

KUMPULAN FIMA BERHAD

(Company No.:11817-V)

(Incorporated in Malaysia)

Condensed Consolidated Income Statements
For the Third Quarter Ended 31 December 2009
Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31-12-2009	Preceding Year Corresponding Quarter 31-12-2008	Current Year To Date 31-12-2009	Preceding Year Corresponding Period 31-12-2008
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	105,285	100,005	292,961	291,606
Cost of sales		(60,417)	(70,059)	(176,680)	(187,960)
Gross profit		44,868	29,946	116,281	103,646
Other income		2,851	3,379	10,031	6,700
Administrative expenses		(10,837)	(9,418)	(32,090)	(31,540)
Selling and marketing expenses		(823)	(934)	(2,596)	(3,374)
Other expenses		(4,774)	(5,265)	(10,757)	(14,682)
		(16,434)	(15,617)	(45,443)	(49,596)
Finance cost		(639)	(1,124)	(3,081)	(3,428)
Share of profit of associates		5,959	2,173	11,507	4,095
Profit before taxation	A9	36,605	18,757	89,295	61,417
Income tax expense	B5	(8,068)	(4,906)	(19,122)	(16,579)
Profit for the period		28,537	13,851	70,173	44,838
Attributable to :					
Equity holders of the parent		18,109	9,504	46,436	29,351
Minority interests		10,428	4,347	23,737	15,487
		28,537	13,851	70,173	44,838
Earnings per share attributable to equity holders of the parent:					
Basic earnings per share (sen)		6.88	3.61	17.65	11.15

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2009 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 2009**Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 31-12-2009	As At Preceding Financial Year Ended 31-03-2009 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	157,903	153,927
Investment properties	84,348	71,543
Prepaid land lease payment	36,851	50,113
Biological assets	84,602	74,635
Interests in associates	44,876	39,718
Deferred tax assets	8,239	7,456
Goodwill on consolidation	13,055	13,055
	<u>429,874</u>	<u>410,447</u>
Current Assets		
Inventories	69,788	74,719
Trade receivables	103,267	104,610
Other receivables	19,208	12,295
Cash and bank balances	110,928	51,083
	<u>303,191</u>	<u>242,707</u>
TOTAL ASSETS	<u>733,065</u>	<u>653,154</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	263,160	263,160
Reserves	125,844	71,464
	<u>389,004</u>	<u>334,624</u>
Minority interests	134,881	117,212
Total equity	<u>523,885</u>	<u>451,836</u>
Non-current liabilities		
Long term borrowings	27,673	21,939
Retirement benefit obligations	1,364	1,419
Deferred tax liabilities	16,542	16,461
	<u>45,579</u>	<u>39,819</u>
Current Liabilities		
Short term borrowings	47,263	63,666
Trade payables	54,219	55,532
Other payables	43,049	36,395
Provision for compensation claim	2,120	2,120
Taxation	16,950	3,786
	<u>163,601</u>	<u>161,499</u>
Total liabilities	<u>209,180</u>	<u>201,318</u>
TOTAL EQUITY AND LIABILITIES	<u>733,065</u>	<u>653,154</u>
Net assets per share (RM)	<u>1.48</u>	<u>1.27</u>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim statements.

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

Condensed Consolidated Statements of Changes in Equity
For the Third Quarter Ended 31 December 2009
Except as disclosed otherwise, the figures have not been audited

← Attributable to Equity Holders of the Parent →

2009/10

← Non-distributable →

Group	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Foreign exchange reserve	Accumulated losses/ Retained earnings	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
At 1-4-2009	263,160	12,161	44,527	437	26,758	(7,245)	(5,174)	334,624	117,212	451,836
Translation gain	-	-	-	-	-	19,054	-	19,054	-	19,054
Net profit for the period	-	-	-	-	-	-	46,436	46,436	23,737	70,173
Dividend paid	-	-	-	-	-	-	(5,921)	(5,921)	-	(5,921)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(4,237)	(4,237)
Transfer from revaluation reserve	-	-	(5,189)	-	-	-	-	(5,189)	-	(5,189)
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	(30)	(30)
Redemption of RCLS by minority shareholders	-	-	-	-	-	-	-	-	(1,801)	(1,801)
At 31-12-2009	263,160	12,161	39,338	437	26,758	11,809	35,341	389,004	134,881	523,885

