

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

Condensed Consolidated Statement of Comprehensive Income
For the First Quarter Ended 30 June 2015
Except as disclosed otherwise, the figures have not been audited

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30-06-2015	Preceding Year Corresponding Quarter 30-06-2014	Current Year To Date 30-06-2015	Preceding Year Corresponding Period 30-06-2014
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	141,339	129,375	141,339	129,375
Cost of sales		(92,231)	(80,170)	(92,231)	(80,170)
Gross profit		49,108	49,205	49,108	49,205
Other income		1,314	5,861	1,314	5,861
Administrative expenses		(16,641)	(15,437)	(16,641)	(15,437)
Selling and marketing expenses		(1,487)	(1,727)	(1,487)	(1,727)
Other expenses		(6,619)	(5,614)	(6,619)	(5,614)
		(24,747)	(22,778)	(24,747)	(22,778)
Finance cost		(92)	(57)	(92)	(57)
Share of profit of associates		171	(182)	171	(182)
Profit before taxation	A9/A10	25,754	32,049	25,754	32,049
Income tax expense	B5	(7,332)	(7,245)	(7,332)	(7,245)
Profit net of tax for the period		18,422	24,804	18,422	24,804
Other comprehensive income					
Foreign currency translation differences for foreign operations		(4,963)	58	(4,963)	58
Total comprehensive income for the period		13,459	24,862	13,459	24,862
Profit attributable to :					
Owners of the parent		11,293	17,293	11,293	17,293
Non-controlling interests		7,129	7,511	7,129	7,511
Profit net of tax for the period		18,422	24,804	18,422	24,804
Total comprehensive income attributable to :					
Owners of the parent		6,590	18,575	6,590	18,575
Non-controlling interests		6,869	6,287	6,869	6,287
Total comprehensive income for the period		13,459	24,862	13,459	24,862
Earnings per share attributable to owners of the parent (sen per share):					
Basic	B13	4.10	6.32	4.10	6.32
Diluted	B13	4.07	6.30	4.07	6.30

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2015 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 Financial Position as at 30 June 2015
Except as disclosed otherwise, the figures have not been audited

	As At End Of Current Quarter 30-06-2015 (Unaudited) <u>RM'000</u>	As At Preceding Financial Year Ended 31-03-2015 (Audited) <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	323,436	328,632
Investment properties	71,430	71,857
Biological assets	133,735	129,399
Investment in associates	45,508	45,907
Deferred tax assets	5,445	5,445
Goodwill on consolidation	18,400	18,400
	<u>597,954</u>	<u>599,640</u>
Current Assets		
Inventories	129,896	127,812
Trade receivables	196,429	192,285
Other receivables	38,305	33,048
Cash and bank balances	231,093	236,710
	<u>595,723</u>	<u>589,855</u>
TOTAL ASSETS	<u>1,193,677</u>	<u>1,189,495</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	276,277	276,087
Share premium	24,098	23,930
Other reserves	152,287	157,068
Retained earnings	286,495	275,202
	<u>739,157</u>	<u>732,287</u>
Non-controlling interests	252,592	245,723
Total equity	<u>991,749</u>	<u>978,010</u>
Non-current liabilities		
Finance lease obligations	5,573	5,585
Retirement benefit obligations	1,656	1,634
Deferred tax liabilities	40,413	40,413
	<u>47,642</u>	<u>47,632</u>
Current Liabilities		
Short term borrowings	7,618	5,944
Trade payables	84,942	93,241
Other payables	55,178	61,586
Tax payable	6,548	3,082
	<u>154,286</u>	<u>163,853</u>
Total liabilities	<u>201,928</u>	<u>211,485</u>
TOTAL EQUITY AND LIABILITIES	<u>1,193,677</u>	<u>1,189,495</u>
Net assets per share (RM)	<u>2.68</u>	<u>2.65</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2015 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 2015
Except as disclosed otherwise, the figures have not been audited**

