

KUMPULAN FIMA BERHAD

(Company No.:11817-V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income
For the First Quarter Ended 30 June 2013
Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-06-2013	Preceding Year Corresponding Quarter 30-06-2012	Current Year To Date 30-06-2013	Preceding Year Corresponding Period 30-06-2012
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	112,806	116,587	112,806	116,587
Cost of sales		(63,174)	(64,079)	(63,174)	(64,079)
Gross profit		49,632	52,508	49,632	52,508
Other income		1,770	4,250	1,770	4,250
Administrative expenses		(15,074)	(12,890)	(15,074)	(12,890)
Selling and marketing expenses		(843)	(973)	(843)	(973)
Other expenses		(4,226)	(6,834)	(4,226)	(6,834)
Finance cost		(295)	(326)	(295)	(326)
Share of (loss)/profit of associates		(822)	1,327	(822)	1,327
Profit before taxation	A9/A10	30,142	37,062	30,142	37,062
Income tax expense	B5	(8,987)	(8,175)	(8,987)	(8,175)
Profit net of tax for the period		21,155	28,887	21,155	28,887
Other comprehensive income					
Foreign currency translation differences for foreign operations		(2,039)	4,663	(2,039)	4,663
Total comprehensive income for the period		19,116	33,550	19,116	33,550
Profit attributable to :					
Owners of the parent		14,614	20,728	14,614	20,728
Non-controlling interests		6,541	8,159	6,541	8,159
Profit net of tax for the period		21,155	28,887	21,155	28,887
Total comprehensive income attributable to :					
Owners of the parent		12,575	25,391	12,575	25,391
Non-controlling interests		6,541	8,159	6,541	8,159
Total comprehensive income for the period		19,116	33,550	19,116	33,550
Earnings per share attributable to owners of the parent (sen per share):					
Basic	B13	5.41	7.81	5.41	7.81
Diluted	B13	5.40	7.80	5.40	7.80

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2013 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 2013**Except as disclosed otherwise, the figures have not been audited**

	As At End Of Current Quarter 30-06-2013 (Unaudited)	As At Preceding Financial Year Ended 31-03-2013 (Audited)
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	215,989	220,452
Investment properties	72,890	73,310
Biological assets	108,797	100,273
Investment in associates	36,330	37,152
Deferred tax assets	4,363	4,297
Goodwill on consolidation	13,055	13,055
	<u>451,424</u>	<u>448,539</u>
Current Assets		
Inventories	127,315	113,564
Trade receivables	53,214	97,749
Other receivables	43,627	38,551
Cash and bank balances	320,731	272,236
	<u>544,887</u>	<u>522,100</u>
TOTAL ASSETS	<u>996,311</u>	<u>970,639</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	271,104	269,987
Share premium	19,311	18,273
Other reserves	83,058	85,565
Retained earnings	251,713	237,099
	<u>625,186</u>	<u>610,924</u>
Non-controlling interests	227,357	220,816
Total equity	<u>852,543</u>	<u>831,740</u>
Non-current liabilities		
Retirement benefit obligations	1,325	1,338
Deferred tax liabilities	18,221	17,665
	<u>19,546</u>	<u>19,003</u>
Current Liabilities		
Short term borrowings	15,731	18,472
Trade payables	58,179	48,077
Other payables	47,823	49,650
Tax payable	2,489	3,697
	<u>124,222</u>	<u>119,896</u>
Total liabilities	<u>143,768</u>	<u>138,899</u>
TOTAL EQUITY AND LIABILITIES	<u>996,311</u>	<u>970,639</u>
Net assets per share (RM)	<u>2.31</u>	<u>2.26</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2013 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 2013
Except as disclosed otherwise, the figures have not been audited

Group	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
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	#VALUE!	RM'000	RM'000	RM'000
At 1-4-2013	269,987	18,273	85,565	43,313	437	26,758	6,140	8,917	237,099	610,924	220,816	831,740
Total comprehensive income for the period	-	-	(2,039)	-	-	-	-	(2,039)	14,614	12,575	6,541	19,116
Exercise of employee share options	1,117	1,038	(468)	-	-	-	(468)	-	-	1,687	-	1,687
At 30-06-2013	271,104	19,311	83,058	43,313	437	26,758	5,672	6,878	251,713	625,186	227,357	852,543
Group	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
	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	7,802.00	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 30-06-2012	265,938	14,634	98,665	43,313	437	26,758	7,421	20,736	196,588	575,825	211,795	787,620

