

AUTOAIR HOLDINGS BERHAD (Company No. 414010-M)
(Incorporated in Malaysia)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2012
(Figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		audited CUMULATIVE QUARTER	
	Current Year Quarter 30.6.2012 RM'000	Preceding Year Corresponding Quarter 30.6.2011 RM'000	Current Year To Date 30.6.2012 RM'000	Preceding Year Corresponding Period 30.6.2011 RM'000
Revenue	8,183	4,372	23,696	18,826
Cost of sales	(12,182)	(4,742)	(28,766)	(22,218)
Gross profit/ (loss)	(3,999)	(370)	(5,070)	(3,392)
Operating expenses	204	(1,491)	(1,840)	(3,740)
Operating income	226	124	311	390
Finance costs	(173)	(181)	(555)	(765)
Profit/ (loss) before tax	(3,742)	(1,918)	(7,154)	(7,507)
Income tax expense	-	-	-	-
Net profit/ (loss) for the period	(3,742)	(1,918)	(7,154)	(7,507)
Other comprehensive income	-	-	-	-
Total comprehensive income/ (loss) for the period	(3,742)	(1,918)	(7,154)	(7,507)
Loss attributable to :				
Equity holders of the Company	(3,742)	(1,918)	(7,154)	(7,507)
Non-controlling interests	-	-	-	-
	(3,742)	(1,918)	(7,154)	(7,507)
Total comprehensive loss attributable to :				
Equity holders of the Company	(3,741.6)	(1,918.0)	(7,153.6)	(7,507)
Non-controlling interests	-	-	-	-
	(3,742)	(1,918)	(7,154)	(7,507)
Loss per share attribute to :				
Equity holders of the Company				
- Basic (Sen)	(8.5)	(4.4)	(16.3)	(17.1)
- Diluted (Sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2011)

AUTOAIR HOLDINGS BERHAD (Company No. 414010-M)

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2012**

(Figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 30.6.2012 RM'000	AUDITED AS AT 30.06.2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,543	18,924
	<u>18,543</u>	<u>18,924</u>
Current assets		
Property development costs	-	6,019
Inventories	6,018	11,278
Trade and other receivables	6,527	6,854
Tax recoverable	110	137
Deposit with Financial Institution	130	130
Cash and bank balances	697	795
	<u>13,482</u>	<u>25,213</u>
TOTAL ASSETS	<u><u>32,025</u></u>	<u><u>44,137</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	44,000	44,000
Share premium	42	42
Revaluation reserve	2,244	
Accumulated losses	(29,813)	(22,660)
Shareholders' equity	<u>16,473</u>	<u>21,383</u>
Non-current liabilities		
Hire purchase liabilities	8	10
Long term borrowings	-	2,086
Deferred tax liabilities	-	-
	<u>8</u>	<u>2,096</u>
Current liabilities		
Trade and other payables	9,153	11,090
Bank overdrafts	1,250	3,123
Hire purchase liabilities	2	8
Short term borrowings	5,119	6,432
Tax payable	20	5
	<u>15,544</u>	<u>20,658</u>
Total liabilities	<u>15,552</u>	<u>22,754</u>
TOTAL EQUITY AND LIABILITIES	<u><u>32,025</u></u>	<u><u>44,136</u></u>
Net assets per share attributable to equity holders of the Company (RM)	<u>0.37</u>	<u>0.49</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2011)

AUTOAIR HOLDINGS BERHAD (Company No. 414010-M)
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2012**

(Figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	CURRENT YEAR ENDED 30.6.2012 RM'000	CORRESPONDING ENDED 30.6.2011 RM'000
Cash flow from operating activities		
Profit/(Loss) before tax	(7,154)	(7,507)
Adjustments for non-cash flow items:		
Depreciation	2,706	3,463
Finance cost (net of interest income)	369	736
Others	15	591
Operating profit/(loss) before changes in working capital	(4,064)	(2,717)
Net change in current assets	11,646	2,703
Net change in current liabilities	(1,945)	1,535
Cashflow from operations	5,637	1,521
Taxes paid	(5)	(28)
Net cash (used in)/from operating activities	5,632	1,493
Cash flow from investing activities		
Additions to property, plant and equipment	(81)	(163)
Others		(126)
Net cash (used in)/from investing activities	(81)	(289)
Cash flow from financing activities		
Drawdown of borrowings	(3,638)	8,031
Repayment of borrowings	231	(7,577)
Interest payment	(369)	(740)
Net cash (used in)/from financing activities	(3,776)	(286)
Net increase/(decrease) in cash and cash equivalents	1,775	918
Cash and cash equivalents at beginning of the quarter	(2,328)	(3,246)
Cash and cash equivalents at end of the quarter	(553)	(2,328)
Cash and cash equivalents comprises:		
Cash and bank balances	697	795
Bank overdrafts	(1,250)	(3,123)
	(553)	(2,328)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2011)

