

JMR CONGLOMERATION BHD. (592280-W)
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2012**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	As At Dec 31, 2012 (Unaudited) RM'000	As At Mar 31, 2012 (Audited) RM'000
Non-current assets		
Property, plant and equipment	16,050	16,464
Investment properties	16,555	17,317
Prepaid lease payments on leasehold land	1,766	1,798
Land held for property development	28,192	28,069
Goodwill	592	3,715
Investment in associates	1,219	1,517
Other financial assets	-	74
Total non-current assets	64,374	68,954
Current assets		
Inventories	1,554	1,727
Property development costs	13,712	12,432
Gross amount due from customer on contract	2,558	335
Trade and other receivables	12,096	7,224
Current tax assets	545	391
Other assets	2,420	1,140
Short-term deposits with licensed banks	2,128	7,282
Cash and bank balances	6,922	4,948
Total current assets	41,935	35,479
Total assets	106,309	104,433
EQUITY AND LIABILITIES		
Share capital	126,784	126,784
Reserves	-	2
Accumulated losses	(31,187)	(37,484)
Total equity attributable to equity holders of the Company	95,597	89,302
Non-controlling interests	136	136
Total equity	95,733	89,438
Non-current liabilities		
Borrowings	198	198
Deferred tax liabilities	974	974
Total non-current liabilities	1,172	1,172
Current liabilities		
Trade and other payables	7,629	10,167
Borrowings	23	3,068
Current tax liabilities	1,752	588
Total current liabilities	9,404	13,823
Total liabilities	10,576	14,995
Total equity and liabilities	106,309	104,433

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended March 31, 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2012**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarters	
	3 months ended Dec 31, 2012 (Unaudited) RM'000	3 months ended Dec 31, 2011 (Unaudited) RM'000	9 months ended Dec 31, 2012 (Unaudited) RM'000	9 months ended Dec 31, 2011 (Unaudited) RM'000
Revenue	13,126	8,011	32,478	22,137
Cost of sales	(9,824)	(5,889)	(22,191)	(16,049)
Gross profit	3,302	2,122	10,287	6,088
Investment revenue	13	41	56	121
Other income	48	27	107	56
Other gains and losses	-	20	28	20
Distribution costs	(69)	(264)	(142)	(359)
Administrative expenses	(1,988)	(317)	(3,475)	(1,623)
Share of profit/(loss) of associates	(5)	(23)	(298)	(4)
Gain on disposal of subsidiary	2,089	-	2,089	-
Finance costs	(35)	(19)	(87)	(48)
Other expenses	-	-	-	-
Profit before taxation	3,355	1,587	8,565	4,251
Tax expense	(1,213)	(405)	(2,218)	(1,182)
Profit for the period from continuing operations	2,142	1,182	6,347	3,069
Discontinued Operation				
Loss for the period from a discontinued operation	(166)	(212)	(52)	(1,021)
Profit for the Period	1,976	970	6,295	2,048
Other comprehensive gain/(loss):				
Net fair value gain/(loss) on available-for-sale financial assets	-	(1)	-	(2)
Total comprehensive income for the period	1,976	969	6,295	2,046
Profit attributable to:				
Equity holders of the Company	1,976	909	6,295	1,987
Non-controlling interests	-	61	-	61
	1,976	970	6,295	2,048
Total comprehensive income attributable to:				
Equity holders of the Company	1,976	908	6,295	1,985
Non-controlling interests	-	61	-	61
	1,976	969	6,295	2,046
Basic earnings per ordinary share (sen)				
Continuing operations	1.69	0.87	5.01	2.35
Discontinued operation	(0.13)	(0.15)	(0.04)	(0.78)
	1.56	0.72	4.97	1.57
Fully diluted earnings per ordinary share (sen)				
Continuing operations	N/A	N/A	N/A	N/A
Discontinued operation	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended March 31, 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2012**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	<u>Non- Distributable</u> Investment Revaluation Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as of April 1, 2011	126,784	5	(37,081)	89,708	75	89,783
Total comprehensive income for the period	<u>-</u>	<u>(2)</u>	<u>1,987</u>	<u>1,985</u>	<u>61</u>	<u>2,046</u>
Balance as of Dec 31, 2011	<u>126,784</u>	<u>3</u>	<u>(35,094)</u>	<u>91,693</u>	<u>136</u>	<u>91,829</u>
Balance as of April 1, 2012	126,784	2	(37,484)	89,302	136	89,438
Total comprehensive income for the period	<u>-</u>	<u>(2)</u>	<u>6,297</u>	<u>6,295</u>	<u>-</u>	<u>6,295</u>
Balance as of Dec 31, 2012	<u>126,784</u>	<u>-</u>	<u>(31,187)</u>	<u>95,597</u>	<u>136</u>	<u>95,733</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended March 31, 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2012**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended Dec 31, 2012 (Unaudited) RM'000	9 months ended Dec 31, 2011 (Unaudited) RM'000
Cash flows from operating activities		
Profit for the period	6,295	2,048
Adjustments for :		
Non-cash items	477	479
Non-operating items	4,623	1,023
Operating profit before working capital changes	11,395	3,550
Movements in working capital:		
Net changes in current assets	(9,482)	(5,757)
Net changes in current liabilities	(2,538)	2,106
Cash used in operations	(625)	(101)
Tax paid	(1,265)	(812)
Tax refunded	57	342
Net cash used in operating activities	(1,833)	(571)
Cash flows from investing activities		
Other investments	1,793	(1,234)
Net cash generated from/ (used in) investing activities	1,793	(1,234)
Cash flows from financing activities		
Borrowings	(3,140)	330
Short-term deposits released as security	(75)	1,835
Net cash (used in)/ generated from financing activities	(3,215)	2,165
Net (decrease)/ increase in cash and cash equivalents	(3,255)	360
Cash & cash equivalents at beginning of period	11,412	9,914
Cash & cash equivalents at end of period	8,157	10,274
Cash & cash equivalents at end of period consist of		
Short-term deposits with licensed banks	1,235	5,713
Cash & bank balances	6,922	4,561
	8,157	10,274