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2013 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 2013

Except as disclosed otherwise, the figures have not been audited

	← To Date →	
	30-06-2013	30-06-2012
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	30,142	37,062
Adjustment for:		
Depreciation for property, plant and equipment	5,263	5,361
Depreciation of investment properties	399	412
Amortisation of biological assets	1,400	1,318
Impairment loss on trade receivables	-	1,888
Write back of impairment loss on trade receivables	(72)	-
Impairment of property, plant and equipment	-	1,486
Provision for retirement benefit obligation	1	14
Writedown of inventories	164	37
Reversal of inventories written down	(87)	(77)
Gain on disposal of property, plant and equipment	-	(49)
Gain on disposal of investment property	-	(835)
Share of result of associates	822	(1,327)
Interest expense	295	327
Interest income	(1,399)	(1,652)
Operating profit before working capital changes	36,928	43,965
Increase in inventories	(15,826)	(13,997)
Decrease/(Increase) in receivables	33,335	(5,195)
Increase/(decrease) in payables	4,024	(9,139)
Cash generated from operations	58,461	15,634
Interest paid	(295)	(327)
Taxes paid	(5,560)	(7,318)
Retirement benefits paid	(20)	-
Net cash generated from operating activities	52,586	7,989
CASH FLOWS FROM INVESTING ACTIVITIES		
Biological assets expenditure	(7,734)	(7,486)
Proceeds from disposal of property, plant and equipment	21	32
Proceeds from disposal of investment property	-	3,159
Purchase of property, plant and equipment	(4,624)	(5,961)
Interest received	1,399	1,652
Net cash used in investing activities	(10,938)	(8,604)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of short term borrowings	(3,506)	(438)
Proceeds from exercise of ESOS	1,686	1,287
Net cash used in financing activities	(1,820)	849
NET INCREASE IN CASH AND CASH EQUIVALENTS	39,828	234
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	98	469
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	272,236	270,573
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	312,162	271,276
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	10,994	19,392
Fixed deposits with financial institutions *	309,570	253,715
Secured bank overdrafts	(8,402)	(1,831)
	312,162	271,276
* Fixed deposits with financial institutions comprise:		
Fixed deposits	309,737	253,878
less : Deposits on lien	(167)	(163)
	309,570	253,715

- 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 2013. 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 2013.

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 2013 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 2013, the Group adopted the following FRSs, Amendments to FRSs, IC Interpretations and Amendments to IC Interpretations:

- Amendments to FRS 101: Presentation of Financial Statements (Improvements to FRSs (2012))
- FRS 10 Consolidated Financial Statements
- FRS 11 Joint Arrangements
- FRS 12 Disclosure of Interests in Other Entities
- FRS 13 Fair Value Measurement
- FRS 119 Employee Benefits
- FRS 127 Separate Financial Statements
- FRS 128 Investment in Associate and Joint Ventures
- Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards Government loans
- Amendments to FRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs(2012))
- Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRSs (2012))
- Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRSs (2012))
- Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012))
- Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance
- Amendments to FRS 12: Disclosure of Interests in Other Entities: Transition Guidance

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

A2. Changes in accounting policies (contd)

(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 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	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") in conjunction with its planned convergence of FRSs with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board on 1 January 2012.

The MFRS Framework is a fully IFRS-compliant framework, equivalent to IFRSs which is mandatory for adoption by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception for Transitioning Entities. Transitioning Entities, being entities which are subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate are given an option to defer adoption of the MFRS Framework for one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. Transitioning Entities also include those entities that consolidate, equity account or proportionately consolidate an entity that has chosen to continue to apply the FRS Framework for annual periods beginning on or after 1 January 2012.

Subsequent to MASB announcement on 30 June 2012, MASB had on 7 August 2013 decided to allow agriculture and real estate companies ("Transitioning Entities") to defer the adoption of the MFRS Framework for another year. MFRS will therefore be mandated for all companies for annual periods beginning on or after 1 January 2015. This decision comes after an extensive deliberation by MASB and taking into account both local and international developments affecting these standards.

The Group falls within the scope definition 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 interim financial statements for the quarter ending 30 June 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 the MFRS Framework for the financial year ending 31 March 2016.

