

KUMPULAN FIMA BERHAD

(Company No.:11817-V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income
For the First Quarter Ended 30 June 2012
Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-06-2012	Preceding Year Corresponding Quarter 30-06-2011	Current Year To Date 30-06-2012	Preceding Year Corresponding Period 30-06-2011
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	116,587	127,770	116,587	127,770
Cost of sales		(64,079)	(64,190)	(64,079)	(64,190)
Gross profit		52,508	63,580	52,508	63,580
Other income		4,250	2,857	4,250	2,857
Administrative expenses		(12,890)	(12,566)	(12,890)	(12,566)
Selling and marketing expenses		(973)	(808)	(973)	(808)
Other expenses		(6,834)	(4,790)	(6,834)	(4,790)
		(20,697)	(18,164)	(20,697)	(18,164)
Finance cost		(326)	(634)	(326)	(634)
Share of profit of associates		1,327	1,808	1,327	1,808
Profit before taxation	A9/A10	37,062	49,447	37,062	49,447
Income tax expense	B5	(8,175)	(11,143)	(8,175)	(11,143)
Profit net of tax for the period		28,887	38,304	28,887	38,304
Other comprehensive income					
Foreign currency translation differences for foreign operations		4,663	5,356	4,663	5,356
Total comprehensive income for the period		33,550	43,660	33,550	43,660
Profit attributable to :					
Owners of the parent		20,728	24,380	20,728	24,380
Non-controlling interests		8,159	13,924	8,159	13,924
Profit net of tax for the period		28,887	38,304	28,887	38,304
Total comprehensive income attributable to :					
Owners of the parent		25,391	29,736	25,391	29,736
Non-controlling interests		8,159	13,924	8,159	13,924
Total comprehensive income for the period		33,550	43,660	33,550	43,660
Earnings per share attributable to owners of the parent (sen per share):					
Basic	B13	7.81	9.26	7.81	9.26
Diluted	B13	7.80	9.26	7.80	9.26

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2012 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 30 June 2012**Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 30-06-2012 (Unaudited) RM'000	As At Preceding Financial Year Ended 31-03-2012 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	223,642	222,195
Investment properties	77,780	80,644
Biological assets	89,584	82,984
Investment in associates	36,740	35,413
Deferred tax assets	4,841	4,739
Goodwill on consolidation	13,055	13,055
	<u>445,642</u>	<u>439,030</u>
Current Assets		
Inventories	113,613	97,500
Trade receivables	81,834	77,212
Other receivables	28,374	22,232
Cash and bank balances	273,270	270,573
	<u>497,091</u>	<u>467,517</u>
TOTAL ASSETS	<u>942,733</u>	<u>906,547</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	265,938	265,069
Share premium	14,634	13,860
Other reserves	98,665	94,383
Retained earnings	196,588	175,860
	<u>575,825</u>	<u>549,172</u>
Non-controlling interests	211,795	203,636
Total equity	<u>787,620</u>	<u>752,808</u>
Non-current liabilities		
Long term borrowings	4,464	4,593
Retirement benefit obligations	1,165	1,146
Deferred tax liabilities	16,228	16,480
	<u>21,857</u>	<u>22,219</u>
Current Liabilities		
Short term borrowings	12,081	10,559
Trade payables	47,025	58,692
Other payables	61,110	53,206
Taxation	13,040	9,063
	<u>133,256</u>	<u>131,520</u>
Total liabilities	<u>155,113</u>	<u>153,739</u>
TOTAL EQUITY AND LIABILITIES	<u>942,733</u>	<u>906,547</u>
Net assets per share (RM)	<u>2.17</u>	<u>2.07</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2012 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 First Quarter Ended 30 June 2012
Except as disclosed otherwise, the figures have not been audited