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended March 31, 2012 and the accompanying explanatory notes attached to the interim financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134 Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa”).

This interim financial report include only condensed consolidated financial statements and should be read in conjunction with the audited financial statements for the year ended March 31, 2012, as this interim report focus on events and transactions that are significant to an understanding of the changes in financial position and performance of the Group that have occurred since that report. The condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Financial Reporting Standards (“FRSs”).

The preparation of an interim financial report in conformity with FRS 134 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The significant accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those of the audited financial statements for the year ended March 31, 2012.

Malaysian Accounting Standard Board (“MASB”) Approval Accounting Standards, MFRSs

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issued a new MASB approved accounting standards, MFRSs (“MFRSs Framework”) for application in the annual periods beginning on or after 1 January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRSs 141 Agriculture and/or IC Int 15 Agreements for the Construction of Real Estate (“Transitioning Entities”). The Transitioning Entities are given an option to defer adoption of the MFRSs framework for an additional one year. Transitioning Entities also include those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, the Group which is Transitioning Entities has chosen to defer the adoption of the MFRSs framework for an additional one year. The Group is currently assessing the impact of the adoption of the MFRS framework and will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 31 March 2014.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A2 Qualification of Financial Statements

The auditors' report on the audited financial statements for the financial year ended March 31, 2012 dated July 15, 2012 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The principal business of the Group was not significantly affected by any significant seasonal or cyclical factors in the current quarter.

A4 Unusual Items

There were no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A5 Changes in Estimates

There were no major changes in estimates which have a material effect in the current financial period ended December 31, 2012.

A6 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current quarter ended December 31, 2012.

A7 Dividends Paid

There were no dividends paid during the current financial quarter ended December 31, 2012.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A8 Segment Information

	Investment Holdings	Manufacturing	Property Development	Total	Discontinued Operation	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cumulative Quarters							
9 months ended December 31, 2012							
Revenue							
External sales	366	22,057	10,055	32,478	1,919	-	34,397
Inter-segment revenue	260	20	5,112	5,392	-	(5,392)	-
Total revenue	626	22,077	15,167	37,870	1,919	(5,392)	34,397
Results							
Segment profit/(loss)	(31)	5,022	3,846	8,837	(1,646)	(2,060)	5,131
Investment revenue							84
Other gains and losses							1,602
Finance costs							(95)
Share of loss of associates							(298)
Gain on disposal of subsidiary							2,089
Profit before tax							8,513
Tax expense							(2,218)
Profit for the period							6,295
Cumulative Quarters							
9 months ended December 31, 2011							
Revenue							
External sales	279	21,509	349	22,137	1,788	-	23,925
Inter-segment revenue	6	613	-	619	-	(619)	-
Total revenue	285	22,122	349	22,756	1,788	(619)	23,925
Results							
Segment profit/(loss)	(201)	4,381	(550)	3,630	(1,195)	532	2,967
Investment revenue							236
Other gains and losses							79
Finance costs							(48)
Share of loss of associates							(4)
Gain on disposal of subsidiary							-
Profit before tax							3,230
Tax expense							(1,182)
Profit for the period							2,048

Information on geographical segment is not presented as the Group operates predominantly in Malaysia.

