

Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Period Ended 30 April 2012

	Note	3 months ended	
		30 April 2012 RM'000	30 April 2011 RM'000
Revenue	A4	191,414	175,067
Costs of sales		(162,459)	(142,947)
Gross profit		<u>28,955</u>	<u>32,120</u>
Other income		3,068	5,972
Administrative and other expenses		(17,601)	(23,896)
Interest/finance costs		(3,811)	(3,507)
Share of results of associates		(329)	(115)
Profit before taxation	A4	<u>10,282</u>	<u>10,574</u>
Income tax expense	B5	(1,279)	(168)
Profit for the financial period		<u>9,003</u>	<u>10,406</u>
Other comprehensive income, net of taxation			
Gain on foreign currency translation		371	809
Gain on cash flow hedges		2,495	1,439
Other comprehensive income for the financial period, net of taxation		<u>2,866</u>	<u>2,248</u>
Total comprehensive income for the financial period		<u>11,869</u>	<u>12,654</u>

Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Period Ended 30 April 2012 (Continued)

	Note	3 months ended	
		30 April 2012 RM'000	30 April 2011 RM'000 Restated
Profit attributable to:			
Equity holders of the Company		7,075	6,941
Non-controlling interests		1,928	3,465
Profit for the financial period		<u>9,003</u>	<u>10,406</u>
Total comprehensive income attributable to:			
Equity holders of the Company		10,286	8,953
Non-controlling interests		1,583	3,701
Total comprehensive income for the financial period		<u>11,869</u>	<u>12,654</u>
Basic earnings per share attributable to equity holders of the Company (sen)	B13	<u>8.4</u>	<u>9.0</u>

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

Condensed Consolidated Statement of Financial Position
As at 30 April 2012

	Note	Unaudited As at 30 April 2012 RM'000	Audited As at 31 January 2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		259,877	239,432
Intangible assets		3,306	3,175
Investment in associates		7,281	5,115
Investment securities		100	100
Trade receivables		8,651	9,933
Deferred tax assets		26,190	26,472
		<u>305,405</u>	<u>284,227</u>
Current assets			
Inventories		51,995	52,388
Trade receivables		116,842	100,081
Other receivables		44,265	62,327
Finance lease receivables		2,201	6,447
Tax recoverable		1,235	1,750
Cash and bank balances		89,554	80,860
		<u>306,092</u>	<u>303,853</u>
TOTAL ASSETS		<u>611,497</u>	<u>588,080</u>

**Condensed Consolidated Statement of Financial Position
As at 30 April 2012 (Continued)**

	Note	Unaudited As at 30 April 2012 RM'000	Audited As at 31 January 2012 RM'000
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings/financing	B9	132,889	137,791
Trade payables		58,276	59,964
Other payables		59,236	42,683
Current tax payable		-	-
		<u>250,401</u>	<u>240,438</u>
Net current assets		<u>55,691</u>	<u>63,415</u>
Non-current liabilities			
Borrowings/financing	B9	89,386	95,401
Deferred tax liabilities		433	433
		<u>89,819</u>	<u>95,834</u>
Total liabilities		<u>340,220</u>	<u>336,272</u>
Net assets		<u>271,277</u>	<u>251,808</u>
Equity attributable to equity holders of the Company			
Share capital		84,400	76,800
Reserves		115,980	105,694
		<u>200,380</u>	<u>182,494</u>
Non-controlling interests		70,897	69,314
Total equity		<u>271,277</u>	<u>251,808</u>
TOTAL EQUITY AND LIABILITIES		<u>611,497</u>	<u>588,080</u>

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

Unaudited Condensed Consolidated Statement of Changes in Equity
For the Period Ended 30 April 2012

	Attributable to equity holders of the Company						Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Non-Distributable					Distributable			
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Foreign Exchange Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000			
At 1 February 2011	76,800	1,024	25,293	1,610	(5,013)	54,049	153,763	67,792	221,555
Total comprehensive income for the financial period	-	-	73	500	1,439	6,941	8,953	3,701	12,654
At 30 April 2011	76,800	1,024	25,366	2,110	(3,574)	60,990	162,716	71,493	234,209