←----- Attributable to Owners of the Parent -----→												
←----- Non-distributable -----→ Distributable												
	Share capital	Share premium	Other Reserves	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Employee share option reserve	Foreign exchange reserve	Retained profit	Total	Non-controlling interests	Total equity
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1-4-2012	265,069	13,860	94,383	43,313	437	26,758	7,802	16,073	175,860	549,172	203,636	752,808
Total comprehensive income for the period	-	-	4,663	-	-	-	-	4,663	20,728	25,391	8,159	33,550
Exercise of employee share options	869	774	(381)	-	-	-	(381)	-	-	1,262	-	1,262
At 30-6-2012	265,938	14,634	98,665	43,313	437	26,758	7,421	20,736	196,588	575,825	211,795	787,620
	Share capital	Share premium	Other Reserves	Revaluation reserve	Capital reserve	Capital reserve arising from bonus issue in subsidiaries	Employee Share Option Reserve	Foreign exchange reserve	Retained profit	Total	Minority interests	Total equity
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1-4-2011	263,160	12,161	78,325	43,313	437	26,758	-	7,817	108,812	462,458	182,813	645,271
Total comprehensive income for the period	-	-	5,356	-	-	-	-	5,356	24,380	29,736	13,924	43,660
At 30-6-2011	263,160	12,161	83,681	43,313	437	26,758	-	13,173	133,192	492,194	196,737	688,931

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2012 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 Cash Flows for the First Quarter Ended 30 June 2012

Except as disclosed otherwise, the figures have not been audited

	← To Date →	
	30-06-2012	30-06-2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	37,062	49,447
Adjustment for:		
Depreciation for property, plant and equipment	5,361	4,888
Depreciation of investment properties	412	425
Amortisation of biological assets	1,318	1,822
Impairment loss on trade receivables	1,888	-
Impairment of property, plant and equipment	1,486	-
Write back of impairment loss on trade receivables	-	(53)
Provision for retirement benefit obligation	14	9
Writedown of inventories	-	37
Reversal of inventories written down	(77)	-
Gain on disposal of property, plant and equipment	(49)	(50)
Gain on disposal of investment property	(835)	-
Share of result of associates	(1,327)	(1,808)
Interest expense	327	634
Interest income	(1,652)	(1,525)
Operating profit before working capital changes	<u>43,928</u>	<u>53,826</u>
Increase in inventories	(13,997)	(4,981)
(Increase)/decrease in receivables	(3,402)	4,435
(Decrease)/increase in payables	(9,139)	3,612
Cash generated from operations	17,390	56,892
Interest paid	(327)	(634)
Taxes paid	(7,318)	(4,517)
Retirement benefits paid	-	(3)
Net cash generated from operating activities	<u>9,745</u>	<u>51,738</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to biological assets	(7,486)	(1,521)
Proceeds from disposal of property, plant and equipment	32	34
Proceeds from disposal of investment property	3,159	-
Purchase of property, plant and equipment	(5,961)	(1,649)
Interest received	1,652	1,525
Net cash used in investing activities	<u>(8,604)</u>	<u>(1,611)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of revolving credit facility	-	(14,000)
Net repayment of short term borrowings	(438)	(5,081)
Increase in deposits on lien	-	(9)
Net cash used in financing activities	<u>(438)</u>	<u>(19,090)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	703	31,037
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>270,573</u>	<u>214,758</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>271,276</u>	<u>245,795</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	19,392	43,161
Fixed deposits with financial institutions *	253,715	208,502
Secured bank overdrafts	(1,831)	(5,868)
	<u>271,276</u>	<u>245,795</u>
* Fixed deposits with financial institutions comprise:		
Fixed deposits	253,878	211,687
less : Deposits on lien	(163)	(3,185)
	<u>253,715</u>	<u>208,502</u>

- 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 2012. 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 2012.

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 2012 except for the adoption of the following new and revised Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations.

(a) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 April 2012, the Group adopted the following FRSs, Amendments to FRSs, IC Interpretations and Amendments to IC Interpretations:

- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
- Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7: Transfers of Financial Assets
- Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets
- FRS 124 Related Party Disclosures

The above FRSs, Amendments to FRS and Interpretations do not have significant impact on the financial statements of the Group for the current financial year.

(b) Standards issued but not yet effective

The Group has not early adopted the following new and amended FRS and IC Interpretations that are not yet effective:

	Effective for annual period beginning on or after
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

A2. Changes in accounting policies (contd.)

(b) Standards issued but not yet effective (contd.)

The Group has not early adopted the following new and amended FRS and IC Interpretations that are not yet effective: (contd)

	Effective for annual period beginning on or after
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

Adoption of the FRSs, Amendments to FRS and interpretations above are expected to have no significant impact on the financial statements of the Group and the Company in the period of the initial application.

