

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

**Condensed Consolidated Statement of Comprehensive Income**  
**For the Third Quarter Ended 31 December 2011**  
**Except as disclosed otherwise, the figures have not been audited**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31-12-2011	Preceding Year Corresponding Quarter 31-12-2010	Current Year To Date 31-12-2011	Preceding Year Corresponding Period 31-12-2010
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	117,400	111,149	363,513	328,545
Cost of sales		(69,046)	(52,900)	(197,123)	(173,358)
<b>Gross profit</b>		<b>48,354</b>	<b>58,249</b>	<b>166,390</b>	<b>155,187</b>
Other income		4,777	2,141	8,800	5,565
Administrative expenses		(22,082)	(12,123)	(49,436)	(34,757)
Selling and marketing expenses		(1,313)	(1,053)	(3,251)	(2,912)
Other expenses		(3,511)	(5,248)	(11,620)	(11,931)
		(26,906)	(18,424)	(64,307)	(49,600)
Finance costs		(379)	(457)	(1,579)	(1,919)
Share of profit/(loss) of associates		1,714	686	4,685	2,334
<b>Profit before taxation</b>	A9/A10	<b>27,560</b>	<b>42,195</b>	<b>113,989</b>	<b>111,567</b>
Income tax expense	B5	(6,572)	(10,613)	(28,794)	(28,784)
<b>Profit net of tax for the period</b>		<b>20,988</b>	<b>31,582</b>	<b>85,195</b>	<b>82,783</b>
<b>Other comprehensive income</b>					
Foreign currency translation differences for foreign operations		(3,046)	435	11,480	(2,929)
<b>Total comprehensive income for the period</b>		<b>17,942</b>	<b>32,017</b>	<b>96,675</b>	<b>79,854</b>
<b>Profit attributable to :</b>					
Owners of the Company		14,750	20,068	55,941	52,242
Minority interests		6,238	11,514	29,254	30,541
<b>Profit net of tax for the period</b>		<b>20,988</b>	<b>31,582</b>	<b>85,195</b>	<b>82,783</b>
<b>Total comprehensive income attributable to :</b>					
Owners of the Company		11,704	20,503	67,421	49,313
Minority interests		6,238	11,514	29,254	30,541
<b>Total comprehensive income for the period</b>		<b>17,942</b>	<b>32,017</b>	<b>96,675</b>	<b>79,854</b>
<b>Earnings per share attributable to owners of the Company:</b>					
Basic/diluted earnings per share (sen)		5.60	7.63	21.26	19.85

The condensed consolidated statement of comprehensive income 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 Statement of Financial Position as at 31 December 2011****Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 31-12-2011 (Unaudited) <u>RM'000</u>	As At Preceding Financial Year Ended 31-03-2011 (Audited) <u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	219,827	222,465
Investment properties	82,228	86,465
Biological assets	82,800	79,512
Interests in associates	33,630	41,556
Deferred tax assets	4,189	4,244
Goodwill on consolidation	13,055	13,055
	<u>435,729</u>	<u>447,297</u>
<b>Current Assets</b>		
Inventories	88,114	60,587
Trade receivables	120,323	96,612
Other receivables	37,003	9,082
Cash and bank balances	233,855	217,934
	<u>479,295</u>	<u>384,215</u>
<b>TOTAL ASSETS</b>	<u>915,024</u>	<u>831,512</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	263,160	263,160
Reserves	261,345	199,298
	<u>524,505</u>	<u>462,458</u>
Minority interests	199,115	182,813
<b>Total equity</b>	<u>723,620</u>	<u>645,271</u>
<b>Non-current liabilities</b>		
Long term borrowings	7,260	21,132
Retirement benefit obligations	1,026	1,291
Deferred tax liabilities	16,489	16,387
	<u>24,775</u>	<u>38,810</u>
<b>Current Liabilities</b>		
Short term borrowings	11,458	45,628
Trade payables	79,079	43,561
Other payables	51,765	46,541
Provision for compensation claim	2,120	2,120
Taxation	22,207	9,581
	<u>166,629</u>	<u>147,431</u>
<b>Total liabilities</b>	<u>191,404</u>	<u>186,241</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>915,024</u>	<u>831,512</u>
Net assets per share (RM)	<u>1.99</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 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 Changes in Equity  
For the Third Quarter Ended 31 December 2011  
Except as disclosed otherwise, the figures have not been audited**

