


NEW HOONG FATT HOLDINGS BERHAD (425709-K)

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RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012

The Board of Directors is pleased to announce the Group's un-audited quarterly report on consolidated results for the financial period ended 30 September 2012.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.09.2012 RM'000	Quarter ended 30.09.2011 (Restated) RM'000	Year to date ended 30.09.2012 RM'000	Year to date ended 30.09.2011 (Restated) RM'000
Revenue		53,864	50,755	162,504	163,798
Cost of sales		(38,018)	(36,390)	(118,423)	(120,858)
Gross profit		15,846	14,365	44,081	42,940
Other operating income		3,064	2,722	10,304	8,624
Operating expenses		(9,764)	(8,530)	(29,070)	(26,303)
Finance costs		(309)	(451)	(973)	(1,200)
Profit before tax		8,837	8,106	24,342	24,061
Tax expense	20	(1,215)	(1,065)	(3,168)	(2,700)
Net profit for the period		7,622	7,041	21,174	21,361
Other comprehensive income, net of tax					
Revaluation surplus on PPE		-	-	-	22,126
Foreign currency translations		(314)	149	(328)	188
Total comprehensive income for the period		7,308	7,190	20,846	43,675
Profit attributable to :					
Owners of the parent		7,622	7,102	21,174	21,253
Non-controlling interest		-	(61)	-	108
Net profit for the period		7,622	7,041	21,174	21,361
Total comprehensive income attributable to :					
Owners of the parent		7,308	7,251	20,846	43,567
Non-controlling interest		-	(61)	-	108
Total comprehensive income for the period		7,308	7,190	20,846	43,675
Earnings per share attributable to owners of the parent	26				
Basic (sen)		10.14	9.45	28.17	28.28
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

(The Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Un-Audited As at 30.09.2012 RM'000	Restated As at 31.12.2011 RM'000	Restated As at 01.01.2011 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	212,145	202,164	194,740
Prepaid lease payments for land	1,371	1,434	1,519
Investment properties	9,500	9,500	8,300
Available for sale financial assets	130	130	83
Deferred tax assets	217	222	-
Intangible asset	9,543	9,786	15,487
	232,906	223,236	220,129
Current Assets			
Inventories	38,061	36,754	41,868
Trade receivables	42,016	44,603	55,567
Other receivables, deposits & prepayments	7,911	5,807	3,383
Current tax assets	277	154	3
Cash and cash equivalents	47,364	35,502	33,328
	135,629	122,820	134,149
Non-current assets held for sale	-	540	-
Total Assets	<u>368,535</u>	<u>346,596</u>	<u>354,278</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	75,157	75,157	75,157
Reserves			
<u>Non-Distributable:</u>			
Share premium	4,210	4,210	4,210
Revaluation reserve	36,550	42,832	35,639
Foreign exchange translation reserve	(156)	172	-
Available for sale reserve	47	47	-
<u>Distributable:</u>			
Retained profits	187,451	166,759	156,724
	228,102	214,020	196,573
Non-controlling Interest	-	-	2,597
Total Equity	<u>303,259</u>	<u>289,177</u>	<u>274,327</u>
Non-Current Liabilities			
Borrowings (interest bearing)	22 6,815	7,655	11,903
Deferred tax liabilities	15,537	15,242	14,748
	22,352	22,897	26,651
Current Liabilities			
Trade payables	6,131	6,679	10,944
Other payables & accruals	5,037	6,696	6,839
Borrowings (interest bearing)	22 30,356	19,329	35,050
Derivative liabilities	-	42	-
Current tax liabilities	1,400	1,776	467
	42,924	34,522	53,300
Total Liabilities	<u>65,276</u>	<u>57,419</u>	<u>79,951</u>
Total Equity and Liabilities	<u>368,535</u>	<u>346,596</u>	<u>354,278</u>
Net assets per share attributable to owners of the parent (RM)	4.04	3.85	3.62

