

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

**Condensed Consolidated Statement of Comprehensive Income**  
**For the First Quarter Ended 30 June 2011**  
**Except as disclosed otherwise, the figures have not been audited**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-06-2011	Preceding Year Corresponding Quarter 30-06-2010	Current Year To Date 30-06-2011	Preceding Year Corresponding Period 30-06-2010
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	127,770	110,751	127,770	110,751
Cost of sales		(64,190)	(59,361)	(64,190)	(59,361)
<b>Gross profit</b>		<b>63,580</b>	<b>51,390</b>	<b>63,580</b>	<b>51,390</b>
Other income		2,857	2,369	2,857	2,369
Administrative expenses		(12,566)	(10,185)	(12,566)	(10,185)
Selling and marketing expenses		(808)	(977)	(808)	(977)
Other expenses		(4,790)	(5,022)	(4,790)	(5,022)
		(18,164)	(16,184)	(18,164)	(16,184)
Finance cost		(634)	(642)	(634)	(642)
Share of profit of associates		1,808	2,103	1,808	2,103
<b>Profit before taxation</b>	A9	<b>49,447</b>	<b>39,036</b>	<b>49,447</b>	<b>39,036</b>
Income tax expense	B5	(11,143)	(9,973)	(11,143)	(9,973)
<b>Profit net of tax for the period</b>		<b>38,304</b>	<b>29,063</b>	<b>38,304</b>	<b>29,063</b>
<b>Other comprehensive income</b>					
Foreign currency translation differences for foreign operations		5,356	(711)	5,356	(711)
<b>Total comprehensive income for the period</b>		<b>43,660</b>	<b>28,352</b>	<b>43,660</b>	<b>28,352</b>
<b>Profit attributable to :</b>					
Equity holder of the Company		24,380	17,364	24,380	17,364
Minority interests		13,924	11,699	13,924	11,699
<b>Profit net of tax for the period</b>		<b>38,304</b>	<b>29,063</b>	<b>38,304</b>	<b>29,063</b>
<b>Total comprehensive income attributable to :</b>					
Equity holder of the Company		29,736	16,653	29,736	16,653
Minority interests		13,924	11,699	13,924	11,699
<b>Total comprehensive income for the period</b>		<b>43,660</b>	<b>28,352</b>	<b>43,660</b>	<b>28,352</b>
<b>Earnings per share attributable to equity holder of the Company:</b>					
Basic earnings per share (sen)		9.26	6.60	9.26	6.60

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2011.

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position as at 30 June 2011****Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 30-06-2011 (Unaudited) <u>RM'000</u>	As At Preceding Financial Year Ended 31-03-2011 (Restated) <u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	221,861	222,465
Investment properties	86,173	86,465
Biological assets	80,269	79,512
Interests in associates	43,362	41,556
Deferred tax assets	4,207	4,244
Goodwill on consolidation	13,055	13,055
	<u>448,927</u>	<u>447,297</u>
<b>Current Assets</b>		
Inventories	66,958	60,587
Trade receivables	90,447	96,612
Other receivables	16,255	9,082
Cash and bank balances	254,848	217,934
	<u>428,508</u>	<u>384,215</u>
<b>TOTAL ASSETS</b>	<u>877,435</u>	<u>831,512</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	263,160	263,160
Reserves	229,034	199,298
	492,194	462,458
Minority interests	196,737	182,813
<b>Total equity</b>	<u>688,931</u>	<u>645,271</u>
<b>Non-current liabilities</b>		
Long term borrowings	7,510	21,132
Retirement benefit obligations	1,307	1,291
Deferred tax liabilities	16,269	16,387
	<u>25,086</u>	<u>38,810</u>
<b>Current Liabilities</b>		
Short term borrowings	46,037	45,628
Trade payables	48,514	43,561
Other payables	49,863	46,541
Provision for compensation claim	2,120	2,120
Taxation	16,884	9,581
	<u>163,418</u>	<u>147,431</u>
<b>Total liabilities</b>	<u>188,504</u>	<u>186,241</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>877,435</u>	<u>831,512</u>
Net assets per share (RM)	<u>1.87</u>	<u>1.76</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2011.

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Statements of Changes in Equity**  
**For the First Quarter Ended 30 June 2011**  
**Except as disclosed otherwise, the figures have not been audited**

*Attributable to Equity Holders of the Company*

*Non-distributable*

**2011/12**

Group	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Foreign exchange reserve	Retained profit	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>At 30-04-2011</b>	263,160	12,161	43,313	437	26,758	7,817	108,812	462,458	182,813	645,271
Total comprehensive income for the period	-	-	-	-	-	5,356	24,380	29,736	13,924	43,660
<b>At 30-06-2011</b>	263,160	12,161	43,313	437	26,758	13,173	133,192	492,194	196,737	688,931

Group	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Foreign exchange reserve	Retained profit	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>At 1-4-2010</b>	263,160	12,161	41,225	437	26,758	9,552	47,654	400,947	139,094	540,041
Total comprehensive income for the period	-	-	-	-	-	(711)	17,364	16,653	11,699	28,352
<b>At 30-6-2010</b>	263,160	12,161	41,225	437	26,758	8,841	65,018	417,600	150,793	568,393

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.

