

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

Condensed Consolidated Statement of Comprehensive Income
For the Third Quarter Ended 31 December 2012
Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31-12-2012	Preceding Year Corresponding Quarter 31-12-2011	Current Year To Date 31-12-2012	Preceding Year Corresponding Period 31-12-2011
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	119,532	117,400	363,926	363,513
Cost of sales		(69,172)	(69,046)	(206,703)	(197,123)
Gross profit		50,360	48,354	157,223	166,390
Other income		3,151	4,777	9,906	8,800
Administrative expenses		(15,886)	(22,082)	(45,825)	(49,436)
Selling and marketing expenses		(1,601)	(1,313)	(3,875)	(3,251)
Other expenses		(3,039)	(3,511)	(12,466)	(11,620)
		(20,526)	(26,906)	(62,166)	(64,307)
Finance cost		(371)	(379)	(822)	(1,579)
Share of profit of associates		1,316	1,714	2,962	4,685
Profit before taxation	A9/A10	33,930	27,560	107,103	113,989
Income tax expense	B5	(5,858)	(6,572)	(23,420)	(28,794)
Profit net of tax for the period		28,072	20,988	83,683	85,195
Other comprehensive income					
Foreign currency translation differences for foreign operations		139	9,170	(5,509)	14,526
Total comprehensive income for the period		28,211	30,158	78,174	99,721
Profit attributable to :					
Owners of the parent		22,724	14,750	62,487	55,941
Non-controlling interests		5,348	6,238	21,196	29,254
Profit net of tax for the period		28,072	20,988	83,683	85,195
Total comprehensive income attributable to :					
Owners of the parent		22,863	23,920	56,978	70,467
Non-controlling interests		5,348	6,238	21,196	29,254
Total comprehensive income for the period		28,211	30,158	78,174	99,721
Earnings per share attributable to owners of the parent (sen per share):					
Basic	B13	8.53	5.60	23.45	21.26
Diluted	B13	8.51	5.60	23.28	21.26

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 31 December 2012**Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 31-12-2012 (Unaudited) <u>RM'000</u>	As At Preceding Financial Year Ended 31-03-2012 (Audited) <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	222,830	222,195
Investment properties	73,688	80,644
Biological assets	96,406	82,984
Investment in associates	37,804	35,413
Deferred tax assets	4,676	4,739
Goodwill on consolidation	13,055	13,055
	<u>448,459</u>	<u>439,030</u>
Current Assets		
Inventories	124,436	97,500
Trade receivables	125,670	77,212
Other receivables	35,612	22,232
Cash and bank balances	246,001	270,573
	<u>531,719</u>	<u>467,517</u>
TOTAL ASSETS	<u>980,178</u>	<u>906,547</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	267,972	265,069
Share premium	16,478	13,860
Other reserves	87,650	94,383
Retained earnings	222,275	175,860
	<u>594,375</u>	<u>549,172</u>
Non-controlling interests	215,073	203,636
Total equity	<u>809,448</u>	<u>752,808</u>
Non-current liabilities		
Long term borrowings	-	4,593
Retirement benefit obligations	1,122	1,146
Deferred tax liabilities	16,410	16,480
	<u>17,532</u>	<u>22,219</u>
Current Liabilities		
Short term borrowings	14,325	10,559
Trade payables	67,766	58,692
Other payables	70,768	53,206
Tax payable	339	9,063
	<u>153,198</u>	<u>131,520</u>
Total liabilities	<u>170,730</u>	<u>153,739</u>
TOTAL EQUITY AND LIABILITIES	<u>980,178</u>	<u>906,547</u>
Net assets per share (RM)	<u>2.22</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 Third Quarter Ended 31 December 2012
Except as disclosed otherwise, the figures have not been audited**