(The Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year to date ended 30.09.2012 RM'000	Year to date ended 30.09.2011 RM'000
Cash Flow From Operating Activities		
Profit before tax	24,342	24,061
Adjustments for:-		
Depreciation and amortization	14,307	13,262
Fair value adjustment on derivative instruments	(42)	-
Interest income	(639)	(492)
Interest paid	973	1,200
Net gain on disposal of property, plant and equipment	(327)	(128)
Property, plant and equipment written off	49	23
Reversal of impairment loss on trade and other receivables	(1)	(30)
Bad debts written off	9	329
Unrealised (gain) / loss on foreign exchange differences	217	(168)
Loss on disposal of a subsidiary	-	459
Operating profit before changes in working capital	38,888	38,516
Net change in current assets	(1,044)	(3,653)
Net change in current liabilities	(2,208)	2,014
Tax paid	(3,372)	(2,578)
Net cash generated from operating activities	32,264	34,299
Cash Flow From Investing Activities		
Proceeds from disposal of property, plant and equipment	10,764	206
Purchase of property, plant and equipment	(33,928)	(16,605)
Cash flow on disposal of subsidiary, net of cash and cash Equivalents	-	1,118
Interest received	639	492
Net cash used in investing activities	(22,525)	(14,789)
Cash Flow From Financing Activities		
Interest paid	(973)	(1,200)
Drawdown / (Repayment) of short term borrowings	10,252	(6,681)
Dividend paid	(6,764)	(7,516)
(Repayment of) / proceeds from hire purchase	(13)	13
Repayment of term loan	(51)	(2,454)
Net cash from / (used in) financing activities	2,451	(17,838)

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year to date ended 30.09.2012 RM'000	Year to date ended 30.09.2011 RM'000
Net increase in cash and cash equivalents	12,190	1,672
Effect of exchange rate changes on cash & cash equivalents	(328)	188
Cash and cash equivalents at beginning of the financial period	35,502	33,328
Cash and cash equivalents at end of the financial period	47,364	35,188
Cash and cash equivalents comprise of :		
Cash and bank balances	19,228	19,019
Short term placements	28,136	16,169
	47,364	35,188

(The Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent								
	Non-distributable					Distributable			
	Share capital	Share premium	Revaluation reserve	Available for sale reserve	Foreign exchange translation reserve	Retained Profits	Total	Non controlling interest	Total Equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2011	75,157	4,210	13,513	-	-	156,746	249,626	2,597	252,223
Profit for the financial period	-	-	-	-	-	21,253	21,253	108	21,361
Foreign currency translation	-	-	-	-	188	-	188	-	188
Revaluation/Fair Value on PPE	-	-	22,126	-	-	-	22,126	-	22,126
Total comprehensive income	-	-	22,126	-	188	21,253	43,567	108	43,675
Disposal of a subsidiary	-	-	-	-	-	-	-	(2,705)	(2,705)
Dividend	-	-	-	-	-	(7,516)	(7,516)	-	(7,516)
At 30 September 2011(restated)	75,157	4,210	35,639	-	188	170,483	285,677	-	285,677
At 1 January 2012	75,157	4,210	42,832	47	172	166,759	289,177	-	289,177
Profit for the financial period	-	-	-	-	-	21,174	21,174	-	21,174
Disposal of property, plant & equipment	-	-	(6,282)	-	-	6,282	-	-	-
Foreign currency translations	-	-	-	-	(328)	-	(328)	-	(328)
Total comprehensive income	-	-	36,550	-	(328)	27,456	20,846	-	20,846
Dividend	-	-	-	-	-	(6,764)	(6,764)	-	(6,764)
At 30 September 2012	75,157	4,210	36,550	47	(156)	187,451	303,259	-	303,259

(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134, INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial report has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2011.

The significant accounting policies and methods of computation applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2011.

