

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 31.12.2012
 Quarter : 1st Quarter
 Financial Year End : 31.03.2012
 The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 31/03/2012

	Individual Quarter		Cumulative Period	
	Current year quarter 31.03.2012	Preceding year quarter 31.03.2011	Current year to date 31.03.2012	Preceding year to date 31.03.2011
	RM'000	RM'000	RM'000	RM'000
1 Revenue	7,490	10,727	7,490	10,727
2 Profit/(Loss) before tax	1,972	3,961	1,972	3,961
3 Profit/(Loss) for the period	1,017	2,652	1,017	2,652
4 Profit /(Loss) attributable to ordinary equity holders of the parent	205	1,301	205	1,301
5 Basic earning per shares (sen)	0.17	1.08	0.17	1.08
6 Proposed /Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 31.12.2011		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the company (RM)		1.2674		1.2657

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 31.03.2012	Preceding year quarter 31.03.2011	Current year to date 31.03.2012	Preceding year to date 31.03.2011
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	141	108	141	108
2 Gross interest expenses	15	11	15	11

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FIRST QUARTER ENDED 31 MARCH 2012**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
		<u>Current</u>	<u>Preceding</u>	<u>Current</u>	<u>Preceding</u>
		<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>
		<u>1st Quarter</u>		<u>Todate</u>	
		<u>31-Mar-12</u>	<u>31-Mar-11</u>	<u>31-Mar-12</u>	<u>31-Mar-11</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Continuing Operations</u>					
Revenue		7,490	10,727	7,490	10,727
Cost of sales		(5,292)	(5,616)	(5,292)	(5,616)
Gross profit		2,198	5,111	2,198	5,111
Other income		830	361	830	361
Administrative expenses		(1,041)	(1,498)	(1,041)	(1,498)
Finance costs		(15)	(13)	(15)	(13)
Other expenses		-	-	-	0
Share of profit / (loss) in associate		0	0	0	0
Profit before taxation		1,972	3,961	1,972	3,961
Tax expense	18	(955)	(1,309)	(955)	(1,309)
Profit/(loss) after taxation		1,017	2,652	1,017	2,652
Other Comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		1,017	2,652	1,017	2,652
Profit/(loss) attributable to:					
Owners of the parent		205	1,301	205	1,301
Non-controlling interests		812	1,351	812	1,351
Profit/(loss) for the period		1,017	2,652	1,017	2,652
Total comprehensive income attributable to:					
Owners of the parent		205	1,301	205	1,103
Non-controlling interests		812	1,351	812	1,549
Total comprehensive income/(loss) for the period		1,017	2,652	1,017	2,652
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	27	0.17	1.08	0.17	1.08

ASTRAL ASIA BHD (374600-X)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE FIRST QUARTER ENDED 31 MARCH 2012**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) CURRENT YEAR END 31-Mar-12 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-11 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	122,412	122,783
Biological assets	122,466	122,466
Investment Property	1,813	1,813
Investment in associated company	1,476	1,476
	<u>248,167</u>	<u>248,538</u>
Current assets		
Inventories	539	184
Amount due from customers	2,650	2,650
Trade receivables	5,594	4,945
Other receivables	73	674
Cash and cash equivalents	26,739	25,302
Tax Recoverable	150	213
	<u>35,745</u>	<u>33,968</u>
TOTAL ASSETS	<u>283,912</u>	<u>282,506</u>
 <u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Owners of the parent		
Share Capital	119,997	119,997
Share Premium	1,333	1,333
Revaluation Reserve	87,754	87,754
Accumulated losses	(56,999)	(57,204)
Total equity attributable to owners of the parent	<u>152,085</u>	<u>151,880</u>
Non-controlling Interests	69,102	68,290
TOTAL EQUITY	<u>221,187</u>	<u>220,170</u>
 Non-current liabilities		
Hire purchase creditors	661	985
Deferred taxation	47,180	47,180
	<u>47,841</u>	<u>48,165</u>
 Current liabilities		
Trade payables	7,902	7,127
Amount due to customers	163	163
Other payables	5,789	4,969
Dividend payable	5	5
Amount due from associate company	565	565
Provision for Taxation	460	1,342
	<u>14,884</u>	<u>14,171</u>
TOTAL LIABILITIES	<u>62,725</u>	<u>62,336</u>
TOTAL EQUITY AND LIABILITIES	<u>283,912</u>	<u>282,506</u>