Group	Attributable to Owners of the Parent								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
	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	-	-	(5,509)	-	-	-	-	(5,509)	62,487	56,978	21,196	78,174
Grant of equity-settled share options to employees	-	-	-	-	-	-	-	-	-	-	-	-
Exercise of employee share options	2,903	2,618	(1,224)	-	-	-	(1,224)	-	-	4,297	-	4,297
Dividend	-	-	-	-	-	-	-	-	(16,072)	(16,072)	(8,240)	(24,312)
Redemption of RCLS by minority shareholders	-	-	-	-	-	-	-	-	-	-	(1,519)	(1,519)
At 31-12-2012	267,972	16,478	87,650	43,313	437	26,758	6,578	10,564	222,275	594,375	215,073	809,448
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	-	-	11,480	-	-	-	-	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	-	8,442
At 31-12-2011	263,160	12,161	98,247	43,313	437	26,758	8,442	19,297	150,937	524,505	199,115	723,620

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)
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Condensed Consolidated Statement of Cash Flows for the Third Quarter Ended 31 December 2012
Except as disclosed otherwise, the figures have not been audited

	← To Date →	
	31-12-2012	31-12-2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	107,103	113,989
Adjustment for:		
Depreciation for property, plant and equipment	15,859	14,717
Depreciation of investment properties	1,255	1,252
Amortisation of biological assets	4,159	4,782
Impairment loss on trade receivables	2,727	2,514
Write back of impairment loss on trade receivables	(1,170)	(91)
Impairment of property, plant and equipment	1,486	-
Provision/(write back) for retirement benefit obligation	47	(47)
Writedown of inventories	141	1
Reversal of inventories written down	(82)	-
Gain on disposal of property, plant and equipment	(101)	(620)
Gain on disposal of investment property	(2,096)	(1,020)
Share option granted under ESOS	-	8,442
Share of result of associates	(2,962)	(4,685)
Interest expense	501	1,108
Interest income	(5,297)	(4,469)
Operating profit before working capital changes	121,570	135,873
Increase in inventories	(27,210)	(24,363)
Increase in receivables	(62,008)	(36,339)
Increase in payables	25,028	27,131
Cash generated from operations	57,380	102,302
Interest paid	(501)	(1,108)
Taxes paid	(30,413)	(18,854)
Retirement benefits paid	(37)	(218)
Net cash generated from operating activities	26,429	82,122
CASH FLOWS FROM INVESTING ACTIVITIES		
Biological assets expenditure	(20,397)	(8,070)
Proceeds from disposal of property, plant and equipment	107	549
Proceeds from disposal of investment property	7,797	4,135
Purchase of property, plant and equipment	(18,672)	(5,721)
Redemption of Redeemable Cumulative Loan Stock (RCLS)	(3,556)	0
Proceed from disposal of investment	-	11,812
Net dividend received from an associated company	571	-
Interest received	5,297	4,469
Net cash (used in)/generated from investing activities	(28,853)	7,174
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of revolving credit facility	-	(14,000)
Net repayment of short term borrowings	(4,783)	(34,042)
Proceeds from exercise of ESOS	4,295	-
Dividend paid	(16,072)	(13,816)
Dividend paid to minority shareholders of a subsidiary	(8,240)	(12,952)
Increase in deposits on lien	(4)	(32)
Net cash used in financing activities	(24,804)	(74,842)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(27,228)	14,454
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	(1,467)	1,435
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	270,573	214,758
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	241,878	230,647
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	30,390	19,928
Fixed deposits with financial institutions *	215,444	210,719
Secured bank overdrafts	(3,956)	-
	241,878	230,647
* Fixed deposits with financial institutions comprise:		
Fixed deposits	215,611	213,927
less : Deposits on lien	(167)	(3,208)
	215,444	210,719

- 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 and interpretations 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 one year. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 April 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 except for the issuance of the following new ordinary shares of RM1.00 each pursuant to the Company Employees' Share Scheme.

Option price per share RM	No. of share issued	Cash Proceeds RM
1.48	287,800	425,944

A8. Dividend paid

On 22 October 2012, a final dividend of 8% less 25% taxation for financial year ended 31 March 2012, amounting to RM16,072,116 was paid (20 October 2011: RM13,815,900).