Group	←----- Attributable to Owners of the Company -----→										
	←----- Non-distributable -----→								Total	Minority interests	Total equity
	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Employee Share Option Reserve	Foreign exchange reserve	Retained profit			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1-4-2011</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	-	-	-	-	-	-	11,480	55,941	67,421	29,254	96,675
Dividend	-	-	-	-	-	-	-	(13,816)	(13,816)	-	(13,816)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(12,952)	(12,952)
Grant of equity-settled share options to employees	-	-	-	-	-	8,442	-	-	8,442	-	8,442
<b>At 31-12-2011</b>	263,160	12,161	43,313	437	26,758	8,442	19,297	150,937	524,505	199,115	723,620

Group	←----- Attributable to Owners of the Company -----→										
	←----- Non-distributable -----→								Total	Minority interests	Total equity
	Share capital	Share premium	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Employee Share Option Reserve	Foreign exchange reserve	Retained profit			
RM'000	RM'000	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	-	-	-	-	-	-	(2,929)	52,242	49,313	30,541	79,854
Dividend	-	-	-	-	-	-	-	(9,869)	(9,869)	-	(9,869)
Dividend paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(5,179)	(5,179)
Redemption of RCLS by minority shareholders	-	-	-	-	-	-	-	-	-	(1,778)	(1,778)
<b>At 31-12-2010</b>	263,160	12,161	41,225	437	26,758	-	6,623	90,027	440,391	162,678	603,069

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)

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**Condensed Consolidated Statement of Cash Flows for the Third Quarter Ended 31 December 2011**

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

	← To Date →	
	31-12-2011	31-12-2010
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	113,989	111,567
Adjustment for:		
Depreciation for property, plant and equipment	14,717	14,013
Depreciation of investment properties	1,252	1,229
Amortisation of biological assets	4,782	3,703
Impairment loss on trade receivables	2,514	1,087
Write back of impairment loss on trade receivables	(91)	(241)
(Write back)/provision for retirement benefit obligation	(47)	31
Writedown of inventories	24	127
Reversal of inventories written down	(23)	(57)
Gain on disposal of property, plant and equipment	(607)	(114)
Gain on disposal of investment property	(1,033)	-
Grant of equity-settled share options to employees	8,442	-
Share of result of associates	(4,685)	(2,334)
Interest expense	1,108	1,328
Interest income	(4,469)	(2,454)
Operating profit before working capital changes	135,873	127,885
Increase in inventories	(24,363)	(5,389)
(Increase)/decrease in receivables	(36,339)	2,712
Increase in net amount due from related companies	-	(2)
Increase in payables	26,333	7,886
Cash generated from operations	101,504	133,092
Interest paid	(1,108)	(1,328)
Taxes paid	(18,854)	(17,688)
Retirement benefits paid	(218)	(29)
Net cash generated from operating activities	81,324	114,047
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to biological assets	(8,070)	(1,696)
Proceeds from disposal of property, plant and equipment	549	55
Proceeds from disposal of investment property	4,135	-
Proceeds from disposal of investment	11,812	-
Purchase of property, plant and equipment	(5,721)	(12,253)
Interest received	4,469	2,454
Redemption of Redeemable Cumulative Loan Stock (RCLS)	-	(1,778)
Net cash generated from/(used in) investing activities	7,174	(13,218)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment of revolving credit facility	(14,000)	(12,700)
Net (repayment)/withdrawal of short term borrowings	(34,042)	1,425
Dividend paid	(13,816)	(9,869)
Net dividend received from an associated company	798	5,820
Dividend paid to minority shareholders of a subsidiary	(12,952)	(5,179)
(Increase)/decrease in deposits on lien	(32)	477
Net cash used in financing activities	(74,044)	(20,026)
<b>CASH AND CASH EQUIVALENTS</b>		
Net Increase	14,454	80,803
Effect Of Foreign Exchange Rate Changes In Cash And Cash Equivalents	1,435	(385)
At Beginning Of Financial Period	214,758	121,269
At End Of Financial Period	230,647	201,687
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	19,928	81,915
Fixed deposits with financial institutions *	210,719	119,772
	230,647	201,687
<b>* Fixed deposits with financial institutions comprise:</b>		
Fixed deposits	213,927	122,401
less : Deposits on lien	(3,208)	(2,629)
	210,719	119,772

The condensed consolidated statement of cash flow 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.