(c) Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing Financial reporting Standards (FRS) for an additional two years. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2015. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

Currently, the Group is in the process of assessing the gap between current Group accounting policies and the requirements of MFRS Framework and expects to be in a position to fully comply with the requirements of MFRS Framework for the financial year ending 31 March 2015.

A3. Auditors' Report on Preceding Annual Financial Statements.

The financial statements of the Group for the financial year ended 31 March 2012 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The operations of the Group are not affected by any seasonal or cyclical factors other than 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 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. The total number of shares granted up to 31 March 2012 was 20,870,000.

On 21 June 2012, the Company had granted another 457,000 ordinary shares pursuant to the ESOS to newly entitled employees at a subscription price of RM1.76.

During the current quarter, the Company issued 869,700 ordinary shares of RM1.00 each for cash pursuant to the Company's Employee Share Option Scheme at exercise prices of RM1.48 per ordinary share.

A8. Dividend paid

There was no dividend paid during the current quarter (30 June 2011: Nil).

A9. Segmental revenue and results for business segments

	Individual Quarter		Cumulative Quarter	
	Current Year 30-06-2012	Preceding Year Corresponding Quarter 30-06-2011	Current Year To Date 30-06-2012	Preceding Year Corresponding Period 30-06-2011
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	52,110	52,311	52,110	52,311
Plantation	21,680	39,281	21,680	39,281
Bulking	16,568	14,311	16,568	14,311
Food	25,155	20,947	25,155	20,947
Others	12,366	4,963	12,366	4,963
	127,879	131,813	127,879	131,813
Elimination of inter-segment sales	(11,292)	(4,043)	(11,292)	(4,043)
	116,587	127,770	116,587	127,770

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-06-2012	Preceding Year Corresponding Quarter 30-06-2011	Current Year To Date 30-06-2012	Preceding Year Corresponding Period 30-06-2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation				
Manufacturing*	15,273	15,408	15,273	15,408
Plantation	8,075	22,530	8,075	22,530
Bulking	9,460	7,297	9,460	7,297
Food	3,980	3,740	3,980	3,740
Others	(1,052)	(1,336)	(1,052)	(1,336)
	<u>35,736</u>	<u>47,639</u>	<u>35,736</u>	<u>47,639</u>
Associated companies	1,326	1,808	1,326	1,808
	<u>37,062</u>	<u>49,447</u>	<u>37,062</u>	<u>49,447</u>

* 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 Quarter 30-06-2012	Preceding Year Corresponding Quarter 30-06-2011	Current Year To Date 30-06-2012	Preceding Year Corresponding Period 30-06-2011
	RM'000	RM'000	RM'000	RM'000
Other income				
Interest Income	1,652	1,525	1,652	1,525
Gain on disposal of property, plant and equipment	49	50	49	50
Gain on disposal of investment properties	835	-	835	-
Foreign exchange gain	1,616	1,195	1,616	1,195
Operating expenses				
Depreciation and amortisation	7,091	7,135	7,091	7,135
Interest expense	327	331	327	331
Impairment loss on trade receivables	1,888	-	1,888	-
Write back of impairment loss on trade receivables	-	(53)	-	(53)
Impairment of property, plant and equipment	1,486	-	1,486	-
Inventories written down	-	37	-	37
Reversal of inventories written down	(77)	-	(77)	-

The group does not deal with derivatives.

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 2012.

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

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.

A15. Changes in contingent liabilities

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

A16. Significant acquisition of property, plant and equipment

For the current quarter under review the Group's acquisitions of property, plant and equipment are as follows :

	Current Year To Date <u>RM'000</u>
Plant and equipment	749
Vehicles	1,890
Land and Buildings	3,020
Furniture, fittings and computers	302
	<u>5,961</u>

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2012 were as follows:

