



ACOUSTECH BERHAD (Co. No: 496665-W)

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual quarter		Cumulative quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30/09/11 RM'000	30/09/10 RM'000	30/09/11 RM'000	30/09/10 RM'000
Revenue	97,413	N/A	220,570	N/A
Operating expenses	(90,831)	N/A	(211,421)	N/A
Other operating income	<u>1,158</u>	<u>N/A</u>	<u>3,046</u>	<u>N/A</u>
Profit from operations	7,740	N/A	12,195	N/A
Finance costs	(24)	N/A	(71)	N/A
Share of results of a jointly controlled entity	<u>131</u>	<u>N/A</u>	<u>402</u>	<u>N/A</u>
Profit before tax	7,847	N/A	12,526	N/A
Tax expense	<u>(1,823)</u>	<u>N/A</u>	<u>(2,539)</u>	<u>N/A</u>
Profit for the period	<u>6,024</u>	<u>N/A</u>	<u>9,987</u>	<u>N/A</u>
Attributable to:				
Owners of the parents	5,891	N/A	9,412	N/A
Non-controlling interests	<u>133</u>	<u>N/A</u>	<u>575</u>	<u>N/A</u>
	<u>6,024</u>	<u>N/A</u>	<u>9,987</u>	<u>N/A</u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	<u>3.44</u>	<u>N/A</u>	<u>5.49</u>	<u>N/A</u>

(There was no comparison made with the previous corresponding quarter due to the change of financial year end from 31 March to 31 December during the previous 9 months financial period)

(The notes set out on pages 6 to 12 form an integral part of and should be read in conjunction with this interim financial report)



ACOUSTECH BERHAD (Co. No: 496665-W)

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter		Cumulative quarter	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	30/09/11 RM'000	30/09/10 RM'000	30/09/11 RM'000	30/09/10 RM'000
Profit for the period	6,024	N/A	9,987	N/A
<u>Other comprehensive(loss)/income, net of tax:</u>				
Fair value of available-for-sale financial assets	(700)	N/A	(1,470)	N/A
Total comprehensive income	5,324	N/A	8,517	N/A
Attributable to:				
Owners of the parents	5,191	N/A	7,942	N/A
Non-controlling interests	133	N/A	575	N/A
	5,324	N/A	8,517	N/A

(There was no comparison made with the previous corresponding quarter due to the change of financial year end from 31 March to 31 December during the previous 9 months financial period)

(The notes set out on pages 6 to 12 form an integral part of and should be read in conjunction with this interim financial report)



ACOUSTECH BERHAD (Co. No: 496665-W)

INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30/09/11 RM'000	31/12/10 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	49,787	50,241
Investment in a jointly controlled entity	2,343	2,242
Available-for-sale financial assets	4,690	6,160
	<u>56,820</u>	<u>58,643</u>
Current assets		
Inventories	28,843	22,435
Trade and other receivables	93,497	52,406
Amount owing by a jointly controlled entity	31	1,471
Tax recoverable	1,922	3,839
Derivative financial instruments	-	199
Short term funds	4,185	13,089
Deposits with licensed banks	38,996	29,772
Cash and bank balances	10,457	13,284
	<u>177,931</u>	<u>136,495</u>
TOTAL ASSETS	<u><u>234,751</u></u>	<u><u>195,138</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	88,911	88,911
Reserves	58,816	56,875
	<u>147,727</u>	<u>145,786</u>
Non-controlling interests	8,088	7,513
TOTAL EQUITY	<u><u>155,815</u></u>	<u><u>153,299</u></u>
Non-current liabilities		
Deferred taxation	2,105	2,704
Current Liabilities		
Trade and other payables	72,673	38,197
Derivative financial instruments	605	-
Tax liabilities	3,553	938
	<u>76,831</u>	<u>39,135</u>
TOTAL LIABILITIES	<u><u>78,936</u></u>	<u><u>41,839</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>234,751</u></u>	<u><u>195,138</u></u>
Net assets per share attributable to owners of the parent (RM)	0.83	0.82

(The notes set out on pages 6 to 12 form an integral part of and should be read in conjunction with this interim financial report)



ACOUSTECH BERHAD (Co. No : 496665-W)
INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30/09/11 RM'000	30/09/10 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	12,526	N/A
Adjustments for non cash items	3,489	N/A
Operating profit before working capital changes	16,015	N/A
Net changes in working capital	(12,454)	N/A
Cash generated from operations	3,561	N/A
Interest paid	(38)	N/A
Tax paid (net of tax refunded)	1,394	N/A
Net cash from operating activities	4,917	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	1,041	N/A
Dividend received from a jointly controlled entity	302	N/A
Proceeds from disposal of PPE	4	N/A
Property, plant and equipment	(3,102)	N/A
Short term funds	8,904	N/A
Net cash from investing activities	7,149	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to the shareholders of the Company	(6,001)	N/A
Net cash used in financing activities	(6,001)	N/A
Net increase in cash and cash equivalents	6,065	N/A
Effects of exchange rate fluctuations on cash and cash equivalents	338	N/A
Cash and cash equivalents at beginning of financial period	43,050	N/A
Cash and cash equivalents at end of financial period	49,453	N/A