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →				Total	Non- controlling Interest	Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Accumulated losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2012	119,997	1,333	87,754	(57,204)	151,880	68,290	220,170
Total Comprehensive income for the period				205	205	812	1,017
Balance as at 31 March 2012	119,997	1,333	87,754	(56,999)	152,085	69,102	221,187
As 1 January 2011	119,997	1,333	57,775	(61,974)	117,131	50,493	167,624
Net profit for the quarter				1,301	1,301	1,351	2,652
Dividend paid to non-controlling Interests						(2,100)	(2,100)
Balance as at 31 March 2011	119,997	1,333	57,775	(60,673)	118,432	49,744	168,176

ASTRAL ASIA BHD (374600-X)**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST QUARTER ENDED 31 MARCH 2012****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 MONTHS ENDED 31-Mar-12 RM'000	12 MONTHS ENDED 31-Dec-11 RM'000 (Restated)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	1,972	18,483
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	416	1,386
<i>Operating profit before working capital changes</i>	2,388	19,869
<i>Changes in working capital:-</i>		
Net Change In Current Assets	2,062	460
Net Change In Current Liabilities	(1,172)	(529)
	3,278	19,800
Interest Paid	(15)	(46)
Tax refund/(paid)	(1,779)	(6,663)
Interest received	141	596
Dividend Paid to Non-controlling interests	-	(4,200)
Dividend Paid	-	(1,809)
<i>Net cash (Used In)/ generated from operating activities</i>	1,625	7,678
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	-	176
Purchase of property, plant and equipment	(132)	(5,765)
<i>Net cash used in investing activities</i>	(132)	(5,589)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payment of hire purchase creditors	(56)	(504)
<i>Net cash used in financing activities</i>	(56)	(504)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,437	1,585
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	25,302	23,717
CASH AND CASH EQUIVALENTS AT END OF THE FIANACIAL PERIOD	26,739	25,302
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	4,004	3,067
Fixed Deposit placed with licensed banks	22,735	22,235
	26,739	25,302

Astral Asia Berhad (374600-X)

Notes to the Interim Financial Statement - 31 March 2012

1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2011. The explanatory notes attached to the unaudited interim financial report provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

To converge with International Financial Reporting Standards ("IFRSs") in 2012, the Malaysian Accounting Standards Board, the MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRSs for an additional one year. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope of Transitioning Entities and has opted to defer adoption of MFRSs. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013.

2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011, except for the adoption of the following Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8 Operating Segments

Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First Time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment-Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2- Group and Treasury Share Transactions

Other than for the implications as discussed below, the application of the above FRSs, Amendments to FRSs and Interpretation did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(a) FRS 8: Operating Segment

FRS 8 requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on that used for internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 has introduced changes in terminology used, format and contents of financial statements. Amongst others, components of interim financial statements presented now consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. This standard separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognized in the income statement, together with all other items of recognized income and expense, either in one single statement, or in two linked statements. The revised FRS does not have any impact on the financial position and results of the Group.

(c) Amendment to FRS 117, Lease

Prior to 1 January 2010, leasehold land that normally had an indefinite economic life and where title is not expected to pass to the lessee by the end of the lease term, was treated as operating lease. The minimum lease payment or the up-front payment made on entering into or acquiring a leasehold land was accounted as prepaid lease payments and was amortised on a straight-line basis over the lease term.

(d) FRS 139: Financial Instruments- Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of financial instruments. Financial instruments are recognised initially at fair value plus, in the case of financial assets or liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

(i) Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short term deposits, trade and other receivables.

All the Group's financial assets are measured at amortised cost using the effective interest method.

(ii) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables.

All the Group's financial liabilities are measured at amortised cost using the effective interest method.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

4 Seasonal or cyclical factors

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

5 Unusual items affecting the assets, liabilities, equity, net income, or cash flows

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

6 Material changes in estimates

There were no changes in estimates that have had material effect in the current results.