- 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 issued but not yet effective 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 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 other than the following:

At the Extraordinary General Meeting held on 21 September 2011, the shareholders had approved on the proposed establishment of an Employee Share Scheme of up to ten percent (10%) of the issued and paid-up share capital of the Company which is equivalent to 26,316,000 shares. Subsequently, on 10 October 2011, the Company had granted 20,591,000 ordinary shares pursuant to Employee Share Option Scheme ('ESOS') at a subscription price of RM1.48 per share.

On 16 December 2011, the Company had offered another 279,000 ordinary shares pursuant to the ESOS to newly entitled employees at a subscription price of RM1.76.

**A8. Dividend paid**

On 20 October 2011, a final dividend of 7% less 25% taxation for financial year ended 31 March 2011, amounting to RM13,815,900 was paid (18 October 2010: RM9,868,500).

**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
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Manufacturing*	43,517	51,083	147,670	150,683
Plantation	23,808	24,779	86,977	79,217
Bulking	16,552	14,723	46,388	39,646
Food	27,508	17,154	69,943	49,323
Others	49,513	28,707	65,929	44,604
	160,898	136,446	416,907	363,473
Elimination of inter-company transactions	(43,498)	(25,297)	(53,394)	(34,928)
	117,400	111,149	363,513	328,545

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

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
	RM'000	RM'000	RM'000	RM'000
<b>Profit before taxation</b>				
Manufacturing*	7,449	20,765	41,043	54,561
Plantation	7,807	11,444	38,533	34,873
Bulking	8,444	7,966	23,891	19,926
Food	4,930	2,695	12,331	5,473
Others	32,458	17,438	28,748	19,958
	61,088	60,308	144,546	134,791
Associated companies	1,715	685	4,686	2,334
	62,803	60,993	149,232	137,125
Elimination of inter-company transactions	(35,243)	(18,798)	(35,243)	(25,558)
	27,560	42,195	113,989	111,567

\* Production and trading of security documents.

**A10. Profit Before Taxation**

The following amounts have been included in arriving at profit before taxation:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
	RM'000	RM'000	RM'000	RM'000
<b>Other income</b>				
Interest Income	1,273	975	4,469	2,454
Gain on disposal of property, plant and equipment	503	36	607	114
Gain on disposal of investment properties	1,033	-	1,033	-
Foreign exchange gain/(loss)	1,667	(284)	1,817	(1,454)
Over provision of utilities in prior years	-	-	-	1,160
<b>Operating Expenses</b>				
Depreciation and amortisation	6,649	5,851	20,751	18,945
# Share options granted under ESOS	8,442	-	8,442	-
Interest expense	302	352	1,108	1,328
Impairment loss on trade receivables	1,557	694	2,514	1,087
Write back of impairment loss on trade receivables	(38)	(222)	(91)	(241)
Inventories written down	-	-	24	127
Reversal of inventories written down	(3)	(177)	(23)	(57)

The group does not involve in any dealing with derivatives.

Note:

# FRS 2: Share-based Payment requires an entity to measure the fair value of the equity instrument granted and reflect it in its profit or loss and financial position. In compliance with the requirements of FRS 2, the Group had recognised RM8.44 million in the financial statements being the fair value of the equity-settled share options granted to the employees of the Group. The recognition of this share-based payment is a non-cash transaction and has no financial impact on the Group's shareholders' funds.

**A11. 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.

**A12. Subsequent material events**

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

**A13. Inventories**

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

**A14. Changes in the composition of the Group**

The Company's subsidiary, Fima Corporation Berhad ('FCB'), 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 RM11.8 million, equivalent to 10% of G&D's net equity as at 30 June 2011. Consequently, FCB's equity interest in the associate company decreased from 30% to 20%.

**A15. Changes in contingent liabilities**

There were no additional contingent liabilities during the current quarter, except as disclosed in Note B12 herein.

