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 30 September 2007 is as follows:

	Current Year To date RM'000
Property, plant and equipment	
Approved and contracted for	5,006
Approved but not contracted for	25,775
	<u>30,781</u>

**A17. Related party transactions**

The Group's material related party transactions at the end of current quarter are as follows:

KFB and its subsidiaries	Transacting parties	Relationship	Nature of transactions	RM'000
Kumpulan Fima Berhad	BHR Enterprise Sdn Bhd	Common Shareholders/ Directors	Advisory services	(60)
Fima Corporation Berhad	Nationwide Express Courier Services Bhd	Common Shareholders	Purchase made - delivery services	(62)
		Common Shareholders	Purchase made - forwarding services	(126)
Fima-TLP Feedlot Sdn Bhd	Lee Pineapple Co. Pte. Ltd	Shareholder of Fima - TLP Feedlot Sdn Bhd	Purchase of cattle feed	(111)

**PART B-BURSA SECURITIES**

**B1. Review of performance**

The Group's revenue for the 6 months period ended 30 September 2007 recorded an increase of RM5.25 million or 3.7% from RM143.16 million recorded in the previous corresponding period to RM148.41 million. The increase is mainly due to the better performance of the Bulking and Plantation segments.

The Group's profit before taxation for the period ended 30 September 2007 was RM25.26 million as opposed to RM25.25 million recorded in the corresponding period last year. The marginal improvement was due to better performance by Bulking and Plantation segments. However, other segments recorded lower profits as compared to last year's performance.

**B2. Comparison with preceding quarter's results**

The Group's profit before taxation for the current quarter of RM13.97 million is RM2.68 million higher compared to profit before taxation of RM11.29 million recorded in the preceding quarter is mainly due to higher profit recorded by plantation segment.

**B3. Prospects**

The Directors expect the performance of the Group to be satisfactory for the remainder of the year.

**B4. Explanatory notes on variances with profit forecasts or profit guarantee**

The Group did not issue any profit forecast and/or profit guarantee to the public.

**B5. Taxation**

Taxation comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-9-2007	Preceding Year Corresponding Quarter 30-9-2006	Current Year To Date 30-9-2007	Preceding Year Corresponding Period 30-9-2006
	RM'000	RM'000	RM'000	RM'000
Current taxation	3,576	4,272	7,238	7,546
	<u>3,576</u>	<u>4,272</u>	<u>7,238</u>	<u>7,546</u>

Note :

The effective tax rate of the Group was higher than the statutory tax rate due to the non utilisation of the Group relief.

**B6. Profits/(losses) on sale of unquoted investments and/or properties**

There were no sale of unquoted investments and/or properties during the current quarter.

**B7. Purchase or disposal of quoted securities**

There were no purchase or disposal of quoted securities during the current quarter.

**B8. Corporate proposals**

There were no changes in the composition of the Group for the current quarter and financial period to date including business combination, acquisition or disposal of subsidiaries and long term investment, restructuring and discontinued operations.

**B9. Borrowings and debt securities**

	As at 30-9-2007 <b>RM'000</b>	As at 31-03-2007 <b>RM'000</b>
<b>Secured:</b>		
Current	57,083	24,341
Non-current	38,548	34,127
	<u>95,631</u>	<u>58,468</u>

**B10. Off balance sheet financial instruments**

As at the reporting date, the Group does not have any off balance sheet financial instruments.

#### **B11. Change in material litigations**

Pending material litigations since 30 June 2007 are as follows:

- (a) Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, a subsidiary of Kumpulan Fima Berhad ("KFima"), Fima Corporation Berhad ("FimaCorp"), as the Principal Tenant issued a termination notice dated 15 May 2000 to all its respective sub-tenants at Airtel Complex.

Pursuant to the above, on 28 September 2001, FimaCorp was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being the renovation costs and general damages arising from the early termination of the Tenancy Agreement at Airtel Complex, in Subang. The Board of FimaCorp had sought the advice of the solicitors and was of the opinion that there should be no compensation payable to the Plaintiff as the demised premises was acquired by a relevant authority, MAHB, which was provided in the Tenancy Agreement between FimaCorp and the Plaintiff.