A9 Valuation of Property, Plant & Equipment

The carrying amounts of property, plant and equipment have been brought forward from the previous audited financial statements without amendment.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A10 Material Subsequent Events

There were no material events subsequent to the current financial quarter ended December 31, 2012 up to the date of this announcement.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group in the current financial quarter ended December 31, 2012 except for the disposal of J.M.R. Construction Sdn. Bhd. as announced previously.

A12 Contingent Liabilities or Contingent Assets

The contingent liabilities of the Company are as follows:

	Dec 31, 2012 RM'000
Unsecured:	
Corporate guarantees given by the Company to local banks and third parties for credit facilities granted to certain subsidiaries	1,199
Secured:	
Properties charged to a local bank for credit facilities granted to a subsidiary	<u>3,676</u>

There were no contingent assets for the Group as at December 31, 2012.

Save as disclosed above, there were no material contingent liabilities or assets as at February 26, 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

A13 Capital Commitments

The amount of capital commitments not provided for in the financial statements as at December 31, 2012 are as follows:

	RM'000
Property, plant and equipment	
Approved and contracted for	<u>1,305</u>

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1 Review of Performance

During the 9 months period ended December 31, 2012, the Group registered revenue of RM32.48 million as compared to the revenue in preceding year corresponding quarter of RM22.14 million. Revenue has increased by approximately 46.70% due mainly to higher revenue achieved by property development division of the Group for the period under review.

Revenue from manufacturing division amounted to RM22.08 million in the current period as compared to RM22.12 million in the preceding year corresponding period. Operating profit of the manufacturing division has increased slightly to RM5.02 million in the current period from RM4.38 million in the corresponding period.

Revenue from the property development division has increased to RM15.17 million in the current period from RM0.35 million in the corresponding period, mainly contributed by a new project which was launched during the period. The division recorded an operating profit of RM3.85 million as compared to the operating loss of RM0.55 million in the corresponding period.

During the same period, the Group recorded a profit before tax of RM8.57 million as compared to RM4.25 million in the preceding year corresponding period. The increased in profit before tax was mainly contributed by the higher revenue from property development and construction divisions.

B2 Variation of Results Against Immediate Preceding Quarter

The Group's revenue for the quarter ended December 31, 2012 increased by 12.22% to RM13.13 million as compared to RM11.70 million in the preceding quarter ended September 30, 2012. The increase in revenue was mainly due to higher revenue recorded by the manufacturing and property development division of the Group.

The revenue from manufacturing division has increased 3.85% to RM7.55 million in the current quarter as compared to RM7.27 million in the preceding quarter. The operating profit of the manufacturing division has decreased slightly to RM1.59 million in the current quarter from RM1.67 million in the preceding quarter.

The property development division has recorded revenue of RM10.15 million in the current quarter or 18.25% increase, from RM3.89 million in the preceding quarter. With the higher revenue, the operating profit of the property development division has improved to RM3.06 million in the current quarter as compared to the operating profit of RM0.78 million in the preceding quarter.

There was no major fluctuation of the Group's profit before tax which was recorded RM3.36 million in the current quarter as compared to RM3.78 million in the immediate preceding quarter.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B3 Prospects for the forthcoming financial year

Barring any unforeseen circumstances, the Board of Directors expects the manufacturing division will contribute positively to the Group to the financial year ending March 31, 2013. In addition, the new development project launched on last quarter by its subsidiary, Great Marvel Sdn Bhd, will contribute positively to the Group's result despite the intense competition within the property industry.

The performance of the Group will be challenging for the financial year as per the uncertainty of the on-going euro-zone crisis continues to depress global economic growth, which shall likely to impact the local industry overview. The uptrend expected in the building material costs will add challenges to the Group. However, the management will continue its effort in improving the efficiency and maintain its competitiveness in the market.

Nevertheless, the Board of Directors is cautiously optimistic that the Group will remain resilient for the financial year ending March 31, 2013.

B4 Profit Forecast and Profit Guarantee

The Group did not publish any profit forecast or provide any profit guarantee for the financial period ended December 31, 2012.