**A16. 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	2,961
Vehicles	1,341
Buildings	1,075
Furniture, fittings and computers	344
	<u>5,721</u>

**A17. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 31 December 2011 were as follows:

	Current Year To Date RM'000
Property, plant and equipment	
Approved and contracted for	6,900
Approved but not contracted for	<u>28,132</u>
	<u>35,032</u>



**A18. 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/ Directors	Rental income	71
Fima Corporation Berhad	TD Technologies Sdn. Bhd.	Common Shareholders/ Directors	Purchase made- Software rental	(50)
Percetakan Keselamatan Nasional Sdn. Bhd.	Nationwide Express Courier Services Bhd	Common Shareholders/ Directors	Purchase made - delivery services	(88)
	Nationwide Freight Forwarders Sdn Bhd	Common Shareholders/ Directors	Purchase made - forwarding services	(53)

**PART B - BURSA SECURITIES LISTING REQUIREMENTS**

**B1. Review of performance**

**Group Performance**

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	363.51	328.55	34.96	10.6
Profit Before Tax	113.99	111.57	2.42	2.2

The Group revenue for the 9 months period ended 31 December 2011 stood at RM363.51 million as compared to RM328.55 million in the previous corresponding period, an improvement of RM34.96 million (10.6%) which was contributed by plantation, bulking and food division.

The Group's profit before taxation ("PBT") for the period stood at RM113.99 million, which was RM2.42 million or 2.2% higher than last year's of RM111.57 million. The increase was mainly contributed by the plantation, bulking and food division. During the period, the Group had also recognised fair value of the equity-settled share options of its ESOS amounting to RM8.44 million.

The performance of each business division is as follows:

**Manufacturing Division**

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	147.67	150.68	(3.01)	(2.0)
Profit Before Tax	41.04	54.56	(13.52)	(24.8)

The revenue in **manufacturing division** decreased by 2.0% to RM147.67 million from 150.68 million last year. On the back of lower revenue, less favourable sales mix and recognition of RM3.05 million on the fair value of equity-settled share options, a profit before tax of RM41.04 million was posted, a decrease of 24.8% as compared to previous year's corresponding period.

**Plantation Division**

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	86.98	79.22	7.76	9.8
Profit Before Tax	38.53	34.87	3.66	10.5

The revenue in **plantation division** increased by 9.8% or RM7.76 million to RM86.98 million compared to the corresponding period last year. For the Indonesia subsidiary, the improvement was mainly attributable to 2,489 mt crude palm kernel oil sold during the financial year at an average net selling price of RM3,300/mt (last year: nil). Average net selling price of crude palm oil (net of duty and transportation cost) realised for the third quarter todate marginally increased from RM2,300/mt achieved in the previous year to RM2,331/mt. Following a higher revenue which was partially offset by higher foreign exchange loss, the division registered a pretax profit of RM38.53 million, an improvement of RM3.66 million (10.5%) over last year.

**Bulking Division**

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	46.39	39.65	6.74	17.0
Profit Before Tax	23.89	19.93	3.96	19.9

**Bulking Division** recorded higher revenue by RM6.74 million to RM46.39 million as compared to the same period last year of RM39.65 million. The increase was due to higher throughput recorded during the period mainly for oleochemical, edible oil and industrial chemical products.

**Review of performance (Contd)**

**Food Division**

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	69.94	49.32	20.62	41.8
Profit Before Tax	12.33	5.47	6.86	125.4

**Food Division** recorded higher revenue by RM20.62 million to RM69.94 million as compared to the same period last year at RM49.32 million. The increase was primarily contributed by higher sales volume and higher selling price of canned mackerel as well as foreign exchange gain due to the strengthening of local currency, Kina.

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

**Group Performance**

(RM Million)	QTR 3 FY 2012	QTR 2 FY 2012	Variance	%
Revenue	117.40	118.34	(0.94)	(0.8)
Profit Before Tax	27.56	36.98	(9.42)	(25.5)

During the current quarter, the Group recorded a revenue of RM117.40 lower by RM0.94 million or 0.8% as opposed to the revenue recorded in the preceding quarter.

In line with the reduction in the revenue and recognition of fair value of ESOS of RM8.44 million, the group's profit before tax dropped by RM9.42 million or 25.5%.

The performance of each business division is as follows:

**Manufacturing Division**

(RM Million)	QTR 3 FY 2012	QTR 2 FY 2012	Variance	%
Revenue	43.52	51.84	(8.32)	(16.0)
Profit Before Tax	7.45	18.19	(10.74)	(59.0)

**Manufacturing division** recorded a decrease in the revenue by RM8.32 million to RM43.52 million for the current quarter as compared to the preceding quarter which was due to cyclical change in volume of certain jobs. Profit before tax decreased by RM10.74 million to RM7.45 million was mainly due to lower revenue less favourable sales mix and recognition of fair value of the equity-settled share options amounting to RM3.05 million.