A3. Auditors' Report on Preceding Annual Financial Statements.

The financial statements of the Group for the financial year ended 31 March 2013 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	1,000,500	1,480,740
1.76	83,100	146,256
1.81	33,000	59,730
Total	1,116,600	1,686,726

A8. Dividend paid

There was no dividend paid during the current quarter (30 June 2012:Nil).

A9. Segmental revenue and results for business segments

Revenue	Individual Quarter		Cumulative Quarter	
	Current Year 30-06-2013	Preceding Year Corresponding Quarter 30-06-2012	Current Year To Date 30-06-2013	Preceding Year Corresponding Period 30-06-2012
	RM'000	RM'000	RM'000	RM'000
Manufacturing*	52,475	52,110	52,475	52,110
Plantation	24,259	21,680	24,259	21,680
Bulking	16,715	16,568	16,715	16,568
Food	18,033	25,155	18,033	25,155
Others	6,333	12,366	6,333	12,366
	117,815	127,879	117,815	127,879
Elimination of inter-segment sales	(5,009)	(11,292)	(5,009)	(11,292)
	112,806	116,587	112,806	116,587

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
	30-06-2013	30-06-2012	30-06-2013	30-06-2012
	RM'000	RM'000	RM'000	RM'000
Profit before taxation				
Manufacturing*	13,222	15,273	13,222	15,273
Plantation	8,623	8,075	8,623	8,075
Bulking	9,706	9,460	9,706	9,460
Food	102	3,980	102	3,980
Others	(689)	(1,052)	(689)	(1,052)
	30,964	35,736	30,964	35,736
Associated companies	(822)	1,326	(822)	1,326
	30,142	37,062	30,142	37,062

* 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
	30-06-2013	30-06-2012	30-06-2013	30-06-2012
	RM'000	RM'000	RM'000	RM'000
Other income				
Interest Income	1,399	1,652	1,399	1,652
Gain on disposal of property, plant and equipment	-	49	-	49
Gain on disposal of investment properties	-	835	-	835
Foreign exchange (loss)/gain	(741)	1,616	(741)	1,616
Operating expenses				
Depreciation and amortisation	7,062	7,091	7,062	7,091
Interest expense	295	326	295	326
Impairment loss on trade receivables	-	1,888	-	1,888
Write back of impairment loss on trade receivables	(72)	-	(72)	-
Impairment of property, plant and equipment	-	1,486	-	1,486
Written down of inventories	164	37	164	37
Reversal of inventories written down	(87)	(77)	(87)	(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 2013.

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	2,627
Vehicles	304
Land and Buildings	1,197
Furniture, fittings and computers	497
	<u>4,624</u>

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2013 were as follows:

	Current Year To Date <u>RM'000</u>
Property, plant and equipment	
Approved and contracted for	10,230
Approved but not contracted for	52,099
	<u>62,329</u>
Share of capital commitments of associated companies:	
Property, plant and equipment	
Approved and contracted for	1,766
	<u>1,766</u>

A18. Related party transactions

The Group's 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	19
Fima Corporation Berhad	First Zanzibar Sdn. Bhd.	Common Shareholders/ Directors	Purchase made- IT support	(12)
PT Nunukan Jaya Lestari	PT Pohon Emas Lestari	Common Shareholders/ Directors	Purchase of fresh fruit bunches	(2,273)
Percetakan Keselamatan Nasional Sdn. Bhd.	Fima Instanco Sdn. Bhd.	Common Shareholders	Rental income	30
Percetakan Keselamatan Nasional Sdn. Bhd.	Nationwide Express Courier Services Bhd	Common Shareholders	Purchase made - delivery services	(23)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	112.81	116.59	(3.78)	(3.2)
Profit Before Tax	30.14	37.06	(6.92)	(18.7)

The Group revenue for the 3 months ended 30 June 2013 decreased to RM112.81 million as compared to RM116.59 million recorded in the previous corresponding period, representing a shortfall of RM3.78 million (3.1%) which was mainly attributable to lower revenue generated by the Food division.