(There was no comparison made with the previous corresponding quarter due to the change of financial year end from 31 March to 31 December during the previous 9 months financial period)

(The notes set out on pages 6 to 12 form an integral part of and should be read in conjunction with this interim financial report)



ACOUSTECH BERHAD (Co. No : 496665-W)
 INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011
 (The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←		Attributable to equity holders of the parent				→	
	Share capital RM'000	Non-distributable Share premium RM'000	Available-for- sales reserves RM'000	Retained profits RM'000	Distributable Treasury shares RM'000	Total controlling interests RM'000	Total equity RM'000	
At 1 Jan 2011	88,911	7,342	2,404	52,657	(5,528)	7,513	153,299	
Total comprehensive income	-	-	(1,470)	9,412	-	575	8,517	
Dividend paid in respect of financial year ended 31 December 2010	-	-	-	(6,001)	-	-	(6,001)	
At 30 Sept 2011	88,911	7,342	934	56,068	(5,528)	8,088	155,815	

(There was no comparison made with the previous corresponding quarter due to the change of financial year end from 31 March to 31 December during the previous 9 months financial period)

(The notes set out on pages 6 to 12 form an integral part of and should be read in conjunction with this interim financial report)

EXPLANATORY NOTES

The figures have not been audited

1. Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2010.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited annual financial statements for the financial period ended 31 December 2010 except for the adoption of the following new/revised FRSs, Amendments to FRSs and IC Interpretations that are effective for financial periods beginning on or after 1 July 2010 or 1 January 2011:-

FRSs / Interpretations	Effective date
FRS 1, <i>First-time Adoption of Financial Reporting Standards</i>	1 July 2010
FRS 3, <i>Business Combinations (revised)</i>	1 July 2010
FRS 127, <i>Consolidated and Separate Financial Statements (revised)</i>	1 July 2010
Amendments to FRS 2, <i>Share-based Payments</i>	1 July 2010
Amendments to FRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 July 2010
Amendments to FRS 138, <i>Intangible Assets</i>	1 July 2010
IC Interpretation 12, <i>Service Concession Arrangements</i>	1 July 2010
IC Interpretation 16, <i>Hedges of a Net Investment in a Foreign Operation</i>	1 July 2010
IC Interpretation 17, <i>Distribution of Non-cash Assets to Owners</i>	1 July 2010
Amendments to IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 July 2010
Amendment to FRS 1, <i>Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters</i>	1 January 2011
Amendments to FRS 1, <i>Additional Exemptions for First-time Adopters</i>	1 January 2011
Amendments to FRS 7, <i>Improving Disclosures about Financial Instruments</i>	1 January 2011
Amendments to FRS 2, <i>Group Cash-settled Share-based Payment Transactions</i>	1 January 2011
IC Interpretation 4, <i>Determining whether an Arrangement contains a Lease</i>	1 January 2011
IC Interpretation 18, <i>Transfers of Assets from Customers</i>	1 January 2011
IC Interpretation 15, <i>Agreements for the Construction of Real Estate Improvements to FRSs (2010)</i>	1 January 2011
Amendments to IC Interpretation 14 FRS 119, <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 July 2011
IC Interpretation 19, <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 July 2011
FRS 124, <i>Related Party Disclosures and the consequential amendments to FRS 124</i>	1 January 2012

EXPLANATORY NOTES

The figures have not been audited

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2010 was not qualified.

4. Segmental Information

	Audio RM'000	Chemical paints RM'000	Electrical equipment RM'000	Total RM'000
9-month ended 30 September 2011				
Revenue				
External revenue	177,243	10,856	32,471	220,570
Results				
Segment results	10,840	1,364	437	12,641
Unallocated corporate expenses				(446)
Operating profit				12,195
Finance costs	-	-	-	(71)
Share of results in a jointly controlled entity	-	-	402	402
Profit before tax				12,526
Tax expense				(2,539)
Profit for the period				9,987

5. Unusual Items due to their Nature, Size or Incidence

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

6. Changes in Estimates

There were no significant changes in estimates of amount reported in prior interim period or prior financial period that have a material effect in the current quarter and financial year-to-date.

7. Comments about Seasonal or Cyclical Factors

Sales of the Group are seasonal and are affected by economic conditions in countries in which the products are sold.