2 Adoption of Malaysian Financial Reporting Standards

The significant accounting policies applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2011 except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) to be applied by all Entities Other Than Private Entities for the financial period beginning on 1 January 2012:-

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 4	Insurance Contract
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 6	Exploration for and Evaluation of Mineral Resources
MFRS 7	Financial Instruments: Disclosures
MFRS 8	Operating Segments
MFRS 101	Presentation of Financial Statements
MFRS 102	Inventories
MFRS 107	Statement of Cash Flows
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 110	Events after the Reporting Period
MFRS 111	Construction Contracts
MFRS 112	Income Taxes
MFRS 116	Property, Plant & Equipment
MFRS 117	Leases
MFRS 118	Revenue
MFRS 119	Employee Benefits
MFRS 120	Accounting for Government Grants and Disclosure of Government Assistance
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 123	Borrowing Costs
MFRS 124	Related Party Disclosures
MFRS 126	Accounting and Reporting by Retirement Benefit Plans
MFRS 127	Consolidated and Separate Financial Statements
MFRS 128	Investment in Associates
MFRS 129	Financial Reporting in Hyperinflationary Economies
MFRS 131	Interest in Joint Ventures

2 Adoption of Malaysian Financial Reporting Standards (continued)

MFRS 132	Financial Instruments: Presentation
MFRS 133	Earnings Per Share
MFRS 134	Interim Financial Reporting
MFRS 136	Impairment of Assets
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 138	Intangible Assets
MFRS 139	Financial Instrument: Recognition and Measurement
MFRS 140	Investment Property
MFRS 141	Agriculture
IC Int. 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Int. 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Int. 4	Determining Whether an Arrangement Contains a Lease
IC Int. 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Int. 6	Liabilities Arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment
IC Int. 7	Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyperinflationary Economies
IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 10	Interim Financial Reporting and Impairment
IC Int. 12	Service Concession Arrangements
IC Int. 13	Customer Loyalty Programmes
IC Int. 14	MFRS 119 –The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Int. 15	Agreements for the Construction of Real Estate
IC Int. 16	Hedges of a net Investment in a Foreign Operation
IC Int. 17	Distributions of Non-cash Assets to Owners
IC Int. 18	Transfers of Assets from Customers
IC Int. 19	Extinguishing Financial Liabilities with Equity Instruments
IC Int. 107	Introduction of the Euro
IC Int. 110	Government Assistance – No Specific Relation to Operating Activities
IC Int. 112	Consolidation – Special Purpose Entities
IC Int. 113	Jointly Controlled Entities – Non-Monetary Contributions by Venturers
IC Int. 115	Operating Leases- Incentives
IC Int. 125	Income Taxes – Change in the Tax Status of an Entity or its Shareholders
IC Int. 127	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IC Int. 129	Service Concession Arrangements: Disclosures
IC Int. 131	Revenue – Barter Transactions Involving Advertising Services
IC Int. 132	Intangible Assets – Web Site Costs

2 Adoption of Malaysian Financial Reporting Standards (continued)

The adoption of the above MFRSs and IC Interpretations did not have any significant effects on the financial statements of the Group except for the following:

(a) Significant accounting policies and application of MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRSs. Except for certain differences, the requirements under FRSs and MFRS are similar. In preparing the opening consolidated statement of financial position as at 1 January 2011, the Group has adjusted amounts reported previously in the financial statements prepared in accordance with FRSs.

The significant accounting policies adopted in preparing these consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except as mentioned below:

(i) Property, plant and equipment

Under FRSs, the Group measured its property, plant and equipment except for land and buildings at cost less accumulated depreciation and impairment losses, if any. Land and buildings are stated at valuation, which is the fair value at the date of valuation less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the revaluation model except for motor vehicles using the cost model under MFRS 116 *Property, Plant and Equipment*. The revaluation surplus of RM22,664,454 and its related deferred tax liability of RM 538,269 arising from land & buildings were restated on 1 January 2011.