Group	Attributable to Owners of the Parent									Total	Non-controlling interests	Total equity
	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			
	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 1-4-2015	276,087	23,930	157,068	87,471	437	66,459	4,560	(1,859)	275,202	732,287	245,723	978,010
Profit for the period	-	-	-	-	-	-	-	-	11,293	11,293	7,129	18,422
Other comprehensive loss	-	-	(4,703)	-	-	-	-	(4,703)	-	(4,703)	(260)	(4,963)
Exercise of employee share options	190	168	(78)	-	-	-	(78)	-	-	280	-	280
At 30-06-2015	276,277	24,098	152,287	87,471	437	66,459	4,482	(6,562)	286,495	739,157	252,592	991,749
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	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 1-4-2014	273,497	21,473	64,916	43,313	437	26,758	5,224	(10,816)	278,396	638,282	224,944	863,226
Net profit for the year	-	-	-	-	-	-	-	-	17,293	17,293	7,511	24,804
Other comprehensive profit	-	-	1,282	-	-	-	-	1,282	-	1,282	(1,224)	58
Exercise of employee share options	1,386	1,350	(589)	-	-	-	(589)	-	-	2,147	-	2,147
At 30-06-2014	274,883	22,823	65,609	43,313	437	26,758	4,635	(9,534)	295,689	659,004	231,231	890,235

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 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 First Quarter Ended 30 June 2015**Except as disclosed otherwise, the figures have not been audited**

	← To Date →	
	30-06-2015	30-06-2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	25,754	32,049
Adjustment for:		
Depreciation for property, plant and equipment	7,082	6,173
Depreciation of investment properties	434	387
Amortisation of biological assets	1,376	1,372
Impairment loss on trade receivables	1,640	1,414
Write back of impairment loss on trade receivables	(571)	(20)
Provision for retirement benefit obligation	27	53
Writedown of inventories	-	72
Reversal of inventories written down	(123)	(52)
Gain on disposal of property, plant and equipment	-	(1)
Share of result of associates	(171)	182
Interest expense	92	57
Interest income	(1,176)	(1,219)
Operating profit before working capital changes	<u>34,364</u>	<u>40,467</u>
Increase in inventories	(2,207)	(16,590)
Increase in receivables	(10,797)	(30,775)
(Decrease)/Increase in payables	<u>(14,336)</u>	<u>22,496</u>
Cash generated from operations	7,024	15,598
Interest paid	(92)	(57)
Taxes paid	(6,739)	(5,094)
Retirement benefits paid	<u>(5)</u>	<u>(39)</u>
Net cash generated from operating activities	<u>188</u>	<u>10,408</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Biological assets expenditure	(6,316)	(5,985)
Proceeds from disposal of property, plant and equipment	1	2
Purchase of property, plant and equipment	(1,973)	(3,723)
Repayment of obligation under finance lease	(12)	-
Interest received	<u>1,176</u>	<u>1,219</u>
Net cash used in investing activities	<u>(7,124)</u>	<u>(8,487)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of short term borrowings	1,681	(2,141)
Proceeds from exercise of employee share scheme	<u>281</u>	<u>2,146</u>
Net cash generated from financing activities	<u>1,962</u>	<u>5</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,974)	1,926
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH		
AND CASH EQUIVALENTS	(643)	(1,566)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>236,710</u>	<u>242,625</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>231,093</u>	<u>242,985</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	39,733	33,416
Fixed deposits with financial institutions *	<u>191,360</u>	<u>209,569</u>
	<u>231,093</u>	<u>242,985</u>
* Fixed deposits with financial institutions comprise:		
Fixed deposits	191,360	209,742
less : Deposits on lien	-	(173)
	<u>191,360</u>	<u>209,569</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 2015. 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 2015.

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 2015 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 2015, the Group adopted the following FRSs, Amendments to FRSs, IC Interpretations and Amendments to IC Interpretations:

- Amendments to FRS 10: Consolidated Financial Statements: Investment Entities
- Amendments to FRS 12: Disclosure of Interests in Other Entities: Investment Entities
- Amendments to FRS 127 Separate Financial Statements (Investment Entities)
- Amendments to FRS 132: Financial Instruments: Presentation : Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Impairment of assets - Recoverable amount disclosures for non- financial assets
- Amendments to FRS 139: Financial instruments recognition and measurement : Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 : Levies
- Amendments to FRS 119: Defined benefit plan (Employee contribution)
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle

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
Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
Amendments to FRS 11: Accounting for Acquisition of Interests in Joint Operations	1 January 2016
Amendments to FRS 16 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14: Regulatory Deferral Accounts	1 January 2016
FRS 15: Revenue from Contracts with Customers	1 January 2017
FRS 9: Financial Instruments	1 January 2018

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application, other than for FRS 9 Financial Instruments. The Group will assess the financial implications of FRS 9 Financial Instruments when the full standard is issued.

(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 Framework ("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 the Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

A2. Changes in accounting policies (contd)

(c) Malaysian Financial Reporting Standards (MFRS Framework) (contd)

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS interim financial statements for the quarter ending 30 June 2017. In presenting its first MFRS financial statements, the Group will be required to adjust the comparative financial statements prepared under FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against the opening retained earnings.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2018.