7 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

8 Dividend paid

There were no dividend paid during the current quarter.

9 Segmental reporting

Segmental information for the Group is presented as follows:

<u>3 months financial period</u> <u>ended 31 March 2012</u>	<u>Construction &</u>				<u>Consolidated</u> RM'000
	<u>Plantation</u> RM'000	<u>Property Development</u> RM'000	<u>Investment</u> RM'000	<u>Elimination</u> RM'000	
Segment Revenue					
External revenue	7,490	-	-	-	7,490
Inter-segment revenue	-	-	-	-	-
Total revenue	7,490	0	0	0	7,490
Segment Results					
Operating results	3,264	(1,201)	(76)	-	1,987
Finance cost	(7)	(8)	-	-	(15)
Profit/(loss) before tax	3,257	(1,209)	(76)	0	1,972
Income tax expense	(937)	(18)	-	-	(955)
	2,320	(1,227)	(76)	0	1,017

<u>3 months financial period</u> <u>ended 31 March 2011</u>	<u>Construction &</u>				<u>Consolidated</u> RM'000
	<u>Plantation</u> RM'000	<u>Property Development</u> RM'000	<u>Investment</u> RM'000	<u>Elimination</u> RM'000	
Segment Revenue					
External revenue	9,854	873	-	-	10,727
Inter-segment revenue	-	-	3,900	(3,900)	-
Total revenue	9,854	873	3,900	(3,900)	10,727
Segment Results					
Operating results	5,158	(1,106)	(78)	-	3,974
Finance cost	(9)	(4)	-	-	(13)
Profit/(loss) before tax	5,149	(1,110)	(78)	-	3,961
Income tax expense	(1,287)	(22)	-	-	(1,309)
	3,862	(1,132)	(78)	-	2,652

The Group principally operates within Malaysia.

10 Valuation of Property, Plant & Equipment

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

11 Material event subsequent to the end of the period not reflected in the current financial period.

There were no material events subsequent to the end of the period that have not been reflected in this quarterly report.

12 Changes in the composition of the Group

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

13 Contingent liabilities or assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

14 Review of performance

The Group recorded a pre-tax profit of RM 2.0 million on a revenue of RM 7.5 million for the Qtr 1 under review compared to a pre-tax profit of RM 3.9 million on a revenue of RM 10.7 million for the corresponding period in 2011.

The 23.99% decrease in the revenue of the Plantation Division to RM 7.5 million for the Qtr 1 under review was due to the lower CPO prices realised compared to the corresponding period last year. The average CPO prices realised had decreased by 8.65% to RM 3,200 per M/T (2011: RM 3,503 per M/T). The total Group's FFB harvested during the Qtr 1 under review had decreased by 8.10% to 10,141 M/T (2011: 11,035 M/T) compared to the corresponding period in 2011.

There were no construction revenue for the Qtr 1 under review compared to the corresponding period in the previous year as most of the current projects were at the final stages of completion. The construction division's loss before tax of RM 1.1 million was mainly due to the Group's overhead and the administration cost to oversee the remaining outstanding contracts work and the proposed Kuantan Hi-Tech Park development.

15 Comparison with the immediate preceding quarter's results

The profit before tax for the current quarter is RM 2.0 million which is higher compared to the result in the preceding quarter which was RM 1.1 million was mainly due to higher CPO prices during the current quarter.

16 Commentary on prospects

The Group anticipates the plantation division to maintain satisfactory performance for the financial year 2012 in view of the sustaining CPO prices.

The construction division had fully provided the foreseeable losses on all current projects which have reached the final stages of construction. The Group does not anticipate further losses on these projects.

17 Profit forecast

Not applicable as there was no profit forecast published.

18 Taxation

	<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
	31.03.2012 RM'000	31.03.2011 RM'000	31.03.2012 RM'000	31.03.2011 RM'000
Current Taxation	955	1,309	955	1,309
Under/(Over) provision of tax in prior year	-	-	-	-
	<u>955</u>	<u>1,309</u>	<u>955</u>	<u>1,309</u>
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
Total income tax expense	<u>955</u>	<u>1,309</u>	<u>955</u>	<u>1,309</u>

The provision for income tax for the Group is mainly due to the chargeable income from the Plantation Division and interest income.