Unaudited Condensed Consolidated Statement of Changes in Equity
For the Period Ended 30 April 2012 (Continued)

	Attributable to equity holders of the Company					Retained Profits RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Non-Distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Foreign Exchange Reserve RM'000	Hedging Reserve RM'000				
At 1 February 2012	76,800	1,024	25,677	2,162	(2,412)	79,243	182,494	69,314	251,808
Total comprehensive income for the financial period	-	-	(104)	820	2,495	7,075	10,286	1,583	11,869
Placement of new shares	7,600	-	-	-	-	-	7,600	-	7,600
At 30 April 2012	84,400	1,024	25,573	2,982	83	86,318	200,380	70,897	271,277

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

**Condensed Consolidated Statement of Cash Flow
For the Period Ended 30 April 2012**

	3 months ended	
	30 April 2012 RM'000	30 April 2011 RM'000
Cash Flows from Operating Activities		
Profit before taxation	10,282	10,574
Adjustments for:		
Interest/finance income	(215)	(132)
Interest/finance costs	3,811	3,507
Amortisation of intangible assets	227	168
Depreciation of property, plant and equipment	7,061	14,794
Gain on disposal of shares in a subsidiary	-	(4,501)
Gain on disposal of shares in associates	-	(100)
Allowance for impairment on receivables	-	5,055
Net unrealised foreign exchange gain	(1,384)	(589)
Share of results of associates	329	115
Operating profit before working capital changes	<u>20,111</u>	<u>28,891</u>
Decrease/(increase) in inventories	393	(8,446)
Decrease/(increase) in receivables	8,213	(129)
Increase/(decrease) in payables	<u>14,866</u>	<u>(17,336)</u>
Cash generated from operations	43,583	2,980
Interest/finance costs paid	(3,811)	(3,507)
Tax paid	(482)	(1,625)
Net cash generated from/(used in) operating activities	<u>39,290</u>	<u>(2,152)</u>

Condensed Consolidated Statement of Cash Flow
For the Period Ended 30 April 2012 (Continued)

	3 months ended	
	30 April	30 April
	2012	2011
	RM'000	RM'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(27,732)	(5,359)
Proceeds from disposal of subsidiaries	-	200
Proceeds from disposal of shares in associates	-	100
Interest/finance income received	215	132
Net cash used in investing activities	(27,517)	(4,927)
Cash Flows from Financing Activities		
Placement of deposits with licensed banks under lien	(638)	1,936
Net repayment of Syndicated CMTF-i	(2,500)	(2,500)
Net repayment of term loan	(4,269)	(5,347)
Net drawdown/(repayment) of hire purchase and lease financing	618	(1,052)
Net (repayment)/drawdown of short term borrowings	(5,252)	6,689
Proceeds on placement of new shares	7,600	-
Net cash used in financing activities	(4,441)	(274)
Net increase/(decrease) in cash and cash equivalents	7,332	(7,353)
Effects of foreign exchange rate changes	237	1,064
Cash and cash equivalents at beginning of the financial period	41,535	41,995
Cash and cash equivalents at end of the financial period	49,104	35,706

Condensed Consolidated Statement of Cash Flow
For the Period Ended 30 April 2012 (Continued)

Cash and cash equivalents at the end of the financial period comprise the following:

	As at	As at
	30 April	30 April
	2012	2011
	RM'000	RM'000
Cash and bank balances	89,554	64,320
Bank overdrafts (included within short term borrowings in Notes B9)	<u>(19,624)</u>	<u>(15,880)</u>
	69,930	48,440
Less: Deposits under lien	<u>(20,826)</u>	<u>(12,734)</u>
	<u>49,104</u>	<u>35,706</u>

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

Part A - Explanatory Notes Pursuant to MFRS 134

A1. Basis of preparation

These condensed consolidated interim financial statements for the period ended 30 April 2012 are unaudited and have been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2012.

The audited financial statements of the Group for the financial year ended 31 January 2012 were prepared under FRS are available upon request from the Company registered office at Lot 2778, 5th Floor, Jalan Damansara, Sungai Penchala, 60000 Kuala Lumpur.