AUTOAIR HOLDINGS BERHAD (Company No. 414010-M)
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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2012
(Figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to equity holders of the Company →				Shareholders' Equity
	Share Capital	Non-Distributable Share Premium	Fair Value Reserve	Retained Losses	
	RM'000	RM'000	RM'000	RM'000	
At 1 July 2011	44,000	42		(22,659)	21,383
Total comprehensive loss for the period	-	-	2,244	(7,154)	(4,910)
At 30 June 2012	44,000	42	2,244	(29,813)	16,473
At 1 July 2010	44,000	42		(15,149)	28,893
Total comprehensive loss for the period	-	-	-	(7,510)	(7,510)
At 30 June 2011	44,000	42		(22,659)	21,383

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2011)

**NOTES TO THE FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED 30 JUNE 2012
(Figures have not been audited)**

(A) IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD (FRS) 134

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 30 June 2012.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2012. In addition, the Group had also adopted the new and revised Financial Reporting Standard ("FRS"), Amendments to FRSs, Interpretations and Technical Releases that become mandatory for the current financial period. The adoption of the new and revised FRSs, Amendments to FRSs, Interpretations and Technical Releases does not have significant impact on the financial statements of the Group.

A2. Qualified audit report

There was no qualification in the auditors' report on the Group's preceding audited annual financial statements for the year ended 30 June 2011.

A3. Seasonal or cyclical factors

The Group's operations for the current quarter and financial year to date are not significantly affected by seasonal or cyclical factors.

A4. Unusual item affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the current quarter and financial year to date.

A5. Changes in estimates

There were no changes in the estimates of amounts reported in the prior financial years which have a material effect in the current quarter or the financial year to date.

A6. Issuance or repayment of debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and financial year to date.

A7. Dividend

There was no dividend paid in the current quarter and the financial year to date.

A8. Segment Information

Segment information is presented in respect of the Group's business segment:

	Investment holdings RM'000	Manufacturing and marketing of automotive components RM'000	Property development RM'000	Eliminations RM'000	Consolidated RM'000
Current Year-To-Date Ended 30.6.2012					
REVENUE					
External revenue		16,086	7,610	-	23,696
Inter-segment revenue	1,921	4,939	-	(6,860)	-
Total Revenue	1,921	21,025	7,610	(6,860)	23,696
RESULTS					
Segment result	(1,454)	(6,977)	(32)	1,862	(6,601)
Interest income					2
Finance costs					(555)
Loss before tax					(7,154)
Taxation					-
Net loss					(7,154)

**Current
Year-To-Date
Ended 30.6.2011**

REVENUE					
External revenue		18,826	-	-	18,826
Inter-segment revenue	120	6,809	-	(6,929)	-
Total Revenue	120	25,635	-	(6,929)	18,826
RESULTS					
Segment result	(6,873)	(6,255)	(211)	6,591	(6,749)
Interest income					4
Finance costs					(765)
Loss before tax					(7,510)
Taxation					-
Net loss					(7,510)

The Group's operations are solely based in Malaysia.

A9. Valuation of property, plant and equipment

The carrying value of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

The Company has done a valuation of the land and building in Ulu Yam in line with the Company's policy to reflect the fair value of its land and building. Based on the valuation report prepared by Jordan Lee & Jaafar Sdn Bhd, the property is valued at RM14.0 million and as the book value is lower, the revaluation surplus of RM2.24million has been recognised in the financial statements as at 30 September 2011.

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A10. Material events subsequent to the end of the period

Save as disclosed in Note B8, there were no material events as at 30 August 2012 that have not been reflected in the financial statements for the current quarter and financial year to date.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

A12. Contingent liabilities

Save as disclosed below, there were no contingent liabilities or assets since the last annual Balance Sheet date.

	GROUP		COMPANY	
	As at 30.6.2012 RM'000	As at 30.6.2011 RM'000	As at 30.6.2012 RM'000	As at 30.6.2011 RM'000
In respect of corporate guarantees given by the Company to financial institutions for banking facilities granted to subsidiaries	-	-	2,190	4,999
Total:	-	-	2,190	4,999

A13. Capital commitments

There are no capital expenditure approved and contracted for as at the end of the current quarter.

(B) ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review performance of the Company and its principal subsidiaries

The Group's revenue for the current quarter was higher at RM8.183 million as compared to RM4.372 million recorded in the corresponding quarter last year. The increase in revenue by RM3.811 million (87.2%) was due to contribution from the Property Division.

