1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial reports also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 March 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial reports for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 March 2013. MRFS 1 *First-time adoption of Malaysian Financial Reporting Standards* ("MRFS 1") has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 April 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial position is disclosed below. These notes include reconciliations of equity for the comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has not had a material impact on the statements of comprehensive income and cash flows.

The Group has not adopted the following MFRSs that have been issued as at the date of authorisation but not yet effective for the financial year ending 31 March 2013:-

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective for annual period beginning on or after**
MFRS 3	Business Combinations (IFRS 3 *Business Combinations* issued by IASB in March 2004)	1 January 2013
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests 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
	- Consolidated and Separate Financial Statements (IAS 27 *Consolidated and Separate Financial Statements* revised by IASB in December 2003)	1 January 2013
MFRS 128	Investment in Associates and Joint Ventures	1 January 2013
Amendments to MFRSs	Annual Improvements 2009 – 2011 Cycle	1 January 2013

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective for annual period beginning on or after**
Amendments to MFRS 1	- Government Loans	1 January 2013
	- Annual Improvements 2009 – 2011 Cycle	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRSs 10, 11 & 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 101	- Presentation of Items of Other Comprehensive Income	1 July 2012
	- Annual Improvements 2009 – 2011 Cycle	1 January 2013
Amendments to MFRS 116	Annual Improvements 2009 – 2011 Cycle	1 January 2013
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

Other than those stated below, these interim financial statements have been prepared in accordance with the same accounting policies adopted in the financial statements for the financial year ended 31 March 2012.

These interim financial statements include only condensed financial statements and should be read in conjunction with the annual financial statements for the financial year ended 31 March 2012, as this interim financial report focuses on the effects of transactions, events and circumstances that have occurred since the annual financial statements.

Property, plant and equipment

Under the previous accounting framework, the property, plant and equipment were stated at cost or valuation, as the case may be less accumulated depreciation and impairment loss. The Group revalues its properties comprising land and buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 *Property, Plant and Equipment*. At the date of transition to MFRS, the Group uses the fair value as at 1 April 2012 as deemed cost. The revaluation surplus was transferred to retained profits on date of transition to MFRS.

The cumulative surpluses arising from revaluation of properties, net of tax were transferred to retained profits on 1 April 2011 in accordance with the transitional provisions under MFRS 1.

Investment property

Previously, investment properties of the Group were measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

Upon transition to MFRS, the Group has elected to measure all its investment properties using the cost model under MFRS 140 *Investment Property*. At the date of transition to MFRS, the Group uses the fair value as at 1 April 2012 as deemed cost. The change in fair value was transferred to retained profits on date of transition to MFRS.

The reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:-

Reconciliation of equity as at 1 April 2011:-

Dr/(Cr)	**FRSs as at 1 April 2011**	**Net effect of transition to MFRS**	**MFRSs as at 1 April 2011**
	RM'000	RM'000	RM'000
Revaluation reserve	(2,306)	2,306	-
Retained profits	(20,067)	(10,432)	(30,499)

Reconciliation of equity as at 30 September 2011:-

Dr/(Cr)	**FRSs as at 30 September 2011**	**Net effect of transition to MFRS**	**MFRSs as at 30 September 2011**
	RM'000	RM'000	RM'000
Revaluation reserve	(2,306)	2,306	-
Retained profits	(22,033)	(10,432)	(32,465)

Reconciliation of equity as at 31 March 2012:-

Dr/(Cr)	**FRSs as at 31 March 2012**	**Effect of transition to MFRS**	**MFRSs as at 31 March 2012**
	RM'000	RM'000	RM'000
Revaluation reserve	(10,422)	10,422	-
Retained profits	(23,218)	(10,422)	(33,640)

The reconciliations of the affected financial statements captions reported in accordance with the previous FRS framework and the MFRS framework at the date of transition and the comparative period are provided below:-

A. At 1 April 2011 (date of transition)

Dr/(Cr)	**Property, plant and equipment** RM'000	**Investment property** RM'000	**Deferred taxation** RM'000	**Revaluation reserve** RM'000	**Retained profits** RM'000
As reported previously under FRS	52,577	490	235	(2,306)	(20,067)
Impact of adopting MFRS	8,418	10	(302)	2,306	(10,432)
As reported under MFRS	60,995	500	(67)	-	(30,499)

B. At 31 March 2012

Dr/(Cr)	**Property, plant and equipment** RM'000	**Investment property** RM'000	**Deferred taxation** RM'000	**Revaluation reserve** RM'000	**Retained profits** RM'000
As reported previously under FRS	64,636	730	(396)	(10,422)	(23,218)
Impact of adopting MFRS	-	-	-	10,422	(10,422)
As reported under MFRS	64,636	730	(396)	-	(33,640)

2. Audit Report

The preceding year's audited financial statements were not subject to any audit qualification.

3. Seasonal or Cyclical Factors

Apart from the traditional variations in the level of business activities, the Group's activities are not affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the current quarter.

5. Material Changes in Estimates

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter.

6. Dividend paid

No dividend was paid for the quarter under review.

7. Segment Reporting

Segmental revenue and results for the cummulative quarter ended 30 September 2012:-

	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue				
External sales	69,505	1,428	-	70,933
Inter-segment sales	1,214	2,786	(4,000)	-
Total revenue	70,719	4,214	(4,000)	70,933

Results	
Total profit or loss for reportable segments	7,754
Elimination of inter-segment profits	250
Depreciation	(2,715)
Finance costs	(450)
Interest income	22
Profit before taxation	4,861

Segmental revenue and results for the cummulative quarter ended 30 September 2011:-

	Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue				
External sales	56,718	1,674	-	58,392
Inter-segment sales	1,423	3,133	(4,556)	-
Total revenue	58,141	4,807	(4,556)	58,392

Results	
Total profit or loss for reportable segments	5,113
Elimination of inter-segment profits	(74)
Depreciation	(1,999)
Finance costs	(478)
Interest income	15
Profit before taxation	2,577

8. Property, Plant and Equipment

Upon the adoption of the MFRS framework, the Group regards the fair value of its land and buildings at 1 April 2011 as deemed cost. The Group has updated the valuation of land and buildings to reflect the fair value at 1 April 2011. The financial impact of RM8,116,000 has been incorporated in the Statement of Financial Position as at 1 April 2011. Please refer to Note 1 for further explanation.

9. Material Events Subsequent To The End of Interim Period

There were no material events subsequent to the end of the quarter that have not been reflected in the quarterly financial statements.

10. Effect of Changes in Composition of the Group

There were no changes in composition of the Group for the current financial period to-date.

11. Contingent Liabilities And Contingent Assets

The contingent liabilities represent corporate guarantees totaling RM61,050,000 (2011: RM52,550,000) in respect of bank and trade facilities granted to a subsidiary.

The amount of bank and trade facilities utilised which were secured by corporate guarantees as at 30 September 2012:-

		RM'000
Trade balance outstanding		3,615
Short-term borrowings	– Bankers' acceptances	15,400
	– Revolving credit	4,000
	– Term loan	-
		19,400
Long-term borrowings	– Term loan	21

There were no contingent assets at the date of this quarterly report.

12. Debt and Equity Securities

There is no issuance of debt and equity securities for the current financial period to-date.

13. Capital Commitments

There are no material capital commitments as at the end of current quarter.