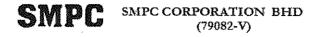
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#### Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

### <u>Condensed Consolidated Income Statements for the third quarter ended 31st December 2011</u> (The figures have not been audited)

	3 months	3 months ended		9 months ended	
	31st Dec 2011 RM'000	31st Dec 2010 RM'000	31st Dec 2011 RM'000	31st Dec 2010 RM'000	
Revenue	33,757	31,036	107,299	89,386	
Operating Expenses	(32,915)	(28,873)	(102,376)	(83,556)	
Other operating income	702	309	801	805	
Profit from Operations	1,544	2,472	5,724	6,635	
Finance costs	(1,202)	(2,143)	(5,052)	(6,205)	
Profit before tax	342	329	672	430	
Income tax expense	(205)	(18)	(261)	(86)	
Profit for the period	137	311	411	344	
Profit for the period	137	311	411	344	
Attributable to: Equity holders of the parent Minority interest	28 109 137	286 25 311	264 147 411	319 25 344	
Earnings per share attributable to equity holders of the parent:					
Basic- sen	0.04	0.44	0.41	0.49	

The condensed consolidated income statements should be read in conjuction with the audited financial statements for the year ended 31st March 2011 and the accompanying explanatory notes attached to the interim financial statements.



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#### Quartely report on consolidated results for the third financial quarter ended 31st December 2011

### <u>Condensed Consolidated Balance Sheet as at 31st December 2011</u> (The figures have not been audited)

	As at 31st Dec 2011 RM RM'000	As at 31st Mar 2011 RM RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	90,523	92,273
Intangible assets	1,875	1,875
	92,398	94,148
Current assets		
Inventories	29,208	26,601
Trade receivables	26,004	25,517
Other receivables	12,393	11,639
Tax recoverable	222	130
Short term investments	54	54
Cash and bank balances	2,871	9,363
Assets held for sale	-	12,069
	70,752	85,373
TOTAL ASSETS	163,150	179,521
EQUITY AND LIABILITIES  Equity attributable to equity holders of the parent		
Share capital	64,645	64,645
Share premium	23,752	23,752
Other reserves	5,680	5,680
Retained earnings	(61,224)	(61,489)
•	32,853	32,588
Minority interests	1,051	904
Total equity	33,904	33,492
Non-current liabilities		
Borrowings	15,518	2,302
Deferred tax liabilities	4,233	4,233
	19,751	6,535
Current liabilites		
Borrowings	75,044	96,306
Trade payables	8,502	8,401
Other payables	25,949	34,787
. ,	109,495	139,494
Total liabilities	129,246	146,029
TOTAL EQUITY AND LIABILITIES	163,150	179,521
Net asset per share attributable to ordinary equity holders		
of the parent (RM)	0.51	0.50

The condensed consolidated balance sheet should be read in conjuction with the audited financial statements for the year ended 31st March 2011 and the accompanying explanatory notes attached to the interim financial statements.

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#### Quartely report on consolidated results for the third financial quarter ended 31st December 2011

#### Condensed Consolidated Cash Flow Statements for the third quarter ended 31st December 2011

(The figures have not been audited)

	9 months ended		
	As at As at		
	31st Dec 2011	31st Dec 2010	
	RM'000	RM'000	
Net cash used in operating activities	(12,266)	(3,525)	
Net cash from investing activities	10,377	408	
Net cash generated used in financing activities	(7,861)	(2,595)	
Net decrease in cash and cash equivalents	(9,750)	(5,712)	
Non-cash items	3,442	3,737	
Cash and cash equivalents at beginning of financial period	(508)	(2,895)	
Cash and cash equivalents at end of financial period	(6,816)	(4,870)	
Cash and cash equivalents at the end of the financial period comprise the following:			
Cash and bank balances	2,870	4,362	
Bank overdrafts	(9,686)	(9,232)	
	(6,816)	(4,870)	

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.