A9. Segmental revenue and results for business segments

Revenue	Individual Quarter		Cumulative Quarter	
	Current Year 31-12-2012	Preceding Year Corresponding Quarter 31-12-2011	Current Year To Date 31-12-2012	Preceding Year Corresponding Period 31-12-2011
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	49,318	43,516	155,666	147,670
Plantation	24,060	23,812	76,272	86,990
Bulking	20,362	16,555	54,535	46,388
Food	24,537	29,907	73,839	76,993
Others	27,094	47,107	60,058	58,865
	145,371	160,897	420,370	416,906
Elimination of inter-segment sales	(25,839)	(43,497)	(56,444)	(53,393)
	119,532	117,400	363,926	363,513

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
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation				
Manufacturing*	12,120	7,450	43,486	41,043
Plantation	4,163	7,807	20,571	38,533
Bulking	12,301	8,444	31,311	23,891
Food	2,844	4,930	9,748	12,331
Others	19,126	32,458	26,965	28,748
	50,554	61,089	132,081	144,546
Associated companies	1,315	1,714	2,961	4,686
	51,869	62,803	135,042	149,232
Elimination of inter-segment results	(17,939)	(35,243)	(27,939)	(35,243)
	33,930	27,560	107,103	113,989

* 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
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
	RM'000	RM'000	RM'000	RM'000
Other income				
Interest Income	1,893	1,274	5,297	4,469
Gain on disposal of property, plant and equipment	29	503	101	607
Gain on disposal of investment properties	413	1,033	2,096	1,033
Foreign exchange gain	348	1,667	1,294	1,817
Operating expenses				
Depreciation and amortisation	7,875	6,649	21,273	20,571
# Share options granted under ESOS	-	8,442	-	8,442
Interest expense	300	302	501	1,108
Impairment loss on trade receivables	534	1,557	2,727	2,514
Write back of impairment loss on trade receivables	(797)	(38)	(1,170)	(91)
Impairment of property, plant and equipment	-	-	1,486	-
Written down of inventories	1	-	141	24
Reversal of inventories written down	(5)	(3)	(82)	(23)

The group does not deal 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 preceding year corresponding quarter 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 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 RM'000
Plant and equipment	7,146
Vehicles	4,102
Land and Buildings	6,397
Furniture, fittings and computers	1,027
	<u>18,672</u>

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 December 2012 were as follows:

	Current Year To Date RM'000
Property, plant and equipment	
Approved and contracted for	3,864
Approved but not contracted for	<u>26,575</u>
Share of capital commitments of associated companies:	
Property, plant and equipment	
Approved and contracted for	13,526
Approved but not contracted for	<u>535</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	Rental income	62
Fima Corporation Berhad	TD Technologies Sdn. Bhd.	Common Shareholders/ Directors	Purchase made- Software rental	(74)
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	(86)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

Group Performance

	Current	Previous		
(RM Million)	YTD	YTD	Variance	%
Revenue	363.93	363.51	0.42	0.1
Profit Before Tax	107.10	113.99	(6.89)	(6.0)

The Group revenue for the 9 months period ended 31 December 2012 marginally increased to RM363.93 million as compared to RM363.51 million recorded in the previous corresponding period. The increase of RM0.42 million (0.1%) was attributable to higher revenue generated by the bulking and manufacturing divisions which had offset the decline in revenue from the plantation and food divisions.

However, the profit before tax recorded for the period under review of RM107.10 million was lower by RM6.89 million (6.0%) from the same period last year.

The performance of each business division is as follows:

Manufacturing Division

	Current	Previous		
(RM Million)	YTD	YTD	Variance	%
Revenue	155.67	147.67	8.00	5.4
Profit Before Tax	43.49	41.04	2.45	6.0

The revenue from **Manufacturing Division** improved by 5.4% to RM155.67 million from RM147.67 million last year on the back of improved volume for travelling documents. In tandem with the higher revenue, profit before tax increased by 6.0% to RM43.49 million over previous year's corresponding period.