A3. Auditors' Report on Preceding Annual Financial Statements.

The financial statements of the Group for the financial year ended 31 March 2015 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 which is affected by cyclical changes in volumes of certain products 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	190,000	281,200

A8. Dividend paid

There was no dividend paid during the current quarter (last year:Nil).

A9. Segmental revenue and results for business segments

	Individual Quarter		Cumulative Quarter	
	Current Year 30-06-2015	Preceding Year Corresponding Quarter 30-06-2014	Current Year To Date 30-06-2015	Preceding Year Corresponding Period 30-06-2014
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	72,473	66,120	72,473	66,120
Plantation	37,553	29,027	37,553	29,027
Bulking	15,261	15,290	15,261	15,290
Food	14,857	17,955	14,857	17,955
Others	6,119	3,130	6,119	3,130
	<u>146,263</u>	<u>131,522</u>	<u>146,263</u>	<u>131,522</u>
Elimination of inter-segment sales	(4,924)	(2,147)	(4,924)	(2,147)
	<u>141,339</u>	<u>129,375</u>	<u>141,339</u>	<u>129,375</u>
Profit before taxation				
Manufacturing*	11,973	12,435	11,973	12,435
Plantation	9,129	8,842	9,129	8,842
Bulking	7,984	8,441	7,984	8,441
Food	(3,339)	3,024	(3,339)	3,024
Others	(164)	(511)	(164)	(511)
	<u>25,583</u>	<u>32,231</u>	<u>25,583</u>	<u>32,231</u>
Associated companies	171	(182)	171	(182)
	<u>25,754</u>	<u>32,049</u>	<u>25,754</u>	<u>32,049</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 30-06-2015	Preceding Year Corresponding Quarter 30-06-2014	Current Year 30-06-2015	Preceding Year Corresponding Period 30-06-2014
Other income	RM'000	RM'000	RM'000	RM'000
Interest Income	1,176	1,219	1,176	1,219
Gain on disposal of property, plant and equipment	-	1	-	1
Foreign exchange gain	283	4,147	283	4,147
Operating expenses				
Depreciation and amortisation	8,892	7,932	8,892	7,932
Interest expense	92	57	92	57

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A10. Profit before taxation (contd)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-06-2015	Preceding Year Corresponding Quarter 30-06-2014	Current Year To Date 30-06-2015	Preceding Year Corresponding Period 30-06-2014
	RM'000	RM'000	RM'000	RM'000
Operating expenses (contd)				
Impairment loss on trade receivables	1,640	1,414	1,640	1,414
Write back of impairment loss on trade receivables	(571)	(20)	(571)	(20)
Write down of inventories	-	72	-	72
Reversal of inventories written down	(123)	(52)	(123)	(52)

The Group does not deal in derivatives.

A11. Valuation of property, plant and equipment

The valuation of land and building have been brought forward from the last financial statements for the year ended 31 March 2015.

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 except as disclosed in Note A10 as above.

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	636
Land and Buildings	1,068
Furniture, fittings and computers	269
	<u>1,973</u>

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2015 were as follows:

	Current Year To Date
	RM'000
Property, plant and equipment	
Approved and contracted for	9,435
Approved but not contracted for	<u>54,379</u>
Share of capital commitments of associated companies:	
Property, plant and equipment	
Approved and contracted for	<u>442</u>

A18. Related party transactions

The Group's related party transactions during the financial period 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/ Directors	Rental income	20
PT Nunukan Jaya Lestari	PT Pohon Emas Lestari	Common Shareholders/ Directors	Purchase of fresh fruit bunches	(1,807)
Percetakan Keselamatan Nasional Sdn. Bhd.	Fima Instanco Sdn. Bhd.	Common Shareholders/ Directors	Rental income	30
Percetakan Keselamatan Nasional Sdn. Bhd.	Nationwide Express Courier Services Bhd	Common Shareholders/ Directors	Purchase made - delivery services	(138)

PART B - BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	141.34	129.38	11.96	9.2
Profit Before Tax	25.75	32.05	(6.30)	(19.7)

Group revenue for the 3 months ended 30 June 2015 increased to RM141.34 million as compared to RM129.38 million recorded in the previous corresponding period. The increase of RM11.96 million (9.2%) was attributed to the higher revenue generated by manufacturing and plantation divisions.