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#### Quartely report on consolidated results for the third financial quarter ended 31st December 2011

#### Condensed Consolidated Statements of Changes in Equity for the third quarter ended 31st December 2011

		Attribi	ıtable to Equity	Holders of the	e Parent		Minority Interest	Total Equity
			Non-Distrib	utable				-4-10
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Other reserve RM'000	Accumulated losses RM'000	Total RM'000	RM'000	RM'000
9 months ended 31st December 2010 As at 1 April 2010	64,645	23,752	6.009	60	(61.191)	33,275	860	34,135
Movements during the period (cumulative)	-			-	-		-	-
Net profit for the period	-	-	-	-	319	319	25	344
At 31st December 2010	64,645	23,752	6,009	60	(60,872)	33,594	885	34,479
9 months ended 31st December 2011 As at 1 April 2011	64,645	23.752	6,009	(329)	(61,489)	32.588	904	33,492
Movements during the period (cumulative)	-	-	-	-	-	-	-	-
Net profit for the period	-	<u></u>		•	265	265	147	412
At 31st December 2011	64.645	23,752	6,009	(329)	(61,224)	32,853	1,051	33,904

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.



Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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#### **EXPLANATORY NOTES: (AS PER FRS 134)**

#### Al Accounting policies

The interim financial statements are unaudited and have been prepared under the historical cost convention in accordance with FRS134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The accounting policies and methods used in preparing the quarterly financial statements are consistent and should be read in conjunction with the audited financial statements for the financial year ended 31<sup>st</sup> March 2011.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31<sup>st</sup> March 2011.

#### A2 Changes in Accounting Policies

The adoption of the revised FRS 101 has affected the presentation of minority interest. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statements, minority interests are presented as an allocation of the total loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interests.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 31<sup>st</sup> March, 2011.

On 1<sup>st</sup> April the Group adopted the following which is mandatory for the financial period beginning on or after 1<sup>st</sup> April 2011.

The adoption of these FRS did not have material effect on the presentations and disclosure aspect since the Group does not present segmentation results.

Effective for financial periods beginning on or after

*FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS101(Revised 2010)	Presentation of Financial Statements	1 January 2010
FRS123(Revised 2010)	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010

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# SMPC CORPORATION BHD (79082-V)

Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 1	Limited Exemption from Comparative FRS7	
	Disclosures for First- time Adopters	1 January 2011
Amendments to FRS 2	Share-based Payment – Amendments Relating to	•
	Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2	Share-based Payment - Amendments Relating to the	•
	scope of the standard	1 March 2010
Amendments to FRS 7	Financial Instruments: Disclosures	
	Amendments relating to financial assets	1 January 2010
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 8	Operating Segments. Amendments relating	·
	disclosure information about segment assets	1 January 2010
Amendments to FRS 107	Statement of Cash Flows. Amendments relating	·
	to classification of expenditures on unrecognized assets	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates	·
	nd Errors. Amendment relating to selection and application	
	of accounting policies	1 January 2010
Amendments to FRS 110	Events After the Reporting Period.	·
A	mendment relating to reason for dividend not recognized	
	as a liability at the end of the reporting period	1 January 2010
Amendments to FRS 116	Property, Plant and Equipment.	
	Amendment relating to derecognition of asset	1 January 2010
Amendments to FRS 117	Leases. Amendment relating to classification of leases	1 January 2010
Amendments to FRS 118	Revenue. Amendment relating to Appendix of this	
	standard and recognition and measurement	1 January 2010
Amendments to FRS 119	Employee Benefits. Amendment relating to definition,	
	curtailment and settlements.	1 January 2010
	Accounting for Government Grants and	
	isclosure of Government Assistance. Amendment	
re	elating to defination and government loan with a below	
	market rate of interest.	1 January 2010
Amendments to FRS 123	Borrowing Costs. Amendment relating to	
	components of borrowings costs.	1 January 2010
	Consolidated and Separate Financial Statements.	
	mendment relating to cost of an investment in	
a	subsidiary, jointly controlled entity	
	or associate.	1 January 2010
	Investment in Associates. Amendment relating to	
ım	pairment losses in application of the equity method and the	1.1 2010
Amondments to EDC 130	scope of this standard	1 January 2010
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies.	1 7 2010
Amounto to EDC 121	Amendment relating to changing of terms used.  Interests in Joint Ventures. Amendment	1 January 2010
	ating to additional disclosure required for joint	1. 7 2010
	venture that does not apply FRS 131 Financial Instruments: Presentation. Amendment	1 January 2010
	relating to puttable financial instruments	1 Innuary 2010
	Financial Instruments: Presentation. Amendment	1 January 2010
	relating to Classification of Rights Issues	1 January 2010
	retaining to crassification of Rights assues	1 January 2010