Plantation Division

	Current	Previous		
(RM Million)	YTD	YTD	Variance	%
Revenue	76.27	86.99	(10.72)	(12.3)
Profit Before Tax	20.57	38.53	(17.96)	(46.6)

Sales Quantity (mt)

Crude palm oil (CPO)	31,979	30,600	1,379	4.5
Crude palm kernal oil (CPKO)	-	2,489	(2,489)	(100)

Average net CIF selling price, net of duty (RM)

CPO	2,208	2,496*	(288)	(11.5)
CPKO	-	3,327	N/A	N/A

The revenue from **Plantation Division** decreased by 12.3% or RM10.72 million to RM76.27 million as compared to the corresponding period last year. For the Group's Indonesian subsidiary, PT Nunukan Jaya Lestari, a profit before tax of RM22.1 million was registered representing a shortfall of RM16.3 million or 42.5% compared to the previous year. The significant drop in profit was mainly due to lower selling price of CPO and zero sales of CPKO, coupled with higher fertilizer and upkeep costs.

Note

* For comparison purposes, last year's FOB selling price (net of RM130 freight) is regross to CIF price.

B1. Review of performance (contd)

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	54.54	46.39	8.15	17.6
Profit Before Tax	31.31	23.89	7.42	31.1

Bulking Division revenue rose by RM8.15 million to RM54.54 million from the RM46.39 million recorded last year. The increase was due to higher throughput for edible oil and base oil products.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	73.84	76.99	(3.15)	(4.1)
Profit Before Tax	9.75	12.33	(2.58)	(20.9)

Food Division recorded lower revenue by RM3.15 million to RM73.84 million as compared to the same period last year of RM76.99 million due to lower sales volume. The profit before tax dropped by 20.9% due to lower sales coupled with unrealised foreign exchange loss.

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 3 FY 2013	QTR 2 FY 2013	Variance	%
Revenue	119.53	127.81	(8.28)	(6.5)
Profit Before Tax	33.93	36.11	(2.18)	(6.0)

For the third quarter, the Group recorded a revenue of RM119.53 million which was lower by RM8.28 million or 6.5% than that recorded in the preceding quarter.

Profit before tax declined by 6.0% to RM33.93 million from RM36.11 million in the preceding quarter due to lower contributions from manufacturing and plantation divisions which however was offset by stronger performance in the bulking division.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 3 FY 2013	QTR 2 FY 2013	Variance	%
Revenue	49.32	54.24	(4.92)	(9.1)
Profit Before Tax	12.12	16.09	(3.97)	(24.7)

Manufacturing Division recorded lower revenue by RM4.92 million or 9.1% from the preceding quarter, mainly due to cyclical changes in the volume of certain products. On the back of lower revenue and less favorable sales mix, profit before tax decreased by RM3.97 million for the current quarter.

B2. Comparison with preceding quarter's results (contd)

Plantation Division

(RM Million)	QTR 3 FY 2013	QTR 2 FY 2013	Variance	%
Revenue	24.06	30.53	(6.47)	(21.2)
Profit Before Tax	4.16	8.33	(4.17)	(50.1)
Sales of CPO				
Quantity (mt)	12,040	12,733	(693)	(5.4)
Average CIF selling price, net of duty (RM)	1,855	2,235	(380)	(17)

The revenue recorded by **Plantation Division** decreased by RM6.47 million to RM24.06 million in the 3rd quarter compared to the 2nd quarter. For the Indonesian subsidiary, PT Nunukan Jaya Lestari, the decrease was mainly attributable to lower sales volume and lower selling price of CPO. Following the lower revenue, profit before tax for the current quarter decreased by RM3.1 million or 35.5% as compared with the preceding quarter.

Bulking Division

(RM Million)	QTR 3 FY 2013	QTR 2 FY 2013	Variance	%
Revenue	20.36	17.61	2.75	15.6
Profit Before Tax	12.30	9.55	2.75	28.8

Bulking Division recorded a 15.6% growth in revenue to RM20.36 million from RM17.61 million in the preceding quarter while the profit before tax rose by RM2.75 million to RM12.30 million as compared to RM9.55 million recorded in the preceding quarter. The increase was mainly due to higher throughput recorded for edible oil and base oil products.