Profit before tax ("PBT") decreased by RM6.30 million to RM25.75 million from last year, due to lower PBT recorded by food, manufacturing and bulking divisions.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	72.47	66.12	6.35	9.6
Profit Before Tax	11.97	12.44	(0.47)	(3.8)

Revenue from **Manufacturing Division** increased by 9.6% to RM72.47 million from RM66.12 million recorded last year, driven by higher sales volume of certain documents. However, PBT decreased by 3.8% to RM11.97 million from RM12.44 million posted last year due to less favourable sales mix.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
<u>Indonesia</u>				
- Crude palm oil (CPO)	31.62	26.90	4.72	17.5
- Crude palm kernel oil (CPKO)	3.36	-	3.36	-
<u>Malaysia</u>				
- Fresh fruit bunch/Pineapple	2.57	2.13	0.44	20.7
Total	37.55	29.03	8.52	29.3
Profit Before Tax	9.13	8.8	0.29	3.3
Sales Quantity (mt)				
CPO	14,429	12,022	2,407	20.0
CPKO	1,099	-	1,099	-
Average net CIF selling price, net of duty (RM)				
CPO	2,191	2,222	(31)	(1.4)
CPKO	3,056	-	3,056	-

B1. Review of performance (contd)
Plantation Division (contd)

Revenue from **Plantation Division** grew by 29.3% to RM37.55 million compared to the corresponding period last year due to higher sales volume of CPO and CPKO albeit lower average selling price of CPO. The division registered a PBT of RM9.13 million, 3.3% higher over the same period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	15.26	15.29	(0.03)	(0.2)
Profit Before Tax	7.98	8.44	(0.46)	(5.5)

Bulking Division's posted a marginal drop in revenue to RM15.26 million (0.2%) compared to last year's of RM15.29 million primarily as a result of lower contributions from the base oil, oleo chemical and industrial chemical segments. In line with the decrease in revenue, the division's PBT decreased by RM0.46 million (5.5%) to RM7.98 million.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	13.22	16.11	(2.89)	(17.9)
Malaysia	1.64	1.85	(0.21)	(11.4)
	<u>14.86</u>	<u>17.96</u>	<u>(3.10)</u>	<u>(17.3)</u>
Profit Before Tax	(3.34)	3.02	(6.36)	(210.6)

Food Division posted a decrease in revenue to RM14.86 million compared to RM17.96 million recorded in the same period last year. The decrease in revenue was mainly due to the decrease in the sales volume. PBT for the current quarter decreased by RM6.36 million as compared to same period last year resulting in a loss of RM3.34 million.

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 1 FY 2016	QTR 4 FY 2015	Variance	%
Revenue	141.34	135.03	6.31	4.7
Profit Before Tax	25.30	19.90	5.40	27.1

The Group's revenue increased by 4.7% or RM6.31 million to RM141.34 million compared to the preceding quarter, as a result of the higher revenue recorded by manufacturing and plantation divisions.

PBT also increased by RM5.40 million to RM25.30 million as compared to RM19.90 million recorded in the preceding quarter in line with the increase in revenue by the 2 divisions.

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

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 1 FY 2016	QTR 4 FY 2015	Variance	%
Revenue	72.47	63.65	8.82	13.9
Profit Before Tax	11.97	10.76	1.2	11.2

Manufacturing Division's revenue for the quarter under review increased by RM8.82 million (13.9%) from the preceding quarter due to improved volume on certain products. In line with the increase in revenue, PBT registered for the current quarter was RM1.2 million higher over the preceding quarter.

Plantation Division

(RM Million)	QTR 1 FY 2016	QTR 4 FY 2015	Variance	%
Revenue				
<u>Indonesia</u>				
- CPO	31.62	27.16	4.46	16.4
- CPKO	3.36	3.77	(0.41)	-
<u>Malaysia</u>				
- Fresh fruit bunch/Pineapple	2.57	1.88	0.69	36.7
Total	37.55	32.81	4.74	14.4
Profit Before Tax	9.13	2.68	6.45	240.6
Sales Quantity (mt)				
CPO	14,429	12,015	2,414	20.1
CPKO	1,099	1,104	(5)	-
Average net CIF selling price, net of duty (RM)				
CPO	2,191	2,260	(69)	(3.1)
CPKO	3,056	3,411	(355)	-

Plantation Divisions' revenue for the quarter under review of RM37.55 million was RM4.74 million higher than the preceding quarter due to higher sales volume of CPO sold. PBT increased by RM6.45 million compared to the preceding quarter.

