

KUMPULAN FIMA BERHAD

(Company No.:11817-V)

(Incorporated in Malaysia)

Condensed Consolidated Income Statements
For the Third Quarter Ended 31 December 2008

Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31-12-2008	Preceding Year Corresponding Quarter 31-12-2007	Current Year To Date 31-12-2008	Preceding Year Corresponding Period 31-12-2007
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	100,005	80,246	291,606	228,657
Cost of sales		(70,059)	(52,574)	(187,960)	(149,103)
Gross profit		29,946	27,672	103,646	79,554
Other income		1,737	586	4,018	3,262
Administrative expenses		(9,418)	(9,465)	(31,540)	(29,771)
Selling and marketing expenses		(934)	(1,365)	(3,374)	(3,661)
Other expenses		(5,265)	(1,582)	(14,682)	(8,325)
		(15,617)	(12,412)	(49,596)	(41,757)
Finance cost		518	(1,010)	(746)	(3,698)
Share of profit of associates		2,173	1,423	4,095	4,159
Profit before taxation	A9	18,757	16,259	61,417	41,520
Income tax expense	B5	(4,906)	(2,934)	(16,579)	(10,172)
Profit for the period		13,851	13,325	44,838	31,348
Attributable to :					
Equity holders of the parent		9,504	11,031	29,351	21,798
Minority interests		4,347	2,294	15,487	9,550
		13,851	13,325	44,838	31,348
Earnings per share attributable to equity holders of the parent:					
Basic earnings per share (sen)		3.61	4.19	11.15	8.28

The condensed consolidated income statements should be read in conjunction with the audited financial statements for¹ the year ended 31 March 2008 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 31 December 2008
Except as disclosed otherwise, the figures have not been audited

	As At End Of Current Quarter 31-12-2008	As At Preceding Financial Year Ended 31-03-2008 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	156,623	153,208
Investment properties	71,955	73,046
Prepaid land lease payment	50,497	50,746
Biological assets	70,347	79,815
Interests in associates	37,983	34,270
Deferred tax assets	2,825	1,660
Goodwill on consolidation	13,055	12,650
	<u>403,285</u>	<u>405,395</u>
Current Assets		
Inventories	72,508	60,844
Trade receivables	109,438	82,889
Other receivables	18,680	14,612
Cash and bank balances	46,189	45,430
	<u>246,815</u>	<u>203,775</u>
TOTAL ASSETS	<u>650,100</u>	<u>609,170</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	263,160	263,160
Reserves	55,379	36,238
	<u>318,539</u>	<u>299,398</u>
Minority interests	116,531	110,252
Total equity	<u>435,070</u>	<u>409,650</u>
Non-current liabilities		
Long term borrowings	16,008	35,880
Retirement benefit obligations	2,077	3,031
Deferred tax liabilities	17,378	16,263
	<u>35,463</u>	<u>55,174</u>
Current Liabilities		
Short term borrowings	68,149	55,055
Trade payables	56,895	51,126
Other payables	46,495	35,601
Taxation	8,028	2,564
	<u>179,567</u>	<u>144,346</u>
Total liabilities	<u>215,030</u>	<u>199,520</u>
TOTAL EQUITY AND LIABILITIES	<u>650,100</u>	<u>609,170</u>
Net assets per share (RM)	<u>1.21</u>	<u>1.14</u>

KUMPULAN FIMA BERHAD
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Condensed Consolidated Statements of Changes in Equity
For the Third Quarter Ended 31 December 2008
Except as disclosed otherwise, the figures have not been audited

2008/9	←----- Attributable to Equity Holders of the Parent -----→									
	←----- Non-distributable -----→									
Group	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Capital reserve arising from bonus issue in subsidiaries RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1-4-2008	263,160	12,161	44,527	437	26,758	(1,270)	(46,375)	299,398	110,252	409,650
Translation loss	-	-	-	-	-	(5,255)	-	(5,255)	-	(5,255)
Net profit for the period	-	-	-	-	-	-	29,351	29,351	15,487	44,838
Acquisition of minority interest by a subsidiary	-	-	-	-	-	-	(20)	(20)	(1,728)	(1,748)
Dividend paid	-	-	-	-	-	-	(4,935)	(4,935)	-	(4,935)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(3,800)	(3,800)
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	(1,259)	(1,259)
Redemption of RCLS by minority shareholders	-	-	-	-	-	-	-	-	(2,421)	(2,421)
At 31-12-2008	263,160	12,161	44,527	437	26,758	(6,525)	(21,979)	318,539	116,531	435,070
Group	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Capital reserve arising from bonus issue in subsidiaries RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1-4-2007	263,160	12,161	44,527	437	26,758	11,542	(72,767)	285,818	78,973	364,791
Translation loss	-	-	-	-	-	(12,812)	-	(12,812)	-	(12,812)
Net profit for the period	-	-	-	-	-	-	30,287	30,287	12,987	43,274
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	23,982	23,982
Dividend paid	-	-	-	-	-	-	(3,895)	(3,895)	-	(3,895)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(3,585)	(3,585)
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	(772)	(772)
Redemption of RCLS by minority shareholders	-	-	-	-	-	-	-	-	(1,333)	(1,333)
At 31-3-2008	263,160	12,161	44,527	437	26,758	(1,270)	(46,375)	299,398	110,252	409,650