Food Division

(RM Million)	QTR 3 FY 2013	QTR 2 FY 2013	Variance	%
Revenue	24.54	24.15	0.39	1.6
Profit Before Tax	2.84	2.92	(0.08)	(2.7)

Food Division recorded slightly higher revenue by RM0.39 million to RM24.54 million in the current quarter on account of higher sales volume realised. Profit before tax was slightly lower by RM0.08 million to RM2.84 million mainly due to unrealised foreign exchange loss.

B3. Prospects

The Directors expect reasonable performance of the Group for the remaining period of the year as indicated by the prospect of each business division below:

Manufacturing Division revenue in the final quarter is expected to be lower due to cyclical demand in certain products.

The major drivers of the performance of **Plantation Division** will generally be dependent on the direction of CPO prices and changes in weather conditions.

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 increase in transshipment activities in Base Oil and import of Industrial Chemical products would be offset against the anticipated reduction in Edible Oil throughput. The storage utilisation rate is expected to be maintained at the current level.

B3. Prospects (contd)

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	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-12-2012	31-12-2011	31-12-2012	31-12-2011
	RM'000	RM'000	RM'000	RM'000
Current taxation	5,858	6,572	23,420	28,794

The effective tax rate on Group's profit to date of 22.48% lower than the statutory tax rate mainly due to utilisation of losses carried forward by a foreign subsidiary company.

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 1 unit of investment properties at PJ Trade Centre with a total consideration of RM1.57 million which resulted in a gain of RM0.41 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 except the following.

On 24 December 2012, a subsidiary, Fima Corporation Berhad ("FimaCorp") had announced that Cendana Laksana Sdn. Bhd, a wholly-owned subsidiary of FCB Plantation Holdings Sdn. Bhd. which in turn is a wholly-owned subsidiary of FimaCorp had on 24 December 2012 entered into a conditional Sale and Purchase Agreement with Lemo Sdn. Bhd. (Receiver and Manager Appointed), Khuzamy Musa bin Muhammad and Khuzairy Musa bin Muhammad for the acquisition of 2 parcels of agricultural leasehold land in Kemaman, Negeri Terengganu measuring 1,940.73 acres (hereinafter referred to as the "Lands") for a total purchase consideration of RM29,110,000.

Save and except for the conditions precedent stated below, the conditions precedent stipulated in the abovementioned conditional Sale and Purchase Agreement have yet to be fulfilled.

- i. Under the Guidelines for Acquisition of Properties, approval of the Economic Planning Unit of the Prime Minister's Department is not required and therefore, the condition precedent is deemed fulfilled.
- ii. The consent to transfer the Lands in favour of the Purchaser from Lembaga Kemajuan Terengganu Tengah pursuant to the express conditions endorsed on the Lands was obtained on 27 January 2013.

B9. Borrowings and debt securities

	As at 31-12-2012 RM'000	As at 31-12-2011 RM'000
Secured:		
Current	14,325	11,458
Non-current	-	7,260
	<u>14,325</u>	<u>18,718</u>

B10. Realised/unrealised profits/losses

	As at 31-12-2012 RM'000	As at 31-03-2012 RM'000
Total retained profits/(accumulated losses) of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	236,840	193,529
- Unrealised	(20,515)	(19,052)
	<u>216,325</u>	<u>174,477</u>
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	32,262	29,650
- Unrealised	(3,788)	(3,693)
	<u>28,474</u>	<u>25,957</u>
Add: Consolidation adjustments	(22,524)	(24,574)
Total group retained profits as per consolidated accounts	<u>222,275</u>	<u>175,860</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 31-12-12	Preceding Year Corresponding Quarter 31-12-11	Current Year To Date 31-12-12	Preceding Year Corresponding Period 31-12-11
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	22,724	14,750	62,487	55,941
Weighted average number of ordinary shares in issues ('000)	266,453	263,160	266,453	263,160
Effect of dilution - Share options ('000)	436	-	1,911	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	266,889	263,160	268,364	263,160
Basic earnings per share (sen per share)	8.53	5.60	23.45	21.26
Diluted earnings per share (sen per share)	8.51	5.60	23.28	21.26

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)

JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 26 February 2013