B5 Tax Expense

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	Dec 31, 2012	Dec 31, 2011	Dec 31, 2012	Dec 31, 2011
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
-Current	(1,213)	(405)	(2,218)	(1,182)
-Prior years	-	-	-	-
Deferred tax expense				
-Current	-	-	-	-
-Prior years	-	-	-	-
	<u>(1,213)</u>	<u>(405)</u>	<u>(2,218)</u>	<u>(1,182)</u>

The effective tax rate was higher than the statutory tax rate principally due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

B6 Status of Corporate Proposal Announced

There were no corporate proposals as at the date of this announcement other than disclosed in Note A10.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B7 Discontinued Operation

On October 29, 2012, J.M.R. Construction Sdn. Bhd. ceased to be a wholly-owned subsidiary of the Company.

The results of J.M.R. Construction Sdn. Bhd for the financial period ended 31 December are as follows:

	Dec 31, 2012	Dec 31, 2011
	RM'000	RM'000
Revenue	1,919	1,788
Expenses	(1,979)	(2,809)
	(60)	(1,021)
Loss from operation	(60)	(1,021)
Finance cost	(8)	-
	(52)	(1,021)
Loss before tax from discontinued operation	(52)	(1,021)
Taxation	-	-
	(52)	(1,021)
Loss for the period from discontinued operation	(52)	(1,021)

B8 Group Borrowings and Debts Securities

	Dec 31, 2012
	RM'000
Current	
Bankers' acceptance	-
Bank overdrafts	-
Hire-purchase payables	23
	23
Non Current	
Hire-purchase payables	198
	221

The above borrowings are denominated in Ringgit Malaysia and represents secured short term borrowings and bank overdrafts.

The borrowings are secured against legal charge/ negative pledge over certain land and buildings of the Group, a lien over the Group's short term deposits and by corporate guarantees from the Company.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B9 Realised and Unrealised Profits/Losses Disclosure

The retained profits or accumulated losses of the Group as at December 31, 2012 and March 31, 2012 are analysed as follows:

	As at Dec 31, 2012 (Unaudited) RM'000	As at Mar 31, 2012 (Audited) RM'000
Total retained profits/accumulated losses of the Company and its subsidiaries:		
- Realised	1,795	(21,069)
- Unrealised	(287)	(287)
	1,508	(21,356)
Total share of retained profits/(losses) from associates:		
- Realised	(30)	(34)
- Unrealised	(195)	103
	1,283	(21,287)
Less: consolidation adjustments	(32,470)	(16,197)
Total accumulated losses as per Consolidated Statement of Financial Position	(31,187)	(37,484)

B10 Profit before taxation

The profit before taxation is stated after charging/ (crediting):

	Individual Quarter 3 months ended		Cumulative Quarters 9 months ended	
	Dec 31, 2012 RM'000	Dec 31, 2011 RM'000	Dec 31, 2012 RM'000	Dec 31, 2011 RM'000
Interest income on:				
Receivables carried at amortise	-	(4)	-	(4)
Short-term deposits	(14)	(41)	(84)	(131)
Interest expense on:				
Short-term borrowings	35	19	87	48
Depreciation and amortisation	143	160	477	479
Other gains and losses:				
Reversal of allowance for doubtful debts no longer required	(5)	-	(670)	-
Gain on disposal of property, plant and equipment	-	(71)	(29)	(80)
Gain on disposal of investment property	-	-	(1,021)	-
Property, plant and equipment written off	100	-	123	1
Other income:				
Surrender value of insurance	-	89	-	89
Rental income	(49)	(78)	(150)	(191)
	(49)	(78)	(150)	(191)

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT
THIRD QUARTER ENDED DECEMBER 31, 2012**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B11 Changes in Material Litigation

There were no material litigation as at February 19, 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B12 Dividends

The directors do not recommend the payment of any dividend for the current financial period ended December 31, 2012.

B13 Earnings per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended Dec 31, 2012	3 months ended Dec 31, 2011	9 months ended Dec 31, 2012	9 months ended Dec 31, 2011
Net profit/(loss) attributable to shareholders (RM'000)	1,976	909	6,295	1,987
Weighted average number of ordinary shares in issue ('000)	126,784	126,784	126,784	126,784
Basic earnings per ordinary share (sen)	<u>1.56</u>	<u>0.72</u>	<u>4.97</u>	<u>1.57</u>

BY ORDER OF THE BOARD

ONG TEIK HOE (MACS 00085)

Secretary

Penang
February 26, 2013