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#### SMPC CORPORATION BHD

(79082-V)

Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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Effective for financial periods

1 January 2011

Amendments to FRS 134	Interim Financial Reporting. Amendment relating to disclosure of earnings per share	1 January 2010
Amendments to FRS 136	Impairment of Assets. Amendment relating	
	to the disclosure of recoverable amount	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurements	1 January 2010
Amendments to FRS 140	Investment Property. Amendments relating to inability to	
	to determine fair value reliably.	1 January 2010
* IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
*IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Shares Transactions	1 January 2010
*IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
*IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset,	
	Minimum Funding Requirements and their Interaction	1 March 2010

The following applicable new/revised FRS which were issued but have not been adopted by the Group:

		beginning on or after
FRS 1(Revised 2010)	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3(Revised 2010)	Business Combinations	1 July 2010
FRS127(Revised 2010)	Consolidated and Separate Financial Statements 1 July 2	2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued	
(	Operations – Amendments relating to the inclusion of	
1	non-current assets as held for distribution to owners in th	e
5	standard	1 July 2010
Amendments to FRS 138	Intangible Assets. Amendments relating to recognition	
	of an expense	1 July 2010
*IC Interpretation 12	Service Concession Arrangements	1 July 2010
*IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
*IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
*IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 1	Limited Exemption from Comparative FRS7 Disclosur	res for
]	First- time Adopters. Amendments relating to transition p	rovisions
•	for first-time adopters	1 January 2011
Amendments to FRS 1	Additional Exemptions for First-time Adopters.	
A	amendment relating to transition provisions for first-time	
	adopters	1 January 2011
* A	amendments relating to transition provision for first-time	adopters

\*Not relevant to the Group.

The existing FRS 1, FRS 3 and FRS 127 will be withdrawn upon the adoption of the revised Standards which will take effect on 1 July 2010. FRS 201<sub>2004</sub> Property Development Activities shall be withdrawn on application of IC Interpretation 15. The effects of FRS 7 and FRS 139, if any, upon their initial recognition are exempted from disclosures.

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#### SMPC CORPORATION BHD

(79082-V)

Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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#### **EXPLANATORY NOTES: (AS PER FRS 134)**

#### A3 Declaration of audit qualification

The audit report of the Company in respect of the annual financial statements for the year ended 31<sup>st</sup> March 2011 was not subject to any audit qualification.

#### A4 Segmental reporting

Segmental analysis for the current financial year to-date

	Revenue (RM)	Profit/ (Loss) From Operations (RM)
Manufacturing	58,620,551	5,634,203
Trading	47,919,567	491,935
Others	759,069	(401,811)
		***
	107,299,187	5,724,327
	AND THE PARTY OF T	Alab

#### A5 Unusual items

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

#### A6 Changes in estimates

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

#### A7 Seasonality or cyclicality of operation

The business of the Group is generally neither non-cyclical nor seasonal except for decreased activities during the festive season.

#### A8 Dividend

No dividend has been declared for the period.

#### A9 Valuation of property, plant and equipment

The valuation of property, plant and equipment have been brought forward, without amendment from the audited financial statements for the financial year ended 31st March 2011.

#### A10 Issuances and repayments of debts and equity securities

There were no changes in the equity structure of the company during this period.

There were no issuances and repayments of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

#### All Changes in the composition of the Group

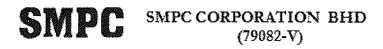
There were no changes in the composition of the Group for the current quarter.

#### A12 Contingent liabilities or contingent assets

There were no contingent liabilities and contingent assets as at end of the reporting quarter other than as stated below:

Guarantee for loan facilities given to other investee company

USD 266,833



Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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### EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

#### A13 Subsequent material events

To the best knowledge of the Directors there is no transaction or event of a material or unusual nature occurring between 31<sup>st</sup> March 2011 and the date of this announcement.