A2. Changes in Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the financial year ending 31 January 2012.

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group required to prepare its first MFRS financial statements using the MFRS Framework in the financial year ending 31 January 2013. In presenting its first MFRS financial statements, the Group required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

A2. Changes in Accounting Policies (Continued)**Malaysian Financial Reporting Standards (Continued)**

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these condensed consolidated interim financial statements for the period ended 30 April 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 January 2013.

A3. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2012 was not qualified.

A4. Segmental Information of Current Quarter

	Automotive Division *		Energy & Railway Division **		Company		Eliminations		Consolidated	
	30 April 2012	30 April 2011	30 April 2012	30 April 2011	30 April 2012	30 April 2011	30 April 2012	30 April 2011	30 April 2012	30 April 2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External sales	175,230	153,712	16,184	21,355	-	-	-	-	191,414	175,067
Inter-segment sales	6,639	4,690	112	84	2,904	2,666	(9,655)	(7,440)	-	-
Total revenue	181,869	158,402	16,296	21,439	2,904	2,666	(9,655)	(7,440)	191,414	175,067
Result										
Segment operating results	14,315	15,002	(935)	(1,453)	1,043	647	-	-	14,422	14,196
Interest/finance costs									(3,811)	(3,507)
Share of results of associates	-	-	(329)	(115)	-	-	-	-	(329)	(115)
Profit before tax									10,282	10,574
Income tax expense									(1,279)	(168)
Profit for the financial period									9,003	10,406

	Malaysia		Thailand		Indonesia		Consolidated	
	30 April 2012	30 April 2011	30 April 2012	30 April 2011	30 April 2012	30 April 2011	30 April 2012	30 April 2011
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue from external customers	148,961	129,783	39,013	41,711	3,440	3,573	191,414	175,067

* Automotive Division comprises Automotive Component Manufacturing Division ("ACM Division") and Premium Automotive Dealership Division ("PAD Division")

** Energy & Railway Division comprises Power Engineering, Oil & Gas and Railway business units

A5. Unusual Items due to their Nature, Size and Incidence

On 30 March 2012, the Group has received the interim insurance claims of RM29.4 million (THB300 million) in relation to flood disaster in Ayutthaya plant located in High-Tech Industrial Estate, Ayutthaya, Thailand. As at the date of this announcement, the Group is in the process of preparing and finalising the final claims which included the repair for the toolings.

There were no other items affecting assets, liabilities, equity, net income or cash flows during the period ended 30 April 2012.

A6. Changes in Estimates

There were no changes in the estimates reported in the prior financial year that have a material effect in the current quarter.

A7. Comment about Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

A8. Dividends

During the reporting quarter, there was no dividend paid or become payable.

A9. Carrying Amount of Revalued Assets

During the reporting quarter, there have been no valuations of property, plant and equipment.

A10. Debt and Equity Securities

On 8 March 2012, the Company, through Maybank Investment Bank Berhad (“Adviser”), announced that it would undertake a proposed private placement exercise (“Proposed Private Placement”) which entails the issuance of up to 7,680,000 ordinary shares of RM1.00 in the company (“Placement Shares”) at an issue price to be determined later. Further, on 9 March 2012 the Company announced a submission of additional listing application for the Placement Shares have been made to Bursa Malaysia Securities Berhad (“Bursa Malaysia”), which was approved on 14 March 2012.

A10. Debt and Equity Securities (Continued)

Furthermore, on 20 March 2012, the Company announces that the Board has agreed to issue 7,600,000 Placement Shares and fix their issue price at RM1.00 each (at par), representing a discount of approximately 3.3% to the 5-day volume weighted average market price of the Company's shares up to and including 19 March 2012 of approximately RM1.03 each.

The listing of and quotation for the Placement Shares on Bursa Malaysia was made on 29 March 2012 and the exercise was completed on even date. The movement of share capital as a results of a private placement during the period under review is as follows:

	Number of shares
Ordinary shares of RM1 each	
At start of financial period	76,800,000
Issued during the financial period	<u>7,600,000</u>
At end of financial period	<u>84,400,000</u>

There were no issuance and/or repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares for the current reporting quarter.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the reporting quarter.