	Current Year To Date <u>RM'000</u>
Property, plant and equipment	
Approved and contracted for	<u>2,302</u>
Approved but not contracted for	<u>29,333</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	(30)
Fima Corporation Berhad	Nationwide Express Courier Services Bhd	Common Shareholders	Rental income	24
Fima Corporation Berhad	TD Technologies Sdn. Bhd.	Common Shareholders/ Directors	Purchase made- Software rental	(40)
Fima Corporation Berhad	First Zanzibar Sdn. Bhd.	Common Shareholders/ Directors	Purchase made- IT support	(10)
Percetakan Keselamatan Nasional Sdn. Bhd.	Nationwide Express Courier Services Bhd	Common Shareholders	Purchase made - delivery services	(26)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	116.59	127.77	(11.18)	(8.8)
Profit Before Tax	37.06	49.45	(12.39)	(25.1)

The Group revenue for the 3 months period ended 30 June 2012 decreased to RM116.59 million as compared to RM127.77 million recorded in the previous corresponding period, a shortfall of RM11.18 million (8.8%) which was mainly attributable to lower revenue generated by the plantation division from its oil palm production and processing.

On the back of lower revenue, the profit before tax recorded for the period under review was RM37.06 million, representing a decrease of RM12.39 million (25.1%) over the same period last year.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	52.11	52.31	(0.20)	(0.4)
Profit Before Tax	15.27	15.41	(0.14)	(0.9)

The revenue from **manufacturing division** marginally decreased by 0.4% to RM52.11 million from 52.31 million last year, resulting in RM0.14 million or 0.9% decrease in profit before tax compared to the corresponding period last year.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	21.68	39.28	(17.60)	(44.8)
Profit Before Tax	8.08	22.53	(14.45)	(64.1)

The revenue in **plantation division** decreased by 44.8% or RM17.6 million to RM21.68 million compared to the corresponding period last year. For the Indonesian subsidiary, PT Nunukan Jaya Lestari the shortfall was mainly attributable to lower sales volume of crude palm oil (CPO) and zero sales of crude palm kernel oil (CPKO) in the period under review. Sale of 7,205 mt CPO at RM2,725/mt (average net CIF selling price net of duty) was recorded to date whilst 12,586 mt of CPO at RM2,738/mt and 1,501 mt CPKO at RM3,498/mt were sold in the corresponding period last year. Due to lower revenue recorded, RM8.08 million profit before tax was registered, a shortfall of RM14.45 million over last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	16.57	14.31	2.26	15.8
Profit Before Tax	9.46	7.30	2.16	29.6

Bulking Division recorded higher revenue by RM2.26 million to RM16.57 million as compared to the same period last year of RM14.31 million. The increase was due to higher throughput recorded during the period mainly for edible oil and base oil product.

Review of performance (Contd)

Food Division

	Current	Previous		
(RM Million)	YTD	YTD	Variance	%
Revenue	25.16	20.95	4.21	20.1
Profit Before Tax	3.98	3.74	0.24	6.4

Food Division recorded higher revenue by RM4.21 million to RM25.16 million as compared to the same period last year at RM20.95 million. The increase was primarily contributed by higher sales volume as well as foreign exchange gain due to the strengthening of local currency, Kina.

B2. Comparison with preceding quarter's results

Group Performance

	QTR 1	QTR 4		
(RM Million)	FY 2013	FY 2012	Variance	%
Revenue	116.59	108.53	8.06	7.4
Profit Before Tax	37.06	39.82	(2.76)	(6.9)

During the current quarter, the Group recorded a revenue of RM116.59 million higher by RM8.06 million or 7.4% as opposed to the revenue recorded in the preceding quarter.

However, profit before tax recorded a marginally decrease of RM2.76 million to RM37.06 million as compared to RM39.82 million recorded in the preceding quarter mainly due to different products mix between the quarters.

The performance of each business division is as follows:

Manufacturing Division

	QTR 1	QTR 4		
(RM Million)	FY 2013	FY 2012	Variance	%
Revenue	52.11	46.00	6.11	13.3
Profit Before Tax	15.27	13.29	1.98	14.9

Manufacturing division recorded an increase in revenue by RM6.11 million to RM52.11 million for the current quarter as compared to the preceding quarter. Pretax profit increased by RM1.98 million to RM15.27 million was mainly due to improved volume of travel documents.