**KUMPULAN FIMA BERHAD**

(Company No.:11817-V)

(Incorporated in Malaysia)

**Condensed Consolidated Statements of Cash Flow for the First Quarter Ended 30 June 2011****Except as disclosed otherwise, the figures have not been audited**

	← To Date →	
	30-06-2011	30-06-2010
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	49,447	39,036
Adjustment for:		
Non-cash items	4,966	4,058
Operating profit before working capital changes	54,413	43,094
Increase in inventories	(4,981)	(4,247)
Decrease/(Increase) in receivables	3,892	(4,192)
Increase in net amount due from related companies	-	(1)
Increase in payables	4,089	6,493
Cash generated from operations	57,413	41,147
Interest paid	(331)	(363)
Taxes paid	(4,517)	(4,594)
Retirement benefits paid	(3)	(8)
Net cash generated from operating activities	52,562	36,182
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to biological assets	(1,521)	(376)
Proceeds from disposal of property, plant and equipment	34	-
Purchase of property, plant and equipment	(1,649)	(1,777)
Net dividend received from an associated company	-	5,251
Interest received	701	332
Net cash (used in)/generated from investing activities	(2,435)	3,430
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment of revolving credit facility	(14,000)	(12,700)
Net repayment of short term borrowings	(5,081)	(2,680)
Increase in deposits on lien	(9)	(6)
Net cash used in financing activities	(19,090)	(15,386)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	31,037	24,226
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	214,758	121,269
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	245,795	145,495
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	43,161	22,502
Fixed deposits with financial institutions *	208,502	126,548
Secured bank overdrafts	(5,868)	(3,555)
	245,795	145,495
<b>* Fixed deposits with financial institutions comprise:</b>		
Fixed deposits	211,687	129,660
less : Deposits on lien	(3,185)	(3,112)
	208,502	126,548

- 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 2011. These 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 2011.

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

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2011 except for the adoption of the following Financial Reporting Standards ("FRS"), revised FRSs, Amendments to FRSs and IC Interpretations.

##### **Effective for financial periods beginning on or after 1 July 2010:**

FRS 1 : First-time Adoption of Financial Reporting Standards  
FRS 3 : Business Combinations (revised)  
Amendments to FRS 2: Share-based payment  
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations  
Amendment to FRS 127: Consolidated and Separate Financial Statements  
Amendment to FRS 138: Intangible Assets  
Amendment to IC Interpretation 9 : Reassessment of Embedded Derivatives  
IC Interpretation 12: Service Concession Arrangement  
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation  
IC Interpretation 17: Distributions of Non-cash Assets to Owners

##### **Effective for financial periods beginning on or after 1 January 2011:**

Amendments to FRS 1: Limited exemption from Comparative FRS 7 Disclosure for First-time Adopters  
Amendments to FRS 1: Additional Exemption from Comparative FRS 7 Disclosure for First-time Adopters  
Amendments to FRS 2: Group Cash-settle Share Based Payment Transaction  
Amendments to FRS 7: Improving Disclosures about Financial Instruments  
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"  
IC Interpretation 4: Determining whether an Arrangement contains a lease  
IC Interpretation 18: Transfers of Assets from Customers

##### **Effective for financial periods beginning on or after 1 July 2011:**

Amendment to IC Interpretation 14 : Prepayments of a Minimum Funding Requirement  
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

##### **Effective for financial periods beginning on or after 1 January 2012:**

FRS 124: Related Party Disclosures  
IC Interpretation 15: Agreements for the Construction of Real Estate

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

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

The financial statements of the Group for the financial year ended 31 March 2011 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 would have 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 (30 June 2010: Nil).

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

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
Revenue	30-06-2011	30-06-2010	30-06-2011	30-06-2010
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	52,311	49,817	52,311	49,817
Plantation	39,281	31,313	39,281	31,313
Bulking	14,311	11,682	14,311	11,682
Food	18,653	14,397	18,653	14,397
Others	7,257	5,570	7,257	5,570
	131,813	112,779	131,813	112,779
Elimination of inter-segment sales	(4,043)	(2,028)	(4,043)	(2,028)
	127,770	110,751	127,770	110,751

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-06-2011	Preceding Year Corresponding Quarter 30-06-2010	Current Year To Date 30-06-2011	Preceding Year Corresponding Period 30-06-2010
<b>Profit before taxation</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Manufacturing*	15,408	19,804	15,408	19,804
Plantation	22,642	13,531	22,642	13,531
Bulking	7,297	5,450	7,297	5,450
Food	3,672	1,296	3,672	1,296
Others	(1,380)	(3,147)	(1,380)	(3,147)
	<u>47,639</u>	<u>36,934</u>	<u>47,639</u>	<u>36,934</u>
Associated companies	1,808	2,102	1,808	2,102
	<u>49,447</u>	<u>39,036</u>	<u>49,447</u>	<u>39,036</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 2011.