#### B1 Review of the performance of the Company and its principal subsidiaries

The Group recorded revenue of RM33.757million for the 3 months ended 31 December 2011 ("3Qtr") compared to revenue of RM31.036million in the preceding year corresponding period ("3Qtr"). An increase of RM2.721million (8.8%). The increase was contributed through higher sales volume by trading division. The Group's profit for the 3 months ended 31 December 2011 was RM0.342million against RM0.329million in the preceding year corresponding period.

The Group recorded revenue of RM107.299million for the 9 months ended 31 December 2011 compared to revenue of RM89.386million in the preceding year corresponding period. This increase of RM17.913million (20.04%) was contributed through higher sales volume by both manufacturing and trading division. Correspondingly, the Group's profit before tax for the 9 months ended 31 December 2011 was RM0.411million against RM0.344million in the preceding year corresponding period.

### B2 Material changes in the quarterly results compared to the results of the immediate preceding quarter

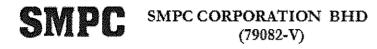
The revenue for the current financial quarter reduce to RM33,757million and profit before tax registered at RM0.137million compared to a revenue of RM36.962million and a profit before tax of RM0.088million during the preceding quarter. Besides reduce in the sales volume the margin was supported by better selling price.

#### B3 Prospects of the current financial year

The Board of Directors is expecting full implementation of PRE by end of this financial year subject to the approval of the relevant authorities. With the Group's successfully participation in the Economic Transformation Program (ETP) projects initiated by the Government, the Group is expected to perform better.

#### B4 Variance of actual profit from forecast profit

This is not applicable to the Group.



Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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### EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

#### B5 Taxation

Taxation comprises:-

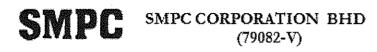
	Current Year Quarter 31/12/2011 RM'000	Cumula Current Year To Date 31/12/2011 RM'000	tive Quarters Preceding Year Corresponding Period 31/12/2010 RM'000
Current tax expense Current year Over provision of Income tax	205	261	86
expense in prior year	-	-	~
Over provision of Deferred tax	205	261	86
in prior year	205	261	86

#### B6 Status of corporate proposals

Public Investment Bank ("PIVB") on behalf of the Company made several announcements to Bursa Malaysia Securities Berhad ("Bursa") that

- i) Debt Restructuring Agreement was entered by the Company with Affin Bank Berhad on 30 November 2011;
- ii) On 20 December 2011, Supplemental Agreement with Southeast Asia Special Asset Management Berhad and RHB Bank Berhad was entered; and
- iii) On 28 December 2011, Bursa given their approval for the Company's Restructuring Scheme via their letter dated 27 December 2011.

First hearing for the Summons for Directions was done in High Court of Malaya ("Court") on 31 January 2012. Subsequently High Court granted the order to advertise the advertisements in newspaper which was done in News Straits Times on 10 February 2012. The Court fixed hearing of petition on 27 February 2012.



Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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### EXPLANATORY NOTES: (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)

#### B7 Group borrowings and debt securities

There were no bank borrowings (other than as detailed below) and debt securities as at the end of the reporting period.

	Short Term	Long Term
	RM '000	RM '000
Secured		
Bank overdraft	9,686	-
Bankers' acceptances	17,769	-
Term loan	35,339	15,406
Revolving credit	12,250	-
Hire Purchase Loan	-	112
	75,044	15,518
	PRINT HAT WITH A SHE MADE AND A SHE MADE AND A SHE WAS A	

#### B8 Material litigation

There is no material litigation pending as at the date of this announcement.

#### B9 Dividend

The Board of Directors of the Company has not recommended any dividend in the financial year to date.

#### B10 Earnings per share

- (i) Basic earnings per ordinary share
  - The earnings per share is calculated by dividing the net profit attributable to shareholders of RM264,222 by the number of ordinary shares in issue during the current quarter of 64,644,965.
- (ii) Diluted earnings per ordinary share
  - The diluted earnings per share is not presented as the assumed conversion of potential ordinary share are anti-dilutive.

Quarterly report on consolidated results for the third financial quarter ended 31st December 2011

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#### B11 Realised and unrealised profits/losses disclosure

The retained profits as at 31 December 2011 and 30 September 2011 is analysed as follows:-

	Year	Preceding
	31 December 2011 RM'000	Quarter-to-date 30 September 2011 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised - Unrealised	(61,224)	(61,252)