On 24 June 2002, the Plaintiff filed its amended Writ of Summons and Statement of Claim, naming MAHB as the Second Defendant and on 14 January 2003, served the same to FimaCorp. On 20 January 2003, FimaCorp's solicitors filed an amended Statement of Defence and on 22 April 2003, the Second Defendant obtained an order in terms from Courts to strike out the Plaintiff's claim.

The Plaintiff served its Application for Summons in Chambers on FimaCorp on 15 December 2003. Subsequently, FimaCorp replied to the Plaintiff on 16 December 2003 expressly stipulating that the Rules of the High Court requires the Plaintiff to file a Notice of Pre-Trial Case Management seeking the directions of the Judge as to the further conduct of the matter.

On 4 February 2004, the Plaintiff withdrew their Application for Summons in Chambers and the Court directed the Plaintiff to file the necessary application in order to continue with the proceedings. On 13 December 2005, the Court fixed the trial dates on 15, 16 and 17 October 2007.

Due to the Hari Raya holidays which coincided with the trial dates, the Court had postponed the matter for Case Management on 19 November 2007 and subsequently further postponed to 22 February 2008.

As at 30 September 2007, no provision has been recognised in the financial statements.

- (b) The Company and a subsidiary, FCB Business Centre Sdn Bhd ("Plaintiffs") had jointly claimed against a third party, The KAB Group Berhad (formerly known as KAB Sdn Bhd) ("Defendant") demanding arrears of rental and other expenses amounting to RM1,700,000. The Defendant filed their Statement of Defence denying the demand and counter claimed for over payment of RM2,060,000.

The High Court allowed the Plaintiffs' claim for the sum of RM1,180,000 on 7 February 2003. The High Court also ordered that the remaining claim of RM520,000 be proceeded with full trial. On 1 December 2003, the Defendant filed into Court the Record of Appeal and the Affidavit in support.

On 10 July 2006, the Court adjourned the case for further mention on 5 December 2006 pending the Defendant's appeal to be heard at the Court of Appeal.

On 5 December 2006, the case was postponed to another mention date on 6 March 2007 to fix the hearing date of the Defendant's appeal.

However, the matter was further postponed to 12 June 2007 as the hearing date of the Defendant's appeal in the Court of Appeal was not fixed.

On 12 June 2007, the case was again postponed to 11 December 2007 for further Case Management pending the disposal of the Defendant's appeal at the Court of Appeal.

In view of the uncertainty of recovering the amount awarded to the subsidiary, the amount approximately RM1,180,000 has not been recognised in the income statement.

- (c) Federal Flour Mills Bhd, ("Respondent") obtained an arbitration award against a subsidiary, Fima Palmbulk Services Sdn. Bhd. ("Appellant"), on 8 October 1999 for the sum of RM1,620,000 being the price of Crude Palm Oil ("CPO") stored with the Appellant which was alleged to have been contaminated. During the arbitration proceedings, the Appellant in its defence claimed that the CPO was within the parameters of Commodity and Monetary Exchange of Malaysia ("COMMEX") and counterclaimed for the storage fees of RM84,000 from the Respondent.

The Appellant applied to the High Court to set aside the award. The High Court had allowed the Appellant's application and ordered the CPO to be sold and a sum of RM84,000 from the sale was paid to the Appellant as storage charges.

The Respondent appealed to the Court of Appeal which allowed its appeal to enforce the arbitration award. The Appellant appealed to the Federal Court on 28 February 2005 and the solicitors advised that the Appellant has a fair chance to succeed in its appeal.

The Appellant's application for Leave to Appeal to the Federal Court which was fixed for hearing on 2 May 2006 had been postponed and the Federal Court has fixed 20 August 2007 for the Hearing of the said applications. On 20 August 2007, the Federal Court had dismissed the Appellant's application for Leave to Appeal with cost.