Group	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
At 1-4-2008	263,160	12,161	44,527	437	26,758	(1,270)	(46,375)	299,398	100,727	400,125
Translation loss not recognised in income statement	-	-	-	-	-	(5,975)	-	(5,975)	-	(5,975)
Net profit for the year	-	-	-	-	-	-	46,160	46,160	24,467	70,627
Acquisition of minority interest by a subsidiaries	-	-	-	-	-	-	(24)	(24)	(1,728)	(1,752)
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	-	-	-	-	-	-	-	-	(1,413)	(1,413)
Redemption of RCLS by minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(1,041)	(1,041)
At 31-3-2009	263,160	12,161	44,527	437	26,758	(7,245)	(5,174)	334,624	117,212	451,836

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2009 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 Third Quarter Ended 31 December 2009

Except as disclosed otherwise, the figures have not been audited

	← To Date →	
	31-12-2009	31-12-2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	89,295	61,417
Adjustment for:		
Non-cash items	3,791	14,315
Operating profit before working capital changes	93,086	75,732
Decrease/(Increase) in inventories	6,212	(11,045)
Decrease/(Increase) in receivables	492	(30,414)
Increase in net amount due from related companies	(32)	(73)
Increase in payables	1,765	17,953
Cash generated from operations	101,523	52,153
Interest paid	(2,659)	(2,553)
Taxes paid	(5,992)	(11,993)
Retirement benefits paid	(179)	(655)
Net cash generated from operating activities	92,693	36,952
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to biological assets	(2,138)	(976)
Proceeds from disposal of property, plant and equipment	272	1,327
Purchase of property, plant and equipment	(14,974)	(14,653)
Purchase of prepaid lease payment	(468)	-
Acquisition of minority interest by a subsidiary	-	(1,972)
Redemption of loan stocks	(1,801)	(2,421)
Net dividend received from an associated company	6,449	455
Interest received	666	609
Net cash used in investing activities	(11,994)	(17,631)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of revolving credit facility	6,300	(13,000)
Net (repayment)/drawdown of short term borrowings	(9,469)	2,460
Acquisition of treasury shares by a subsidiary	(30)	(1,259)
Dividend paid	(5,921)	(4,935)
Dividend paid to minority shareholders of a subsidiary	(4,237)	(3,800)
Decrease in deposits on lien	1,979	1,834
Net cash used in financing activities	(11,378)	(18,700)
NET INCREASE IN CASH AND CASH EQUIVALENTS	69,321	621
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	32,831	27,638
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	102,152	28,259
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	26,584	25,624
Fixed deposits with financial institutions *	81,290	15,611
Secured bank overdrafts	(5,722)	(12,976)
	102,152	28,259
* Fixed deposits with financial institutions comprise:		
Fixed deposits	84,344	20,565
less : Deposits on lien	(3,054)	(4,954)
	81,290	15,611

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2009. 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 2009.

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 2009.

A3. Auditors' Report on Preceding Annual Financial Statements.

The financial statements of the Group for the financial year ended 31 March 2009 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

On 20 October 2009, a final dividend of 3% less 25% taxation for financial year ended 31 March 2009, amounting to RM5.921 million was paid (16 September 2008: RM4.934 million).

A9. Segmental revenue and results for business segments

Revenue	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2009	31-12-2008	31-12-2009	31-12-2008
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	49,748	45,268	127,749	122,224
Property investment	881	866	2,597	2,827
Bulking	12,425	13,933	32,532	39,531
Food	12,335	21,959	45,024	54,911
Plantation	26,225	9,540	69,649	55,169
Trading	3,650	8,178	12,250	16,404
Others	17,405	14,339	49,690	49,458
	122,669	114,083	339,491	340,524
Elimination of inter-segment sales	(17,384)	(14,078)	(46,530)	(48,918)
	105,285	100,005	292,961	291,606

Profit before taxation	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2009	31-12-2008	31-12-2009	31-12-2008
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	13,125	6,701	33,044	29,254
Property investment	(345)	655	(756)	(1,522)
Bulking	6,122	7,369	14,560	19,020
Food	2,479	991	4,465	3,867
Plantation	11,198	2,835	25,310	13,924
Trading	257	(1,199)	1,287	(1,767)
Others	7,641	1,848	30,329	13,188
	40,477	19,200	108,239	75,964
Associated companies	5,960	2,173	11,507	4,095
	46,437	21,373	119,746	80,059
Eliminations	(9,832)	(2,616)	(30,451)	(18,642)
	36,605	18,757	89,295	61,417

* 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 2009.

