

ASIA FILE CORPORATION BHD (313192-P)

Quarterly report on consolidated results for the second quarter ended 30 September 2001.

The figures have not been audited

CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-09-01 RM'000	Preceding year Corresponding Quarter 30-09-00 RM'000	Current Year to Date 30-09-01 RM'000	Preceding year Corresponding Period 30-09-00 RM'000
1 a) Revenue	21,112	21,514	40,369	42,061
b) Investment Income	-	-	-	-
c) Other Income including interest income	339	356	692	693
2 a) Profit/(loss) before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items	7,731	7,438	13,042	14,082
b) Finance cost	-	-	-	-
c) Depreciation and amortisation	(1,106)	(928)	(2,085)	(1,870)
d) Exceptional items	-	-	-	-
e) Profit/(loss) before income tax, minority interests and extraordinary items.	6,625	6,510	10,957	12,212
f) Share of profits and losses of associated companies	-	-	-	-
g) Profit/(loss) before income tax, minority interests and extraordinary items.	6,625	6,510	10,957	12,212
h) Income tax	(1,829)	(1,843)	(3,093)	(3,498)
l) i) Profit/(loss) after income tax before deducting minority interest.	4,796	4,667	7,864	8,714
ii) Less minority interests	-	-	-	-
j) Pre-acquisition profit/(loss), if applicable	-	-	-	-
k) Net profit(loss) from ordinary activities attributable to members of the company.	4,796	4,667	7,864	8,714
l) i) Extraordinary Items	-	-	-	-
ii) Less minority interest	-	-	-	-
iii) Extraordinary items attributable to members of the company	-	-	-	-
m) Net profit(loss) attributable to members of the company	4,796	4,667	7,864	8,714
3 a) Earning per share based on 2(m) above after deducting any provisions for preference dividends, if any :-				
l) Basic (based on 66,683,533 (2001:65,060,682) ordinary shares) (sen)	7.19	7.17	11.79	13.39
ii) Fully diluted (based on 67,306,918 (2001: 66,512,218) ordinary shares) (sen)	7.13	7.02	11.68	13.10

NOTES TO THE QUARTERLY REPORT FOR THE QUARTER ENDED 30 September 2001

1 ACCOUNTING POLICIES

The same accounting policies and methods of computations are followed in the quarterly financial statements as compared with the most recent financial statement.

The quarterly financial statements are prepared under the historical cost convention as modified by the revaluation of certain property and in compliance with applicable approved accounting standards in Malaysia.

2 EXCEPTIONAL ITEMS

There was no exceptional item for the current quarter and financial year to date.

3 EXTRAORDINARY ITEMS

There was no extraordinary item for the current quarter and financial year to date.

4 TAXATION

Current year tax expense

- based on results for the year	2,718
- underprovision in respect fo prior year	35
	2,753

Deferred tax expense

- current year	340
	340
	3,093

5 PROFIT/ LOSS ON SALE OF UNQUOTED SECURITIES

There was no sales of unquoted investments and/or properties respectively for the current quarter and financial year to date.

6 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the current quarter and financial year to date.

7 CHANGES IN THE COMPOSITION OF THE GROUP

None

8 STATUS OF CORPORATE PROPOSAL

None

9 DETAILS OF ISSUANCES AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

None

10 GROUP BORROWINGS AND DEBT SECURITIES

Group borrowings relate to short term unsecured bank overdraft.

11 CONTINGENT LIABILITIES

As at to date, the Group does not have any contingent liabilities

12 LEASE COMMITMENT

One of its subsidiaries has entered into a rental lease commitment as follows :-

	RM'000
Less Than one year	584
One to two years	584
Above two years	7,443

13 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

During the period under review, the Group has not entered into any contract involving off balance sheet financial instruments except for the following foreign currency contracts which will be used to hedge the Group's committed purchases in foreign currencies :-

Currency	Contract Amount	Equivalent in RM	Contract Due on
	('000)	(000)	
USD	845	3211	Oct-01
	144	545	Nov-01
	110	416	Dec-01
	96	364	Jan-02
	117	444	Feb-02
	<hr/>	<hr/>	
	1312	4980	
EURO	120	408	Oct-01
	74	238	Nov-01
	<hr/>	<hr/>	
	194	646	
Deutsche Mark	73	120	Oct-01
		<hr/>	
		5746	
Total		<hr/> <hr/>	

14 MATERIAL LITIGATION

There was no material litigation against the Group as at to date.

15 SEGMENTAL REPORTING

No segment reporting has been prepared as the Group's activities involved only one sector of operation which is carried out principally in Malaysia.

16 COMPARISON OF PROFIT BEFORE TAXATION WITH PRECEDING QUARTER

Profit for the quarter increased by 52.9% as compared to the preceding quarter. The sharp increase is mainly due to improvement in export sales during the quarter which registered an increase of 40.3% as compared to the preceding quarter. In addition, a higher profit margin from export sales was achieved from the current quarter sales.

17 REVIEW OF PERFORMANCE

Cumulative turnover for the current period dropped by 4.0 % while profit before taxation dropped by 10.3% as compared to the corresponding period last year. The larger drop in profit before tax as compared to turnover was mainly due to decrease in margin. The drop on overall performance for the six months' period was largely due to the huge drop registered in the first quarter ended 30 June 2001. In fact, for the three months' period in the second quarter, improvement in export sales resulted in an increase in profit before tax of 1.8% when compared to the same quarter in the preceding year.

18 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE QUARTER

There were no material events subsequent to the end of the quarter.

19 SEASONALITY OR CYCLICALITY OF OPERATIONS

The operation of the Group is not subject to any effects of seasonality or cyclicity

20 GROUP'S PROSPECTS

Both local and export markets are becoming more and more competitive. As local sales will remain largely unchanged, contributions from export sales are expected to represent a higher proportion of the Group's future performance. The Group expects to maintain its current quarter results in the next quarter.

21 PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable for this quarter.

22 DIVIDEND

The Group does not recommend any dividend for the quarter under review

By Order of The Board

Lam Voon Kean

26-Nov-01

ASIA FILE CORPORATION BHD (313192-P)
(Incorporated in Malaysia)

CONSOLIDATED BALANCE SHEET

	As at End of Current Quarter 30-09-01 RM'000		As at Preceding Financial Year End 31-03-01 RM'000	
Property, plant and equipment	43,066		40,150	
Investment in Associated Companies	894		894	
Long Term Investments	3,709		3,709	
		47,669		44,753
Current Assets				
Inventories	22,799		19,526	
Trade receivables	22,493		24,802	
Short Term Investments	104		2,208	
Cash	25,815		19,925	
Other debtors and prepayments	1,103		1,158	
		72,314		67,619
Current Liabilities				
Trade payables	5,293		5,200	
Other payables and accruals	3,499		4,530	
Short Term Borrowings	375		101	
Provision for Taxation	2,759		2,693	
		11,926		12,524
Net Current assets or Current Liabilities				
		60,388		55,095
Shareholders' Funds		108,057		99,848
Share Capital	66,684		66,680	
Reserves				
Share Premium	1,902		1,897	
Exchange Fluctuation Reserves	304		308	
Retained Profits	35,935		28,071	
		104,825		96,956
Minority Interests				
Long Term Borrowings				
Other Long Term Borrowings (Deferred Taxation)		3,232		2892
		108,057		99,848
Net Tangible assets Per Share (sen)		157.20		145.40