On the back of lower revenue, the profit before tax ("PBT") recorded for the period under review was RM30.14 million, a decrease of RM6.92 million (18.7%) over the same period last year. This was mainly due to lower PBT registered by manufacturing and food divisions as well as foreign exchange ("forex") loss of RM0.74 million as compared to RM1.62 million forex gain recorded last year period.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	52.48	52.11	0.37	0.7
Profit Before Tax	13.22	15.27	(2.05)	(13.4)

Revenue from **Manufacturing Division** increased marginally by 0.7% to RM52.48 million from RM52.11 million last year. PBT declined by 13.4% to RM13.22 million from RM15.27 million posted in the corresponding period last year, mainly due to less favourable sales mix.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	19.72	19.79	(0.07)	(0.4)
- Crude palm kernel oil (CPKO)/ Palm kernel (PK)	2.91	-	2.91	-
<u>Malaysia</u>				
- Fresh fruit bunch/Pineapple	1.63	1.89	(0.26)	(13.8)
Total	24.26	21.68	2.58	11.9
Profit Before Tax	8.62	8.08	0.54	6.7
Sales Quantity (mt)				
CPO	10,066	7,205	2,861	39.7
CPKO	1,106	-	1,106	-
Average net CIF selling price, net of duty (RM)				
CPO	1,959	2,750	(791)	(28.8)
CPKO	1,874	-	1,874	-

Revenue from **Plantation Division** increased by 11.9% or RM2.58 million to RM24.26 million compared to the previous corresponding period mainly due to higher sales volume of CPO and CPKO. On the back of higher volume of CPO, the plantation division PBT improved by 6.7% to RM8.62 million.

B1. Review of performance (contd)

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	16.72	16.57	0.15	0.9
Profit Before Tax	9.71	9.46	0.25	2.6

Bulking Division's revenue increased moderately by RM0.15 million to RM16.72 million compared to the same period last year of RM16.57 million. The results were supported by higher throughput for industrial chemical and oleo chemical products.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	18.03	25.16	(7.13)	(28.3)
Profit Before Tax	0.10	3.98	(3.88)	(97.5)

Food Division recorded lower revenue of RM18.03 million as compared to the same period last year of RM25.16 million, mainly as a result of the lower sales volume. PBT declined to RM0.10 million from RM3.98 million recorded in the corresponding period last year. Coupled with the reduction in revenue, the Division's performance had also been impacted by forex losses of RM0.74 million incurred during the period, as compared to forex gain of RM1.62 million recorded last year.

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 1 FY 2014	QTR 4 FY 2013	Variance	%
Revenue	112.81	122.60	(9.79)	(8.0)
Profit Before Tax	30.14	34.91	(4.77)	(13.7)

During the current quarter, the Group recorded a revenue of RM112.81 million which was RM9.79 million or 8.0% lower than the preceding quarter, impacted by the lower sales recorded by the Plantation, Bulking and Food divisions.

In line with the decrease in revenue, PBT also decreased by 13.7% to RM30.14 million as compared to RM34.91 million recorded in the preceeding quarter.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 1 FY 2014	QTR 4 FY 2013	Variance	%
Revenue	52.48	46.20	6.28	13.6
Profit Before Tax	13.22	9.66	3.56	36.9

Manufacturing Division revenue increased by RM6.28 million (13.6%) from the preceding quarter, mainly due to improved volume for travelling documents. In line with the increase in revenue coupled with favorable sales mix, PBT improved by RM3.56 million for the current quarter.

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

Plantation Division

(RM Million)	QTR 1 FY 2014	QTR 4 FY 2013	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	19.72	28.72	(9.00)	(31.3)
- CPKO/PK	2.91	-	2.91	-
<u>Malaysia</u>				
- Fresh fruit bunch/Pineapple	1.63	1.32	0.31	23.5
Total	24.26	30.04	(5.78)	(19.2)
Profit Before Tax	8.62	9.58	(0.96)	(10.0)
Sales Quantity (mt)				
CPO	10,066	12,733	(2,667)	(20.9)
CPKO	1,106	-	1,106	-
Average net CIF selling price, net of duty (RM)				
CPO	1,959	2,235	(276)	(12.3)
CPKO	1,874	-	1,874	-

Plantation Division achieved revenue and PBT of RM24.26 million and RM8.62 million, respectively representing a decrease of RM5.78 million and RM0.96 million respectively, over the previous quarter. The significant drop is attributable to lower sales volume of CPO.