KUMPULAN FIMA BERHAD
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Condensed Consolidated Cash Flow Statements for the Third Quarter Ended 31 December 2008
Except as disclosed otherwise, the figures have not been audited

	← To Date →	
	31-12-2008	31-12-2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	61,417	41,520
Adjustment for:		
Non-cash items	14,315	10,196
Operating profit before working capital changes	75,732	51,716
Increase in inventories	(11,045)	(10,683)
Increase in receivables	(30,414)	(27,129)
(Increase)/decrease in net amount due from related companies	(73)	30,086
Increase in payables	17,953	29,288
Cash generated from operations	52,153	73,278
Interest paid	(2,553)	(4,782)
Taxes paid	(11,993)	(11,855)
Retirement benefits paid	(655)	(104)
Net cash generated from operating activities	36,952	56,537
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to biological assets	(976)	(1,227)
Proceeds from disposal of property, plant and equipment	1,327	629
Purchase of property, plant and equipment	(14,653)	(25,906)
Acquisition of a subsidiary	-	(67,539)
Redemption of Redeemable Cumulative Loan Stock (RCLS)	(2,421)	-
Acquisition of minority interest by a subsidiary	(1,972)	-
Net dividend received from an associated company	455	337
Interest received	609	1,581
Net cash used in investing activities	(17,631)	(92,125)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of revolving credit facility	(13,000)	(4,000)
Repayment of term loan of an acquired subsidiary	-	45,006
Net drawdown of borrowings	2,460	(2,985)
Acquisition of treasury shares by a subsidiary	(1,259)	(482)
Dividend paid	(4,935)	(3,895)
Dividend paid to minority shareholders of a subsidiary	(3,800)	(1,915)
Decrease/(increase) in deposits on lien	1,834	(397)
Net cash (used in)/generated from financing activities	(18,700)	31,332
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	621	(4,256)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	27,638	39,886
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	28,259	35,630
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	25,624	19,539
Fixed deposits with financial institutions *	15,611	26,240
Secured bank overdrafts	(12,976)	(10,149)
	28,259	35,630
* Fixed deposits with financial institutions comprise:		
Fixed deposits	20,565	33,229
less : Deposits on lien	(4,954)	(6,989)
	15,611	26,240

- PART A - FRS 134 requirements
- PART B - Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements

PART A - REQUIREMENT OF FRSs

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 Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2008. 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 financial year ended 31 March 2008.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the statutory audited financial statements for the financial year ended 31 March 2008, except for the adoption of the following new or revised Financial Reporting Standards ("FRSs"), Amendments to FRSs and Issues Committee Interpretations ("IC Interpretation") that are effective for the Group's financial statements commencing 1 April 2008.

- FRS 107 Cash flow statements
- FRS 111 Construction contracts
- FRS 118 Revenue
- FRS 119 Employee benefits
- FRS 120 Accounting for government grants and disclosure of government assistance
- FRS 126 Accounting and reporting by retirement benefits plans
- FRS 129 Financial reporting in hyperinflationary economies
- FRS 134 Interim financial reporting
- FRS 137 Provisions, contingent liabilities and contingent assets
- Amendment to FRS 121: The effects of changes in foreign exchanges rates
 - net investment in foreign operation
- IC Interpretation 1 : Changes in existing decommissioning, restoration and similar liabilities
- IC Interpretation 2 : Members' shares in co-operative entities and similar instruments
- IC Interpretation 5 : Rights to interest arising from decommissioning, restoration and environment rehabilitation funds
- IC Interpretation 6 : Liabilities arising from participating in a specific market
 - waste electrical and electronic equipment
- IC Interpretation 7 : Applying the restatement approach under FRS 129₂₀₀₄
 - financial reporting in hyperinflationary economies
- IC Interpretation 8 : Scope of FRS 2

The adoption of the above FRSs and IC Interpretation does not have any significant financial impact to the Group.