EXPLANATORY NOTES

The figures have not been audited

8. Dividends Paid

	Current year to date RM'000
First interim single tier tax exempt of 3.5 sen per share for the financial year ended 31 December 2010	6,001
	<hr/> <hr/> 6,001

9. Carrying Amount of Revalued Assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

10. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares for the current financial year-to-date.

11. Changes in Composition of the Group

There was no change in the composition of the Group for the current financial period under review.

12. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet date.

13. Subsequent Events

There were no material events subsequent to 30 September 2011 that have not been reflected in the interim report.

14. Review of Performance

For the period 9-month ended 30 September 2011, the Group posted sales of RM220.5 million and profit before tax of RM12.5 million. In particular, audio division performed well during the quarter.

There was no comparison made with the previous corresponding quarter due to the change of financial year end from 31 March to 31 December during the previous 9-month financial period.

EXPLANATORY NOTES

The figures have not been audited

15. Material Change In Profit Before Tax For The Current Quarter As Compared With The Immediate Preceding Quarter

The analysis of contribution by segment is as follows:

	Current quarter RM'000	Preceding quarter RM'000	%
Audio	7,457	3,141	>100
Chemical paints	497	351	42
Electrical equipment	(76)	625	>(100)
	<u>7,878</u>	<u>4,117</u>	
Unallocated corporate expenses	(138)	(225)	(39)
Operating profit	<u>7,740</u>	<u>3,892</u>	99
Finance costs	(24)	(22)	9
Share of results in a jointly controlled entity	<u>131</u>	<u>118</u>	11
Profit before tax	<u><u>7,847</u></u>	<u><u>3,988</u></u>	97

Save for electrical equipment division, other divisions showed improved operating results on the back of higher sales. Lower sales for the current quarter had affected the performance of electrical equipment division.

16. Prospects for the current financial year

Barring unforeseen circumstances, the Directors expect profitable results for the financial year ending 31 December 2011. The Directors however are cautious as the operating environment remains highly challenging and the softening global economic condition may affect demand.

17. Deviation from Profit Forecast and Profit Guarantee

The Group did not provide any profit forecast in a public document and therefore, this note is not applicable.

EXPLANATORY NOTES

The figures have not been audited

18. Income Tax Expense

	Current Quarter 30/09/11 RM'000	Cumulative Quarter 30/09/11 RM'000
Current Taxation	2,190	3,138
Deferred Taxation	(367)	(599)
	1,823	2,539

The effective tax rates for year-to-date were lower than the statutory tax rate principally due to utilisation of reinvestment allowance and tax exempt income.

19. Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties outside the ordinary course of business of the Group for the current quarter and financial year to date.

20. Quoted Securities

- (a) There were no purchases and/or disposal of quoted securities for the current quarter and financial year-to-date.
- (b) Total investment in quoted securities (classified under available-for-sale financial assets) as at 30 September 2011 are as follows: -

	30/9/11 RM'000
At cost:-	
Shares quoted in Malaysia	3,756
At carrying value/market value:-	
Shares quoted in Malaysia	4,690

21. Corporate Proposals

There was no corporate proposal announced which remained incomplete as at the date of issue of the interim report.

22. Group Borrowings and Debt Securities

The Group does not have any borrowings and debt securities as at 30 September 2011.

EXPLANATORY NOTES

The figures have not been audited

23. Financial Instruments

The outstanding forward currency contracts as at 30 September 2011 were as follows:-

	Currency	Notional amount	Fair value
Less than 1 year		RM'000	RM'000
Sale contracts	USD	19,462	(605)

The above contracts were entered into as hedges for USD sales. There is minimal credit risk as the contracts were entered into with reputable banks.

24. Material Litigation

The Group does not have any material litigation as at the date of this report.

25. Dividend Payable

No dividend has been proposed/declared for the current quarter.

26. Earnings Per Share

a) Basic earnings per share

	Current Quarter 30/09/11	Cumulative Quarter 30/09/11
Net profit attributable to equity holders of the parent (RM'000)	5,891	9,412
Weighted average no. of shares in issue ('000)	171,445	171,445
Basic earnings per share (sen)	<u>3.44</u>	<u>5.49</u>

EXPLANATORY NOTES

The figures have not been audited

27. Realised and Unrealised Profits

	As At End Of Current Quarter 30/09/2011 RM'000	As At End Of Preceding Quarter 30/06/2011 RM'000
Total retained profits of the Company and its subsidiaries:		
-Realised	85,342	80,955
-Unrealised	(407)	(1,916)
	84,935	79,039
Total share of retained profits from an associated company	NA	NA
Total share of retained profits from a jointly controlled company:		
-Realised	485	383
-Unrealised	42	12
	527	395
	85,462	79,434
Less: Consolidation adjustment	(29,394)	(29,257)
Total Group retained profits	56,068	50,177