19 Unquoted investments and properties

There were no disposals of unquoted investments or properties during the current quarter.

20 Purchase or disposal of quoted securities

a. Sale proceeds and purchase consideration

There were no disposals and purchase of quoted investment or properties for the current quarter and financial year-to-date.

b. Investment in quoted securities as at end of the reporting period

There were no quoted securities as at end of the current quarter.

21 Status of uncompleted corporate proposals

There were no uncompleted corporate proposal as at the date of this report except:

Proposed joint ventures between Syarikat Ladang LKPP Sdn Bhd ("SLKPP"), A 65% owned Subsidiary of Astral Asia Berhad and Tasja Development Sdn Bhd ("TDSB"), A wholly-owned subsidiary of Astral Asia Berhad to jointly develop two (2) pieces of leasehold lands identified as HS(D) 38537 PT NO. 104729 and HS(D) 28295 PT NO. 86317, All in Mukim of Kuala Kuantan, District of Kuantan, Pahang, Measuring approximately 158.746 hectares and 226.72 hectares, respectively (Equivalent to approximately 392.27 acres and 560.24 acres, respectively or aggregate of 952.51 acres) as announced on 20 Jan 2012.

22 Borrowings and debts securities

There were no borrowings and debts securities as at the end of the current quarter.

23 Off balance sheet financial instruments

During the quarter under review, the Group did not enter into any contracts involving off balance sheet financial instruments.

24 Disclosure of Realised and Unrealised Profits (Unaudited)

	31.03.2012	As at RM'000	As at 31.12.2011 RM'000
Total retained profits / (accumulated losses) of the Company and its subsidiaries:			
- Realised		(163,675)	(163,173)
- Unrealised		(47,180)	(47,180)
		<u>(210,855)</u>	<u>(210,353)</u>
Total share of retained profits / (accumulated losses) from associate company:			
- Realised		(1,012)	(974)
		<u>(211,867)</u>	<u>(211,327)</u>
Less: Consolidated adjustments		<u>154,868</u>	<u>154,123</u>
Total group retained profits / (accumulated losses) as per consolidated accounts		<u><u>(56,999)</u></u>	<u><u>(57,204)</u></u>

25 Material Litigation

There were no material changes with regard to material litigation since the date of the last interim report dated 29.02.2012.

26 Dividend

There were no dividend declared during the current quarter.

27 Earnings per share

Profit attributable to ordinary equity holders of the parent (RM'000)
Weighted average number of ordinary share in issue ('000)
Basic earning per share (sen)

<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
31.03.2012	31.03.2011	31.03.2012	31.03.2011
1,017	2,652	1,017	2,652
119,997	119,997	119,997	119,997
0.17	1.08	0.17	1.08

There is no diluted earning per share as the Group has no dilutive potential ordinary share.

28 Additional notes to the Statement of Comprehensive Income

Profit before tax is arrived at after charging / (crediting):

Interest Income
Interest expense
Depreciation and amortization

<u>Individual Quarter</u> 3 months ended		<u>Cumulative Quarter</u> 3 months ended	
31.03.2012 RM'000	31.03.2011 RM'000	31.03.2012 RM'000	31.03.2011 RM'000
(141)	(108)	(141)	(108)
15	11	15	11
572	448	572	448

29 Capital Expenditure not provided for in the Financial Statements

There were no capital commitments as at the end of the current financial quarter under review except on 15.03.2012, the group had announced the proposed acquisitions by Tasja Properties Sdn Bhd (Formerly known as AAB International Sdn Bhd), a Wholly-owned subsidiary of Astral Asia Berhad, of three (3) levels of office space together with thirty six (36) car park bays within an on-going development of one (1) Block of 17- storey office building with (3) levels basement car park situated on Geran 111856, Lot 67319, Mukim of Sungai Buloh, District of Petaling, Selangor, for a total cash consideration of RM21,000,000.