The Group had carried out a valuation exercise in 2011. Hence, the revalued amount of land and buildings as at 31 December 2011 was used as deemed cost under MFRS at the date of transition.

(ii) Intangible assets

Previously, computer software was included under property, plant and equipment. MFRS 138 *Intangible Assets* requires reclassification of computer software, which is not an integral part of a related hardware, as an intangible asset and is amortised over its useful life.

The costs and depreciation relating to expenditure on such software has been reclassified from property, plant and equipment to intangible assets. A reclassification of RM147,730 was made on transition to MFRS on 1 January 2011 and further reclassification of RM 1,247,591 was made on 31 December 2011 .

2 Adoption of Malaysian Financial Reporting Standards (continued)

The effect of the adoption of MFRS on the consolidated statement of financial position are as follows :-

	As previously reported RM'000	Effects of adoption of MFRS RM'000	As Restated RM'000
<u>Statement of Financial Position as at 1 Jan 2011</u>			
Property, plant and equipment	172,223	22,517	194,740
Intangible asset	15,339	148	15,487
Revaluation surplus	13,513	22,126	35,639
Deferred tax liabilities	14,210	538	14,748

Statement of Financial Position as at 31 Dec 2011

Property, plant and equipment	203,411	(1,247)	202,164
Intangible asset	8,539	1,247	9,786

The Group has not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations which were in issued but not yet effective:

	<u>Effective Date</u>
MFRS 3 Business Combinations	1 January 2013
MFRS 9 Financial Instruments	1 January 2015
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interest in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 1 Government Loans	1 January 2013
Amendments to MFRS 7 Disclosure – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS132 Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Int. 20 Stripping Costs in the Production Phase Of a Surface Mine	1 January 2013
Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 March 2012
Annual Improvements 2009-2011 Cycle	1 January 2013

3 Qualified audit report

The financial statements for the financial year ended 31 December 2011 was not qualified.

4 Seasonal or cyclical factors

The Group's operation is not significantly affected by seasonal or cyclical factors.

5 Unusual items

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6 Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current or previous financial year.

7 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, repurchase and resale of treasury shares for the current quarter under review.

8 Dividends paid

	Quarter ended 30.09.2012 RM'000	Year to date ended 30.09.2012 RM'000
Final single tier dividend of 8 sen and a special final single tier dividend of 1 sen per ordinary share declared for financial year ended 2011, paid on 12 July 2012	6,764	6,764

9 Segmental information

By Business Segment	Quarter ended		Year to date ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	34,523	35,614	101,043	116,663
- Manufacturing	39,715	35,056	122,480	105,168
- Investment	4,504	(210)	13,274	55,800
Elimination of inter segment revenue	(24,878)	(19,705)	(74,293)	(113,833)
Total Segment Revenue	53,864	50,755	162,504	163,798
<u>Segment Results</u>				
- Trading	(157)	(363)	(1,350)	984
- Manufacturing	8,005	9,240	23,689	24,694
- Investment	14,624	(319)	16,303	55,400
- Others	(6)	(1)	(7)	(17)
Consolidated Adjustment	(13,320)	-	(13,320)	(55,800)
Total Segment Results	9,146	8,557	25,315	25,261
Finance Costs	(309)	(451)	(973)	(1,200)
Group Results	8,837	8,106	24,342	24,061

9 Segmental information (continued)

By Geographical Segment	Quarter ended		Year to date ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Malaysia	53,101	50,859	161,951	163,902
- Overseas	1,037	123	2,618	123
Elimination of inter segment revenue	(274)	(227)	(2,065)	(227)
Total Segment Revenue	53,864	50,755	162,504	163,798
<u>Segment Results</u>				
- Malaysia	9,866	9,226	27,550	26,054
- Overseas	(720)	(669)	(2,235)	(793)
Total Segment Results	9,146	8,557	25,315	25,261
Finance Costs	(309)	(451)	(973)	(1,200)
Group Result	8,837	8,106	24,342	24,061

10 Valuation of property, plant and equipment and investment properties

The valuation of land and buildings has been brought forward, without any amendment to the previous annual financial statements.