A12. Capital Commitments

There were no material changes in capital commitments for the Group since the previous statements of financial position as at 31 January 2012.

A13. Changes in Contingent Liabilities or Contingent Assets

The Company provides corporate guarantee to financial institutions for all bank facilities utilised by subsidiaries of the Group of RM149,382,736.

A14. Subsequent Events

There were no material subsequent events between the end of current quarter and the date of announcement.

A15. Related Party Disclosures

	3 months ended	
	30 April 2012 RM'000	30 April 2011 RM'000
(a) Sales of products by subsidiaries to:		
Perodua Manufacturing Sdn Bhd *	45,086	41,582
Perodua Engine Manufacturing Sdn Bhd *	220	241
Perodua Sales Sdn Bhd **	185	202
	<hr/>	<hr/>
(b) Purchases of materials by subsidiaries from:		
Katayama Kogyo Co., Ltd ***	-	7
Yonei Co., Ltd ****	2,387	354
G-Shin Corporation Sdn Bhd *****	1,798	2,559
	<hr/>	<hr/>
(c) Advisory fees by subsidiaries to:		
Katayama Kogyo Co., Ltd ***	627	503
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(e) Royalty fees paid by subsidiaries to:		
Katayama Kogyo Co., Ltd ***	171	176
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* Perodua Manufacturing Sdn Bhd and Perodua Engine Manufacturing Sdn Bhd are associate companies of a corporate shareholder of a subsidiary - Ingress Technologies Sdn Bhd

** Perodua Sales Sdn Bhd is a foreign corporate shareholder of subsidiary - Ingress Technologies Sdn Bhd

*** Katayama Kogyo Co., Ltd is a foreign corporate shareholder of subsidiaries - Ingress Autoventures Co., Ltd, Ingress Precision Sdn Bhd and PT Ingress Malindo Ventures

**** Yonei Co., Ltd is a foreign corporate shareholder of subsidiaries - Ingress Autoventures Co., Ltd and and PT Ingress Malindo Ventures

***** G-Shin Corporation Sdn Bhd is a company related to former executive director of the Company. This company supply parts and raw materials to subsidiaries - Ingress Technologies Sdn Bhd and Ingress Precision Sdn Bhd

There were no other recurrent related party transactions of revenue or trading nature during the financial period under review other than as disclosed above.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Performance Review for the First Quarter of Financial Year 2013 ("FY13")

For the current quarter, the Group registered a revenue of RM191.4 million and profit before taxation of RM10.3 million in comparison to previous financial year corresponding quarter revenue of RM175.1 million and profit before taxation of RM10.6 million.

In the reporting quarter,

- i. the Automotive Division which includes Automotive Component Manufacturing Division ("ACM Division") and Premium Automotive Dealership ("PAD Division") recorded revenue of RM175.2 million and profit before taxation of RM10.8 million as against the previous financial year's corresponding quarter revenue of RM153.7 million and profit before taxation of RM11.8 million. Significant increased in revenue contributed by PAD Division while ACM Division revenue from Malaysia and Thailand operations were lower due to the new hire purchase rules and slow recovery from flood respectively.
- ii. the Energy & Railway Division recorded revenue of RM16.2 million and loss before taxation of RM1.5 million in comparison to the previous financial year corresponding quarter revenue of RM21.4 million and loss before taxation of RM1.8 million due to delays encountered on certain projects.

B2. Comment on Material Change in Profit Before Taxation in Comparison to the Immediate Preceding Quarter

For the current quarter, the Group recorded profit before taxation of RM10.3 million in comparison to the immediate preceding quarter profit before taxation of RM1.2 million. Higher profit before taxation recorded for the current quarter were mainly due to recovery on volumes for Thailand operation subsequent to the flood disaster apart from impairment made in the immediate preceding quarter in respect of inventories and construction costs on certain projects.

B3. Commentary on Prospects

For Thailand Automotive Division, production for Honda's part has commenced gradually from April 2012 in line with the Honda Recovery Plan. The other two plants located in Rayong which were not affected by flood are expected to improve in volume.