**Plantation Division**

(RM Million)	QTR 3 FY 2012	QTR 2 FY 2012	Variance	%
Revenue	23.81	23.89	(0.08)	(0.3)
Profit Before Tax	7.81	8.08	(0.27)	(3.3)

**Plantation division** recorded no significant change in revenue for the quarter reported compared to the preceding quarter. The division recorded a marginal lower profit before tax of RM7.81 million for the current quarter as compared to the profit before tax of RM8.08 million in the preceding quarter.

**Comparison with preceding quarter's results (contd)**

**Bulking Division**

(RM Million)	QTR 3	QTR 2	Variance	%
	FY 2012	FY 2012		
Revenue	16.55	15.52	1.03	6.6
Profit Before Tax	8.44	8.15	0.29	3.6

**Bulking division** recorded higher revenue by RM1.03 million to RM16.55 million in the current quarter compared to preceding quarter of RM15.52 million. The increase was mainly derived from the storage of oleochemical and base oil products.

**Food Division**

(RM Million)	QTR 3	QTR 2	Variance	%
	FY 2012	FY 2012		
Revenue	27.51	23.78	3.73	15.7
Profit Before Tax	4.93	3.73	1.20	32.2

**Food division** recorded higher revenue by RM3.73 million to RM27.51 million in the current quarter compared to preceding quarter of RM23.78 million. The increase was primarily due to higher sales volume and higher selling price of canned mackerel in the current quarter compared to the preceding quarter.

**B3. Prospects**

The Directors expect the performance of the Group to be satisfactory for the remaining period of the year. The prospect of each business division for the remaining financial year is as follows:

**Manufacturing division** expects to record lower revenue in the second half year due to cyclical demand on certain products. However, the Directors look forward to continued good performance for the rest of the year.

**Plantation division.** The performance is dependent on weather condition and world's price of CPO. Barring unforeseen circumstances, the performance of the division is expected to remain satisfactory for the remaining period of the financial year.

**Bulking division.** Due to consistent demand for storage facilities by clients, the division is expected to maintain the average performance of the past 9 months in the 4th quarter.

**Food division.** Barring unforeseen circumstances, demand is expected to remain positive for the rest 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 Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
	RM'000	RM'000	RM'000	RM'000
Current taxation	6,572	10,613	28,794	28,784

The effective tax rate on Group's profit for the current quarter and for year-to-date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes

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

During the current quarter, there were no sale of unquoted investments except for the disposal of 3 units of investment properties at PJ Trade Centre with a total consideration of RM4.10 million which resulted in a gain of RM1.03 million.

**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 31-12-2011 RM'000	As at 31-03-2011 RM'000
<b>Secured:</b>		
Current	11,458	45,628
Non-current	7,260	21,132
	<u>18,718</u>	<u>66,760</u>

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

	As at 31-12-2011 RM'000	As at 31-03-2011 RM'000
Total retained profits/(accumulated losses) of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	174,616	115,240
- Unrealised	(20,588)	(22,101)
	<u>154,028</u>	<u>93,139</u>
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	21,603	32,736
- Unrealised	3,433	(7,006)
	<u>25,036</u>	<u>25,730</u>
Add: Consolidation adjustments	(28,153)	(10,057)
Total group retained profits as per consolidated accounts	<u>150,911</u>	<u>108,812</u>

**B11. 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.

**B11. 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 subsidiary had made full provision for the compensation claim in the financial year ended 31 March 2009.

On 27 September 2011, the Court of Appeal had allowed the Company's appeal against the decision handed down by the High Court. However, the Court of Appeal had directed that the matter be remitted back to the High Court for a full trial.

**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	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-12-2011	31-12-2010	31-12-2011	31-12-2010
Profit attributable to owners of the Company(RM'000)	14,750	20,068	55,941	52,242
Number of ordinary shares in issue ('000)	263,160	263,160	263,160	263,160
Basic earnings per share (sen)	5.60	7.63	21.26	19.85

**By order of the Board**

**MOHD YUSOF BIN PANDAK YATIM (MIA 4110)**  
**JASMIN BINTI HOOD (LS0009071)**

Company Secretaries

**Kuala Lumpur**

**Dated : 28 February 2012**