Bulking Division

(RM Million)	QTR 1 FY 2016	QTR 4 FY 2015	Variance	%
Revenue	15.26	16.53	(1.27)	(7.7)
Profit Before Tax	7.98	8.82	(0.84)	(9.5)

Revenue from **Bulking Division** of RM15.26 million was 7.7% lower than the preceding quarter. The decrease in results was due to lower revenue generated by the base oil and industrial chemical segments. In line with the decrease in revenue, PBT fell 9.5% to RM7.98 million over the preceding quarter.

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

Food Division

(RM Million)	QTR 1 FY 2016	QTR 4 FY 2015	Variance	%
Revenue				
PNG	13.22	19.53	(6.31)	(32.3)
Malaysia	1.64	1.37	0.27	19.7
	<u>14.86</u>	<u>20.90</u>	<u>(6.04)</u>	<u>(28.9)</u>
Profit Before Tax	(3.34)	(3.91)	0.57	14.6

Revenue from **Food Division** decreased by RM6.31 million (32.3%) to RM13.22 million as compared to the preceding quarter due to lower sales volume. The division registered a loss before tax of RM3.34 million during the quarter.

B3. Prospects

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

The **Manufacturing Division** outlook for the next financial year continues to remain satisfactory.

The prospect for **Plantation Division** is very much dependent on global commodity prices. Based on the current prices of palm oil products supported with the average yield, the outlook for this division is expected to be challenging.

Bulking Division. The prospect for the remaining period 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 challenging for the next financial year. The division is looking to secure more long term contracts with customers and handling higher margin products.

Food Division faces difficult and challenging market conditions particularly in Papua New Guinea where the division's main operation is located, amidst increased competition from the influx of cheaper imported products and currency fluctuation. The division will continue to concentrate on productivity, margin improvements 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 30-06-2015	Preceding Year Corresponding Quarter 30-06-2014	Current Year To Date 30-06-2015	Preceding Year Corresponding Period 30-06-2014
	RM'000	RM'000	RM'000	RM'000
Current taxation	7,332	7,245	7,332	7,245

The effective tax rate on Group's profit to date is higher than the statutory tax rate mainly due certain expenses disallowed for taxation purposes and no group relief.

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

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

B7. Purchase or disposal of quoted securities

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

B8. Corporate proposals

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

B9. Borrowings and debt securities

	As at 30-06-2015 RM'000	As at 31-03-2015 RM'000
Secured:		
Non-current		
*Obligations under finance leases	5,573	5,585
Current		
Bankers' acceptance	7,618	5,944
	<u>13,191</u>	<u>11,529</u>

The obligations under finance leases are in respect of the following land lease:

(i) A 99 year land lease granted to subsidiary, Gabungan Warisan Sdn. Bhd. to develop approximately 249.8 ha of land in Kuala Krai, Kelantan Darul Naim. The lease expires on 2 July 2112.

(ii) Sub-leases granted to subsidiaries, Taka Worldwide Trading Sdn. Bhd. and Etika Gangsa Sdn. Bhd. over 2 parcels of land measuring approximately 404.6 ha, deemed suitable for oil palm cultivation, situated in Mukim Relai, Daerah Jajahan Gua Musang, Kelantan for a term of 66 years expiring 5 March 2075, with an option to renew for a further period of 33 years.

B10. Realised/unrealised profits/losses

	As at 30-06-2015 RM'000	As at 31-03-2015 RM'000
Total retained profits of Kumpulan Fima Berhad and its subsidiaries:		
- Realised	313,595	299,418
- Unrealised	<u>(37,387)</u>	<u>(36,137)</u>
	276,208	263,281
Total share of retained profits from associated companies:		
- Realised	36,519	36,644
- Unrealised	<u>(3,262)</u>	<u>(2,988)</u>
	33,257	33,656
Consolidation adjustments	(22,970)	(20,850)
Total group retained profits as per consolidated accounts	<u>286,495</u>	<u>276,087</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, Subang.

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 of RM2.12 million 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 30-06-15	Preceding Year Corresponding Quarter 30-06-14	Current Year To Date 30-06-15	Preceding Year Corresponding Period 30-06-14
Profit net of tax attributable to owners of the Company used in the computation of earnings per share (RM'000)	11,293	17,293	11,293	17,293
Weighted average number of ordinary shares in issues ('000)	275,519	273,767	275,519	273,767
Effect of dilution - Share options ('000)	1,804	515	1,804	515
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	277,323	274,282	277,323	274,282
Basic earnings per share (sen per share)	4.10	6.32	4.10	6.32
Diluted earnings per share (sen per share)	4.07	6.30	4.07	6.30

By order of the Board

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

Company Secretaries

Kuala Lumpur

Dated : 27 August 2015