11 Subsequent events

In the opinion of the Directors, no item, transaction or event of a material nature has arisen during the period from the end of the reporting period to 13 November 2012 which is likely to affect substantially the results of the operations of the Group for the financial period ended 30 September 2012.

12 Changes in the composition of the Group

There is no change in the composition of the Group.

13 Changes in contingent liabilities - unsecured

The contingent liabilities of the Company are as follows:

	Company	
	As at 30.09.2012 RM'000	As at 31.12.2011 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	37,147	26,946

14 Capital commitments

	Group As at 30.09.2012 RM'000
Contracted but not provided for in respect of :	
- construction of warehouse	2,950
- plant and equipment	<u>10,536</u>
	<u>13,486</u>

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**15 Review of performance**

Third quarter (“3Q”) 2012 revenue of RM53.9 million was higher by 6.1% amounting to RM3.1 million as compared with RM50.8 million in 3Q 2011 due to increase in export. However, total revenue for year to date (“YTD”) 3Q 2012 of RM162.5 million was down marginally by 0.8% amounting to RM1.3 million as compared to RM163.8 million in YTD 3Q 2011. This was the net impact from the non contribution from a subsidiary which was disposed of in 3Q 2011.

Higher operating expenditure by 15.3% amounting to RM1.3 million in 3Q 2012 and 10.6% amounting to RM2.8 million in YTD 3Q 2012 as compared with corresponding periods last year was mainly due to this year’s expenses were for the full nine months for the China and Indonesia distribution offices.

Groups’ profit before tax remain consistent at RM8.8 million and RM24.3 million for 3Q 2012 and YTD 3Q 2012 as compared to RM8.1 million and RM24.1 million in the corresponding periods last year.

16. Segmental performance review**Trading segment**

Revenue recorded by the trading segment for 3Q 2012 and YTD 3Q 2012 was RM34.5 million and RM101.0 million, down by 3.1% and 13.5% respectively. The decrease was mainly due to the non contribution from a subsidiary which was disposed of in 3Q 2011.

Trading segment recorded a loss before tax of RM0.2 million in 3Q 2012 compared to loss before tax of RM0.4 million in 3Q 2011. Meanwhile, total loss before tax in YTD 3Q 2012 was RM1.4 million as compared to profit before tax of RM1.0 million in YTD 3Q 2011 as a result of the impact of full year expenses from China and Indonesia distribution offices.

Manufacturing segment

Revenue increased by 13.1% to RM39.7 million in 3Q 2012 and 16.4% to RM122.5 million for YTD 3Q 2012 as compared to RM35.1 million and RM105.2 million in the corresponding periods last year. The increase was mainly due to higher revenue from export.

16. Segmental performance review (continued)

Manufacturing segment (continued)

Profit before tax, however, decreased by 13.0% in 3Q 2012 to RM8.0 million and 4.0% for YTD 3Q 2012 to RM23.7 million as compared to RM9.2 million and RM24.7 million in corresponding periods last year. The decrease was mainly due to higher manufacturing costs and foreign exchange loss.

17 Variation of results against preceding quarter

Revenue in 3Q 2012 decreased slightly by 1.3% as compared to RM54.6 million in 2Q 2012. The Group's profit before tax had dropped by 10.2% amounting to RM1.0 million as compared to RM9.8 million in 2Q 2012 due mainly to lower income from steel scrap and higher foreign exchange loss.

18 Current year prospects

As focus is on European economy and unresolved issues in US coupled with slower growth in China, market sentiment remains cautious amidst a challenging global recovery. It has impacted the Asia Pacific economic conditions and strategies.

Despite these factors, the Group will continue with its business strategy of improving competitiveness through product variation, flexible manufacturing and operational efficiency with an emphasis on regional markets. The Group's performance for the remaining months will continue to be challenging.