A11. Subsequent material events

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

A12. Inventories

During the quarter, the amount of inventories written down was RM253,000.

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.

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	11,103
Vehicles	3,379
Furniture, fittings and computers	<u>492</u>
	<u><u>14,974</u></u>

A16. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 December 2009 were as follows:

	Current Year To Date <u>RM'000</u>
Property, plant and equipment	
Approved and contracted for	3,856
Approved but not contracted for	35,982
	<u>39,838</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	(119)
			Rental income	69
	Nationwide Freight Forwarders Sdn Bhd	Common Shareholders	Purchase made - forwarding services	(209)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

The revenue for the Group of RM292.96 million recorded for the 9 months period ended 31 December 2009 was higher by RM1.35 million (0.5%) as compared to RM291.61 million recorded in the previous corresponding period.

The Group's profit before taxation ("PBT") for the period stood at RM89.30 million, which was RM27.88 million or 45.4% higher than last year's of RM61.42 million. The increase was generally due to better performance by Manufacturing and Plantation divisions and higher share of profit from associate company as well as one off recognition of capital gain of RM5.25 million from the disposal of Banding Island Resort.

B2. Comparison with preceding quarter's results

The Group's PBT for the current quarter of RM36.61 million is RM15.71 million (or 75.2%) higher as compared to PBT of RM20.90 million recorded in the preceding quarter. This increase was generally due to higher profit recorded by Manufacturing, Bulking, Food and Plantation divisions as well as share of profit from associates.

B3. Prospects

The Directors expect the performance of the Group to be maintained for the remaining period of the year.

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

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	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2009	31-12-2008	31-12-2009	31-12-2008
	RM'000	RM'000	RM'000	RM'000
Current taxation	8,068	4,906	19,122	16,579

Note :

The effective tax rate on Group's profit to date is lower than the statutory tax rate mainly due to the effect of the recognition of capital gain of RM5.25 million from the disposal of Banding Island Resort, which is tax exempted.

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

There were no sale of unquoted investments and or properties during the current year except on 16 April 2009 the Company had completed the sale and purchase agreement with M.K.N. Group Sdn. Bhd. for the disposal of four (4) parcels of leasehold land in Banding, Perak in exchange for fourteen (14) office units located at PJ Trade Centre, Bandar Damansara Perdana, Petaling Jaya. The disposal has resulted in a gain on disposal to the Company and Group of RM5.25 million.

	RM'000
Sale proceed	15,809
Net book value	<u>(10,559)</u>
Gain on disposal	<u>5,250</u>

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 31-12-2009 RM'000	As at 31-03-2009 RM'000
Secured:		
Current	47,263	63,666
Non-current	<u>27,673</u>	<u>21,939</u>
	<u>74,936</u>	<u>85,605</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.

B11. Changes in material litigations (contd)

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 11 November 2008, the Court had disposed off this matter summarily in favour of the Plaintiff and on 4 March 2009, FimaCorp had filed its Record of Appeal to the Court of Appeal to appeal against the decision. The Court of Appeal has yet to fix the Hearing date for the appeal. 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 was set aside. The Defendant was given unconditional leave to defend the claim and the matter was fixed for trial on 23 November 2009 at the Kuala Lumpur High Court.

The matter has been settled amicably and consent judgment was recorded on 23 November 2009.

- (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 defendant had subsequently filed its appeal to the Court of Appeal and hearing has been fixed for 30 November 2009.

B11. Changes in material litigations (contd)

Case Management of this matter has been postponed to 3 March 2010.

No provision has been made in the financial statements as at 31 March 2009. The Defendant's solicitors are of the view that the Defendant may have a reasonable prospect of success against the Plaintiffs' claim.

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	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2009	31-12-2008	31-12-2009	31-12-2008
Profit attributable to ordinary equity holders of the parent (RM'000)	18,109	9,504	46,436	29,351
Number of ordinary shares in issue ('000)	263,160	263,160	263,160	263,160
Basic earnings per share (sen)	<u>6.88</u>	<u>3.61</u>	<u>17.65</u>	<u>11.15</u>

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)

JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 25 February 2010