Bulking Division

(RM Million)	QTR 1 FY 2014	QTR 4 FY 2013	Variance	%
Revenue	16.72	19.49	(2.77)	(14.2)
Profit Before Tax	9.71	11.50	(1.79)	(15.6)

Revenue from **Bulking Division** of RM16.72 million was 14.2% lower than preceding quarter. The decrease was mainly due to lower throughput recorded for edible oil and base oil products.

Food Division

(RM Million)	QTR 1 FY 2014	QTR 4 FY 2013	Variance	%
Revenue	18.03	25.79	(7.76)	(30.1)
Profit Before Tax	0.10	4.57	(4.47)	(97.8)

Revenue from **Food Division** fell by RM7.76 million to RM18.03 million as compared to preceding quarter mainly due to decrease in sales volume. PBT reduced to RM0.10 million from RM4.57 million recorded in the preceding quarter. Coupled with the reduction in revenue, the Division's performance had also been impacted by forex losses of RM0.74 million incurred during the period, as compared to forex gain of RM0.68 million recorded in the preceding quarter.

B3. Prospects

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

An investment of RM18.0 million in equipment is projected this year as the **Manufacturing Division** continues to focus on new product, production efficiency and quality.

The performance of **Plantation Division** is subject to market forces and weather conditions. Notwithstanding this, the outlook for this division remains positive due to robust long term demand coupled with management's focus to maximize its operational efficiencies.

B3. Prospects (contd)

Bulking Division. The prospect for the year was expected to remain challenging with the anticipated variation in the Malaysia Derivatives Exchange's (MDEX) Edible Oil tender and transshipment businesses. This arises 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.

Food Division faces challenging market conditions amidst uncertain economic and business outlook globally and particularly in Papua New Guinea, where the main operation of the division is located. The division continues to focus on maintaining sustainable profit growth by concentrating on productivity and cost control.

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

The Group did not issue any profit forecast and/or profit guarantee to the public.

B5. Taxation

Taxation comprises the following:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	30-06-2013	30-06-2012	30-06-2013	30-06-2012
	RM'000	RM'000	RM'000	RM'000
Current taxation	8,987	8,175	8,987	8,175

The effective tax rate on Group's profit 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

There were no sale of unquoted investments and/or properties during the current quarter.

B7. Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities during the current quarter.

B8. Corporate proposals

There were no changes in the composition of the Group for the current quarter and financial period to date including business combination, acquisition or disposal of subsidiaries and long term investment, restructuring and discontinued operations 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.

B8. Corporate proposals (contd)

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.
- iii. The approval of the Estate Land Board to the transfer of the Lands in favour of the Purchaser was obtained on 10 March 2013.
- iv. The State's Authority's consent to the transfer of the Lands in favour of the Purchaser was obtained as per letter from Pejabat Tanah, Kemaman, Terengganu dated 11 April 2013 which was received on 22 July 2013.

Pursuant to Clause 3.9 of the SPA, the period for fulfillment of the Conditions Precedent as set out in the SPA has been automatically extended for a further period of 6 months to 23 December 2013.

B9. Borrowings and debt securities

	As at 30-06-2013 RM'000	As at 30-06-2012 RM'000
Secured:		
Current	15,731	10,559
Non-current	-	4,593
	15,731	15,152

B10. Realised/unrealised profits/losses

	As at 30-06-2013 RM'000	As at 31-03-2013 RM'000
Total retained profits of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	280,465	259,486
- Unrealised	(25,615)	(21,594)
	254,850	237,892
Total share of retained profits from associated companies:		
- Realised	30,676	32,269
- Unrealised	(3,468)	(3,789)
	27,208	28,480
Add: Consolidation adjustments	(30,345)	(29,273)
Total group retained profits as per consolidated accounts	251,713	237,099

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 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. There has been no development since 27 September 2011.

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 30-06-13	Preceding Year Corresponding Quarter 30-06-12	Current Year To Date 30-06-13	Preceding Year Corresponding Period 30-06-12
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	14,614	20,728	14,614	20,728
Weighted average number of ordinary shares in issues ('000)	270,114	265,250	270,114	265,250
Effect of dilution - Share options ('000)	405	395	405	395
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	270,519	265,645	270,519	265,645
Basic earnings per share (sen per share)	5.41	7.81	5.41	7.81
Diluted earnings per share (sen per share)	5.40	7.80	5.40	7.80

By order of the Board

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)

JASMIN BINTI HOOD (LS0009071)

Company Secretaries

Kuala Lumpur

Dated : 29 August 2013