For the fourth quarter, the Group's loss before tax has increased by RM1.824 million as compared with RM1.918 million registered in the preceding year's corresponding quarter. This is due to the provision for slow moving inventories of RM3.290 million.

For the 12 months ended 30 June 2012, the Group's revenue increased by RM4.870 million (24.4%) to RM23.7 million from RM18.826 million in the preceding year. Correspondingly, the Group reported lower loss before tax of RM7.154 million for the period under review as compared to the loss of RM7.5 million last year.

The result for the current quarter have not been affected by any transaction or event of a material or unusual in nature which has arisen between 30 June 2012 and the date of this announcement.

B2. Material changes in the current quarter results compared with the immediate preceding quarter

The Group recorded a higher loss before tax of RM 3.742 million as compared to loss before tax of RM 0.930 million in the immediate preceding quarter. This was mainly due to provision for slow moving inventories.

B3. Prospects

Competition in the automotive air condition parts market remain intense and competitive throughout the year 2012 and will expect to remain so in the coming year.

This will certainly have an impact on the Group's performance for the new financial year as the cost of production is expected to increase with the rising inflationary cost.

B4. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter and financial year to date.

B5. Income tax expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30.6.2012	Quarter	30.6.2012	Period
	RM'000	30.6.2011	30.6.2011	RM'000
	RM'000	RM'000	RM'000	RM'000
Group				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
	-	-	-	-

B6. Sale of unquoted investments and/or properties

There was no disposal of unquoted investment and/or properties during the current quarter and financial year to date.

B7. Purchase / disposal of quoted securities

There was no purchase or disposal of quoted securities during the current quarter and financial year to date.

B8. Status of corporate proposals

Save for the Conditional Take-over offer by Dato' Liew Choo to acquire all the remaining ordinary shares of RM1.00 each in the Company not already owned by him and persons acting in concert with him, there were no corporate proposals announced from the date of the last quarter report to the date of this announcement.

B9. Group borrowings and debt securities

Group borrowings	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
(a) Current			
Bank overdrafts	1,250	-	1,250
Bankers' acceptances	-	1,203	1,203
Term loans	940	2,976	3,916
Hire purchase liabilities	2	-	2
Sub-total of current	2,192	4,179	6,371
(b) Non-current			
Term loans	-	-	-
Hire purchase liabilities	8	-	8
Sub-total of non-current	8	-	8
Total borrowings	2,200	4,179	6,379

The above Group borrowings are all denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

B11. Material litigation

As at the date of this announcement, there was no material litigation against the Group.

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B12. Dividends

No dividend has been recommended for the current quarter and financial year to date.

B13. Profit/ (Loss) per share

The basic loss per share of the Group is calculated by dividing the loss for the relevant periods by the weighted average number of ordinary shares in issue during the period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.6.2012	Preceding Year Corresponding Quarter 30.6.2011	Current Year To Date 30.6.2012	Preceding Year Corresponding Period 30.6.2011
Net profit/ (loss) for the period (RM'000)	(3,742)	(1,918)	(7,154)	(7,507)
Weighted average number of ordinary shares in issue ('000)	44,000	44,000	44,000	44,000
Basic profit/ (loss) per share (sen)	(8.5)	(4.4)	(16.3)	(17.1)

B14. Realised and unrealised retained profits/ accumulated losses

	As at 30.6.2012 RM'000	As at 30.06.11 RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised losses	(30,511)	(21,138)
- Unrealised losses	(7,154)	(7,510)
Less : Consolidation adjustments	7,852	5,989
Total group accumulated losses as per consolidated financial statements	<u>(29,813)</u>	<u>(22,659)</u>

B15. Notes for Statement of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2012 RM'000	Preceding Year Corresponding Quarter 30.06.2011 RM'000	Current Year To Date 30.06.2012 RM'000	Preceding Year Corresponding Period 30.06.2011 RM'000
Profit/(Loss) for the period is arrived at after crediting/(charging) the following:				
Interest Income	0	1	2	4
Other Income including investment Income	95	57	196	206
Interest Expenses	(168)	(183)	(539)	(740)
Depreciation and Amortization	(625)	809	(2,735)	(3,464)
Provision for and write off receivables	(166)	(236)	(166)	(236)
Provision for and write off inventories	(3,290)	-	(3,290)	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment of assets	-	(374)	-	(374)
Foreign exchange gain /(loss)	95	38	113	81
Gain or loss on derivatives	-	-	-	-
Exceptional items (with details)	-	-	-	-
Reversal of Impairment loss for Development Cost	1,200	-	1,200	-

By Order of the Board

Company Secretary+A205