As a result the Appellant had paid the Respondent the following :

- i). On 29 August 2007 being the Principal sum of RM1,622,250.00 as awarded by the Arbitrator and;
- ii). On 13 September 2007 a sum of RM 1,340,520.52 for interest and costs.

No additional provision is made as the Company had made full provision.

The case is now closed.

- (d) The Company ("Defendant") was served with a Writ of Summons together with a Statement of Claim on 29 September 2005 by the ex-employees of the Company ("Plaintiffs"). The Plaintiffs claimed for an alleged sum of RM1.73 million together with 8.0% interest per annum under the Defendant's Employment Benefit Scheme pursuant to the Trust Deed dated 16 June 1992.

On 10 April 2006, the Defendant's solicitors filed an application to strike out the Plaintiffs' suit and the hearing of the said application was fixed on 14 September 2006.

On 21 April 2006, the Plaintiffs filed an application for Summary Judgment pursuant to Order 14 of Rules of High Court 1980.

On 14 September 2006, the Court ordered that the Defendant's application to strike out the Plaintiffs' suit and the Plaintiffs' application for Summary Judgment be heard concurrently. The Court further fixed 5 December 2006 as the next mention date.

However, on 5 December 2006, the Court fixed 10 April 2007 for hearing of the Plaintiffs' application for Summary Judgment and mention for the Defendant's application to strike out the Plaintiffs' suit as the Court decided not to hear the two applications concurrently.

On 10 April 2007, the matter was not listed for hearing in the High Court and the Plaintiffs' solicitors would write to the Court to obtain new dates for both the Plaintiffs' application for Summary Judgment and the Defendant's application to strike out the Plaintiffs' suit.

The Court has fixed 23 July 2007 for hearing of the Defendant's application to strike out the Plaintiffs' suit.

During the Hearing on 23 July 2007, the Court has fixed 6 August 2007 for the decision and on 6 August 2007, the Court has dismissed the Defendant's application to strike out the Plaintiffs' suit with cost. The Court further fixed 29 August 2007 for mention for the Plaintiffs to decide whether they wish to proceed with their application for Summary Judgment as the Court has indicated there are triable issues and most likely the Court would not allow the Plaintiff's application. The Defendant's solicitors are of the view that the Defendant should appeal to the Judge in Chambers as the Plaintiffs' claim is time-barred. The Defendant's solicitors will file the Notice of Appeal accordingly.

On 14 August 2007, the Defendant's solicitors filed Notice of Appeal to the Judge in Chambers against the decision to dismiss the Defendant's application to strike out the Plaintiff's suit.

On 29 August 2007, the Court fixed 17 September 2007 for Hearing of the Plaintiff's application for Summary Judgment and during the Hearing on 17 September 2007, the Plaintiffs decided to withdraw their application with cost.

The Court had later fixed 24 September 2007 for mention to enable both parties to resolve the issues on costs which the Plaintiffs agreed to pay cost of RM800.00 to the Defendant following their withdrawal of their Summary Judgment application.

On 24 September 2007, the Court fixed the date for Hearing of the Defendant's Notice to appeal to the Judge in Chambers on 12 November 2007.

On the Hearing date of 12 November 2007, the Court had instructed both parties to file written submission and fixed this matter for decision on 20 February 2008.

**B12. Dividends**

The Directors of the Company do not recommend any interim dividend during the current quarter.

**B13. Earnings per share**

The basic earnings per share are calculated as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-9-2007	Preceding Year Corresponding Quarter 30-9-2006	Current Year To Date 30-9-2007	Preceding Year Corresponding Period 30-9-2006
Profit attributable to ordinary equity holders of the parent (RM'000)	5,223	6,585	10,767	11,556
Number of ordinary shares in issue ('000)	263,160	263,160	263,160	263,160
Basic earnings per share (sen)	<u>1.98</u>	<u>2.50</u>	<u>4.09</u>	<u>4.39</u>

**By order of the Board**

**MOHD YUSOF BIN PANDAK YATIM (MIA 4110)**  
Company Secretary

**Kuala Lumpur**  
**Dated : 26 November 2007**