A3. Auditors' Report on Preceding Annual Financial Statements.

The financial statements of the Group for the financial year ended 31 March 2008 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The manufacturing segment is affected by cyclical changes in volumes of certain jobs whilst the plantation segment is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

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 was no dividend paid during the current quarter.

A9. Segmental revenue and results for business segments

Revenue	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-12-2008	Preceding Year Corresponding Quarter 31-12-2007	Current Year To Date 31-12-2008	Preceding Year Corresponding Period 31-12-2007
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	45,268	36,590	122,224	113,562
Property investment	865	998	2,827	3,214
Bulking	13,933	10,687	39,531	30,237
Food	24,289	23,204	62,494	48,231
Plantation	9,540	4,810	55,170	26,857
Trading	5,848	3,937	8,820	6,376
Others	14,378	13,892	49,498	21,550
	114,121	94,118	340,564	250,027
Elimination of inter-segment sales	(14,116)	(13,872)	(48,958)	(21,370)
	100,005	80,246	291,606	228,657

A9. Segmental revenue and results for business segments (contd)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-12-2008	Preceding Year Corresponding Quarter 31-12-2007	Current Year To Date 31-12-2008	Preceding Year Corresponding Period 31-12-2007
	RM'000	RM'000	RM'000	RM'000
Profit before taxation				
Manufacturing*	6,701	8,794	29,254	26,532
Property investment	655	(167)	(1,522)	(1,330)
Bulking	7,369	5,326	19,020	13,516
Food	(1,495)	1,287	147	964
Plantation	2,835	(970)	13,924	1,976
Trading	1,287	1,177	1,953	1,267
Others	1,848	3,315	13,188	5,372
	<u>19,200</u>	<u>18,762</u>	<u>75,964</u>	<u>48,297</u>
Associated companies	2,173	1,423	4,095	4,159
	<u>21,373</u>	<u>20,185</u>	<u>80,059</u>	<u>52,456</u>
Eliminations	(2,616)	(3,926)	(18,642)	(10,936)
	<u>18,757</u>	<u>16,259</u>	<u>61,417</u>	<u>41,520</u>

* Production and trading of security documents.

A10. Valuation of property, plant and equipment

The valuations of land and building have been brought forward from the last financial statements for the year ended 31 March 2008.

A11. Subsequent material events

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

A12. Inventories

During the quarter, inventories were written down by RM4.3 million.

A13. Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period to date including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations other than the following:

On 8 April 2008, Fima Palmbulk Services Sdn Bhd ("FPSSB"), a wholly owned subsidiary of the Company had further acquired the remaining balance of 1,680,000 unit ordinary shares of RM1 each in Boustead Oil Bulking Sdn. Bhd. ("BOB") from Integrated Formation Sdn. Bhd. ("IFSB"). The acquisition represents 24% of the issued and paid up share capital of BOB, for a cash consideration of approximately RM1.97 million.

Pursuant to the above, BOB is deemed to be a wholly-owned subsidiary of FPSSB.

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 :

	Current Year To Date <u>RM'000</u>
Plant and equipment	4,994
Vehicles	1,868
Furniture, fittings and computers	696
Work-in-progress :	
Biodiesel plants	3,193
Others	<u>399</u>
	<u><u>11,150</u></u>

A16. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 December 2008 were as follows:

	Current Year To Date <u>RM'000</u>
Property, plant and equipment	
Approved and contracted for	5,905
Approved but not contracted for	<u>27,788</u>
	<u><u>33,693</u></u>

A17. Related party transactions

The Group's material related party transactions at the end of current quarter were 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	(90)
Fima Corporation Berhad	Nationwide Express Courier Services Bhd	Common Shareholders	Purchase made - delivery services	(135)
			Rental income	78
	Nationwide Freight Forwarders Sdn Bhd	Common Shareholders	Purchase made - forwarding services	(340)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

The revenue for the Group of RM291.61 million recorded for the 9 months period ended 31 December 2008 was higher as compared to RM228.66 million recorded in the previous corresponding period. The increase of 27.5% or RM62.95 million were due to improvement in the performance of most of the business segments lead by the Plantation segment.

The Group's profit before taxation ("PBT") for the period stood at RM61.42 million, which was RM19.90 million or 48% higher than last year's of RM41.52 million. The increase was generally due to better profit recorded by most of business segments.