For Malaysia Automotive Division, the Group expected volume to improved from the current quarter while for Indonesia Automotive Division, the Group forecasts growth in volume.

For Energy & Railway Division, we expect improvement on the results based on the expected progress of the current projects secured by Energy & Railway Division.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee in respect of the current period.

B5. Taxation

	3 months ended	
	30 April 2012 RM'000	30 April 2011 RM'000
Income tax	(997)	(656)
Deferred tax (expense)/income	(282)	488
	<u>(1,279)</u>	<u>(168)</u>

The effective tax rate on the Group takes into consideration the following:

- i. Tax incentive in form of tax exemption from the Board of Investment of Thailand for ACM Thailand operation.
- ii. Investment Tax Allowance and Reinvestment Allowance granted to a few subsidiaries of ACM Malaysia.
- iii. Utilisation of Investment Tax Allowance, Reinvestment Allowance and Unutilised Tax Losses for a few subsidiaries of ACM Malaysia.

B6. Sales of Unquoted Investments and Properties

There were no sales of unquoted investments and/or properties for the current financial period under review.

B7. Quoted Securities

There were no purchases or disposals of quoted securities for the current financial period under review.

B8. Corporate Proposal

There were no corporate proposals announced and not completed as at the date of this announcement.

B9. Borrowings

	Unaudited	Audited
	As at	As at
	30 April	31 January
	2012	2012
	RM'000	RM'000
Short term borrowings		
Secured	111,540	112,512
Unsecured	21,349	25,279
	<u>132,889</u>	<u>137,791</u>
Long term borrowings		
Secured	<u>89,386</u>	<u>95,401</u>

B9. Borrowings (Continued)

Borrowings denominated in foreign currencies as at 30 April 2012:

	THB'000	RM'000 Equivalent
Thai Baht (THB'000)		
Short term borrowings	181,838	17,903
Long term borrowings	9,053	891
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	IDR'000	RM'000 Equivalent
Indonesian Rupiah (IDR'000)		
Short term borrowings	14,825,523	4,878
	<hr/>	<hr/>

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this announcement.

B11. Changes in Material Litigation

(a) Kuala Lumpur High Court Civil Suit No. S-22-419-2010

With the consolidation of four (4) earlier suits on 9 November 2010, Ingress Fabricators Sdn Bhd ("IFSB") is claiming an aggregate amount of RM10,837,949 against Ramunia Fabricators Sdn Bhd ("Defendant") for value of work done, retention sum as well as variation orders together with interests thereon in respect of work done by IFSB on behalf of the Defendant.

On 5 April 2012, solicitors for both parties entered into a consent judgment that among others requires RFSB to pay to IFSB a sum of RM1,800,000.00 as full and final settlement ("Settlement Sum"). As at the date of this announcement, IFSB has received a sum of RM1.0 million from RFSB and the balance of the remaining Settlement Sum will be paid on or before 5 August 2012. Upon full payment of the Settlement Sum, both IFSB and RFSB will not have any claim whatsoever against each other arising from the four (4) consolidated suits.

B12. Dividend Payable

On 26 June 2012, the directors declared gross interim dividend of 4 sen per ordinary share less 25% income tax amounting to RM2,532,000 in respect of the financial year ending 31 January 2013. The interim dividend are payable on 16 July 2012.

B13. Earnings Per Share

	3 months ended	
	30 April 2012	30 April 2011
Profit for the period attributable to equity holders of the Company (RM'000)	7,075	6,941
Number of ordinary shares in issue ('000)	84,400	76,800
Basic, earnings per share attributable to equity holders of the Company (sen)	8.4	9.0

B14. Breakdown of retained profits into realised and unrealised

	Unaudited	Audited
	As at 30 April 2012 RM'000	As at 31 January 2012 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	81,492	79,307
- Unrealised	25,757	26,039
	107,249	105,346
Total share of retained profits from associates		
- Realised	5,162	5,491
	112,411	110,837
Less: Consolidation adjustments	(26,093)	(31,594)
Retained profits as per financial statements	86,318	79,243

B15. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a Resolution of the directors on 26 June 2012.