Plantation Division

	QTR 1	QTR 4		
(RM Million)	FY 2013	FY 2012	Variance	%
Revenue	21.68	22.28	(0.60)	(2.7)
Profit Before Tax	8.08	8.66	(0.58)	(6.7)

Plantation division recorded RM0.6 million lower in revenue for the current quarter compared to the preceding quarter mainly attributable to lower sales volume of CPO. A lower profit before tax of RM8.08 million was posted compared to RM8.66 million profit before tax in the preceding quarter.

Comparison with preceding quarter's results (contd)

Bulking Division

	QTR 1	QTR 4		
(RM Million)	FY 2013	FY 2012	Variance	%
Revenue	16.57	16.99	(0.42)	(2.5)
Profit Before Tax	9.46	10.84	(1.38)	(12.7)

Bulking division recorded slightly lower revenue by RM0.42 million to RM16.57 million in the current quarter compared to preceding quarter of RM16.99 million. The profit before tax shows a decrease of RM1.38 million to RM9.46 million as compared to RM10.84 million recorded in the preceding quarter. The decrease was mainly due to realisation of one off sales of scraps for the amount of RM1.1 million which resulted in higher miscellaneous income in the preceding quarter.

Food Division

	QTR 1	QTR 4		
(RM Million)	FY 2013	FY 2012	Variance	%
Revenue	25.16	22.28	2.88	12.9
Profit Before Tax	3.98	4.97	(0.99)	(19.8)

Food division recorded higher revenue by RM2.88 million to RM25.16 million in the current quarter compared to preceding quarter of RM22.28 million. The increase was primarily due to higher sales volume in the current quarter compared to the preceding quarter. However, the profit before tax reduced by RM0.99 million to RM3.98 million was mainly due to different product mix during the current 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 period of the financial year is as follows:

Manufacturing division shall continue to focus on product enhancement and operational efficiency. For the remainder of the financial year, the division is expected to perform satisfactorily.

The performance of **plantation division** will generally be dependent on CPO prices and weather conditions. Notwithstanding this, the outlook of this division remains positive.

Bulking division. The prospect for the year would be very challenging with the anticipated variation in the Edible Oil transshipment business arising from the differential export duty structure between Malaysia and Indonesia. The anticipated reduction in Edible Oil throughput would be offset by the increased transshipment activities in Base Oil and import of Industrial Chemical products. The utilisation rate is expected to be maintained at the current level.

Food division. With the challenging economic and business environment ahead, the food division continues to focus on maintaining sustainable profit growth by optimizing resources, prudent cost management and enhancing operational efficiencies.

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 30-06-2012	Preceding Year Corresponding Quarter 30-06-2011	Current Year To Date 30-06-2012	Preceding Year Corresponding Period 30-06-2011
	RM'000	RM'000	RM'000	RM'000
Current taxation	8,175	11,143	8,175	11,143

The effective tax rate on Group's profit to date is marginally lower than the statutory tax rate.

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 2 units of investment properties at PJ Trade Centre with a total consideration of RM3.16 million which resulted in a gain of RM0.84 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 30-06-2012 RM'000	As at 30-06-2011 RM'000
Secured:		
Current	10,559	45,628
Non-current	4,593	21,132
	<u>15,152</u>	<u>66,760</u>

B10. Realised/unrealised profits/losses

	As at 30-06-2012 RM'000	As at 31-03-2012 RM'000
Total retained profits/(accumulated losses) of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	219,534	193,529
- Unrealised	(20,266)	(19,052)
	<u>199,268</u>	<u>174,477</u>
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	31,714	29,650
- Unrealised	(3,734)	(3,693)
	<u>27,980</u>	<u>25,957</u>
Add: Consolidation adjustments	(30,660)	(24,574)
Total group retained profits as per consolidated accounts	<u><u>196,588</u></u>	<u><u>175,860</u></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.

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 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 FimaCorp'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 30-06-12	Preceding Year Corresponding Quarter 30-06-11	Current Year To Date 30-06-12	Preceding Year Corresponding Period 30-06-11
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	20,728	24,380	20,728	24,380
Weighted average number of ordinary shares in issues ('000)	265,250	263,160	265,250	263,160
Effect of dilution - Share options ('000)	395	-	395	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	265,645	263,160	265,645	263,160
Basic earnings per share (sen per share)	7.81	9.26	7.81	9.26
Diluted earnings per share (sen per share)	7.80	9.26	7.80	9.26

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)

JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 30 August 2012