**A11. Subsequent material events**

- (a) The Company's subsidiary, Fima Corporation Berhad, had on 15 July 2011 divested 10% equity interest comprising five million ordinary shares of RM1.00 each in associate company, Geisecke & Devrient Malaysia Sdn. Bhd. ("G&D") for a cash consideration of RM11.18 million, equivalent to 10% of G&D's net equity as at 30 June 2011.
- (b) The Company had on 5 August 2011 announced the proposed establishment of an employee share scheme up to 10% of the issued and paid-up ordinary shares subject to approval from shareholders at the forthcoming Extraordinary General Meeting to be held on 21 September 2011.

**A12. Inventories**

During the quarter, there was no significant write-down or write-back of inventories.

**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 acquisitions of property, plant and equipment are as follows :

	Current Year To Date RM'000
Plant and equipment	1,017
Vehicles	12
Buildings	356
Furniture, fittings and computers	264
	<u>1,649</u>

**A16. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 30 June 2011 were as follows:

	Current Year To Date RM'000
Property, plant and equipment	
Approved and contracted for	134
Approved but not contracted for	32,425
	<u>32,559</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	(30)
Fima Corporation Berhad	Nationwide Express Courier Services Bhd	Common Shareholders	Rental income	24
Percetakan Keselamatan Nasional Sdn. Bhd.	Nationwide Express Courier Services Bhd	Common Shareholders	Purchase made - delivery services	(52)
	Nationwide Freight Forwarders Sdn Bhd	Common Shareholders	Purchase made - forwarding services	(6)



**PART B - BURSA SECURITIES LISTING REQUIREMENTS**

**B1. Review of performance**

The Group revenue for the 3 months period ended 30 June 2011 stood at RM127.77 million as compared to RM110.75 million in the previous corresponding period, an improvement of RM17.02 million (15.4%) which was contributed by all the divisions.

The Group's profit before taxation ("PBT") for the period stood at RM49.45 million, which was RM10.41 million or 26.7% higher than last year's of RM39.04 million. The increase was mainly contributed by the plantation division.

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

The Group's PBT for the current quarter of RM49.45 million is RM20.09 million (or 68.4%) higher as compared to PBT of RM29.36 million recorded in the preceding quarter. This increase was mainly due to better profit recorded by the plantation division.

**B3. Prospects**

The Directors expect the performance of the Group to be satisfactory 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 Quarter 30-06-2011 RM'000	Preceding Year Corresponding Quarter 30-06-2010 RM'000	Current Year To Date 30-06-2011 RM'000	Preceding Year Corresponding Period 30-06-2010 RM'000
Current taxation	11,143	9,973	11,143	9,973

The effective tax rate on Group's profit to date is lower than the statutory tax rate mainly due to utilisation of losses carried forward by a subsidiary company.

**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 30-06-2011 <b>RM'000</b>	As at 31-03-2011 <b>RM'000</b>
<b>Secured:</b>		
Current	46,037	45,628
Non-current	7,510	21,132
	<u>53,547</u>	<u>66,760</u>

**B10. Realised/unrealised profits/losses**

	Current Quarter 31-03-2011 <b>RM'000</b>	Preceding Quarter 31-03-2011 <b>RM'000</b>
Total retained profits/(accumulated losses) of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	137,812	115,240
- Unrealised	<u>(20,478)</u>	<u>(22,101)</u>
	117,334	93,139
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	34,544	32,736
- Unrealised	<u>(6,916)</u>	<u>(7,006)</u>
	27,628	25,730
Add: Consolidation adjustments	<u>(11,770)</u>	<u>(10,057)</u>
Total group retained profits as per consolidated accounts	<u>133,192</u>	<u>108,812</u>

**B11. Off balance sheet financial instruments**

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

**B12. Changes in material litigations**

Pending material litigation since preceeding quarter is as follows:

Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, a subsidiary, 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.

**B12. Changes in material litigations (contd.)**

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 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 in the financial year ended 31 March 2009.

**B13. Dividends**

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

**B14. Earnings per share**

The basic earnings per share are calculated as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-06-2011	Preceding Year Corresponding Quarter 30-06-2010	Current Year To Date 30-06-2011	Preceding Year Corresponding Period 30-06-2010
Profit attributable to ordinary equity holders of the Company(RM'000)	24,380	17,364	24,380	17,364
Number of ordinary shares in issue ('000)	263,160	263,160	263,160	263,160
Basic earnings per share (sen)	9.26	6.60	9.26	6.60

**By order of the Board**

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

**JASMIN BINTI HOOD (LS0009071)**

Company Secretaries

**Kuala Lumpur**

**Dated : 18 August 2011**