19 Profit forecast

There was no revenue or profit forecast announced by the Group.

20 Tax expenses

	Quarter ended 30.09.2012 RM'000	Year to date ended 30.09.2012 RM'000
Tax expenses	776	2,873
Deferred tax liabilities	439	295
	<u>1,215</u>	<u>3,168</u>

The effective tax rate of the Group for the current quarter is 13.7% and year to date is 13.0%. This is lower than the statutory tax rate mainly due to the utilisation of Allowance for Increase Export Incentive by a subsidiary company of the Group.

21 Status of corporate proposal

- There were no corporate proposals announced but not completed as at 13 November 2012.
- Utilisation of proceeds raised from corporate proposals: Not applicable.

22 Group borrowings and debt securities (unsecured)

	As at 30.09.2012 RM'000
Current	
Term loans	5,871
Bankers' acceptance	24,460
Hire purchase	25
	<u>30,356</u>
Non-current	
Term loans	<u>6,815</u>
	<u>37,171</u>
Total Borrowings	
Term Loans	12,686
Bankers' acceptance	24,460
Hire purchase	25
	<u>37,171</u>

There are no borrowings denominated in foreign currency except for hire purchase which is denominated in Indonesian Rupiah.

23 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at balance sheet date approximate their fair values due to relatively short term maturity of these financial instruments except as set out below:

	Group	
	Carrying amount RM'000	Fair Value RM'000
At 30 September 2012		
Fixed Rate Term loans	<u>655</u>	<u>645</u>

Fair value is determined by using estimated discounting future cash flows at the current market interest rate available to the Group for similar instruments.

24 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group as at 13 November 2012.

25 Dividends

The Board of Directors is pleased to declare an interim single tier dividend of 3 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2012 amounting to RM2,254,698 (2011 : interim single tier 3 sen per ordinary share of RM1.00 each, RM2,254,698).

The dividend will be paid on 20 December 2012 to shareholders registered in the Record of Depositors on 6 December 2012.

The interim dividend will be accounted for as an appropriation of retained earnings in the year in which it is declared.

26 Earnings per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Quarter ended</u> 30.09.2012	<u>Quarter ended</u> 30.09.2011	<u>Year to date ended</u> 30.09.2012	<u>Year to date ended</u> 30.09.2011
Net profit attributable to owners of the parent (RM'000)	7,622	7,102	21,174	21,253
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	10.14	9.45	28.17	28.28

27 Realised and Unrealised Profits / Losses Disclosure

The following realised and unrealised profits / losses disclosure are prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ('MIA Guidance') and at the directive of Bursa Malaysia Securities Berhad :

	As At	Restated
	30.09.2012	As At
	RM'000	31.12.2011
		RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	260,223	236,732
- Unrealised	(10,082)	(8,851)
	250,141	227,881
Less : Consolidated adjustments	(62,690)	(61,122)
Total group retained profits as per consolidated financial statements	187,451	166,759

28 Profit before taxation

	Quarter ended	Year to date ended
	30.09.2012	30.09.2012
	RM'000	RM'000
Profit before tax is arrived at after charging /(crediting) :		
Amortisation of prepaid lease payment	21	64
Bad debts written off	-	9
Depreciation of property, plant and equipment	4,893	14,243
Reversal of fair value adjustment on derivative instruments	-	(42)
Net gain on disposal of property, plant and equipment	(240)	(327)
Interest income	(236)	(639)
Investment income :		
- rental income	(95)	(284)
Property, plant and equipment written off	5	49
Realised loss on foreign exchange transactions	75	213
Unrealised loss on foreign exchange translations	407	217

- Quarterly Report on consolidated results for the financial period ended 30 September 2012
 - Page 16
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By Order of the Board

YEOH CHONG KEAT
REBECCA LEONG SIEW KWAN
Secretaries
Kuala Lumpur
20 November 2012