B2. Comparison with preceding quarter's results

The Group's PBT for the current quarter of RM18.76 million is RM2.30 million (or 14%) higher as compared to PBT of RM16.46 million recorded in the preceding quarter. This increase was generally due to better profit recorded by all business segments.

B3. Prospects

The Directors expect the performance of the Group to be satisfactory for the remainder of the ensuing financial year ending 31 March 2009.

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

With reference to the article in the New Strait Times dated 27 August 2008 in respect of the expected revenue and net profit (before minority interest) to grow by 15%, the Group's performance for the first 9 months period ended 31 December 2008 was in line with the expectation.

B5. Taxation

Taxation comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current Year 31-12-2008	Preceding Year Corresponding Quarter 31-12-2007	Current Year To Date 31-12-2008	Preceding Year Corresponding Period 31-12-2007
	RM'000	RM'000	RM'000	RM'000
Current taxation	4,906	2,934	16,579	10,172

Note :

The effective tax rate of the Group is comparatively higher than the statutory tax rate due to a higher tax rate of 30% applicable to a subsidiary in Indonesia, as well as non utilisation of the Group tax 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 except as disclosed in Note A13 above.

B9. Borrowings and debt securities

	As at 31-12-2008 RM'000	As at 31-03-2008 RM'000
Secured:		
Current	68,149	55,055
Non-current	16,008	35,880
	<u>84,157</u>	<u>90,935</u>

B10. Off balance sheet financial instruments

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

B11. Changes in material litigations

Pending material litigations since preceeding quarter 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.

B11. Changes in material litigations (contd)

- (a) On 11 November 2008, the Court had disposed off this matter summarily in favour of the Plaintiff and on 21 November 2008, FimaCorp had filed its Notice of Appeal to the Court of Appeal to appeal against the decision. The High Court had granted FimaCorp an extension of time to file its Record of Appeal pending the issuance of the notes and grounds of judgment. The subsidiary had made full provision for the compensation claim.
- (b) A wholly-owned subsidiary of FimaCorp ("Plaintiffs") had served a Writ of Summons against a third party for arrears of rental income and other expenses amounting to RM1.70 million. The Defendant filed their Statement of Defence denying the tenancy contract and counter claim for over payment of RM2.06 million.

On 7 February 2003, the High Court ruled in the Plaintiff's favour in respect of Plaintiff's application for Summary Judgement for the sum of RM1.18 million. The High Court also ordered that the remaining claim of RM0.52 million be proceeded with full trial.

On 6 March 2003, the Defendant had filed their Notice of Appeal to the Court of Appeal against the High Court decision. On 7 January 2009, the Defendant's appeal was allowed with costs by the Court of Appeal and the Plaintiff's Judgment for RM1.18 million is set aside. The Defendant is given unconditional leave to defend the claim and the matter is now fixed for Case Management on 9 March 2009 at the Kuala Lumpur High Court.

- (c) 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.

The Defendant had appointed Messrs. Gideon Tan Razali Zaini who had entered appearance on the Company's behalf on 7 October 2005 to defend the case.

On 10 April 2006, the solicitors had filed the Defendant's application to strike out the Plaintiffs' suit. However, the Court had dismissed the application on 6 August 2007.

On 21 April 2006, the Plaintiffs had filed an application for summary judgment pursuant to Order 14 of Rules of High Court 1980 but later withdrew the application on 17 September 2007.

The Defendant had, on 14 August 2007 filed Notice of Appeal to the Judge in Chambers against the Senior Assistant Registrar's decision to dismiss the Defendant's application to strike out suit on the grounds that the Plaintiff's claim is time barred.

On 2 July 2008, the Court had dismissed the Defendant's appeal. The Court had, on 22 January 2009 adjourned the case management of this matter to 23 April 2009.

No provision has been made in the financial statements as at 31 December 2008 as the directors, based on legal advice, are of the opinion that the probability of the liabilities materialising is remote.

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 31-12-2008	Preceding Year Corresponding Quarter 31-12-2007	Current Year To Date 31-12-2008	Preceding Year Corresponding Period 31-12-2007
Profit attributable to ordinary equity holders of the parent (RM'000)	9,504	11,031	29,351	21,798
Number of ordinary shares in issue ('000)	263,160	263,160	263,160	263,160
Basic earnings per share (sen)	<u>3.61</u>	<u>4.19</u>	<u>11.15</u>	<u>8.28</u>

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)

JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 26 February 2009