

Century Bond Bhd.

(Company No. 228669-V)
(Incorporated in Malaysia)

Interim Financial Report
31 March 2012

Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

Condensed consolidated statement of financial position at 31 March 2012 - unaudited

	Note	31.03.2012 RM'000	31.03.2011 RM'000
Assets			
Property, plant and equipment		39,348	39,202
Prepaid lease payments		4,118	4,402
Investment in quoted shares		--	7
Goodwill		--	326
Deferred tax assets		47	--
Total non-current assets		<u>43,513</u>	<u>43,937</u>
Inventories		29,099	24,172
Trade and other receivables		48,293	43,021
Tax recoverable		268	279
Cash and bank balances		51,462	57,271
Assets held for sale		328	--
Total current assets		<u>129,450</u>	<u>124,743</u>
Total assets		<u><u>172,963</u></u>	<u><u>168,680</u></u>
Equity			
Share capital		60,000	60,000
Reserves		77,881	67,355
Total equity attributable to owners of the Company		137,881	127,355
Minority interest		4,508	3,732
Total equity		<u>142,389</u>	<u>131,087</u>
Liabilities			
Loans and borrowings	21	434	757
Deferred tax liabilities		4,337	4,516
Total non-current liabilities		<u>4,771</u>	<u>5,273</u>
Trade and other payables		16,177	15,205
Loans and borrowings	21	7,480	13,829
Taxation		2,146	3,286
Total current liabilities		<u>25,803</u>	<u>32,320</u>
Total liabilities		<u>30,574</u>	<u>37,593</u>
Total equity and liabilities		<u><u>172,963</u></u>	<u><u>168,680</u></u>

The notes on pages 6 to 13 are an integral part of these condensed consolidated interim financial statements.

Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

Condensed consolidated income statement for the period ended 31 March 2012 - unaudited

	Note	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revenue		44,225	44,371	181,608	170,494
Cost of sales		(34,888)	(35,753)	(148,102)	(139,027)
Gross profit		9,337	8,618	33,506	31,467
Other income		284	1,650	2,583	3,202
Distribution expenses		(1,757)	(1,048)	(7,531)	(6,228)
Administrative expenses		(1,672)	(1,774)	(6,521)	(6,439)
Other expenses		(575)	--	(575)	(217)
Profit from operating activities		5,617	7,446	21,462	21,785
Finance costs		(68)	(22)	(497)	(487)
Profit before tax		5,549	7,424	20,965	21,298
Tax expense	19	(1,636)	(2,687)	(5,676)	(5,624)
Profit for the period		<u>3,913</u>	<u>4,737</u>	<u>15,289</u>	<u>15,674</u>
Attributable to:					
Owners of the Company		3,678	4,348	14,513	14,928
Minority interest		235	389	776	746
Profit for the period		<u>3,913</u>	<u>4,737</u>	<u>15,289</u>	<u>15,674</u>
Basic and diluted earnings per ordinary share (sen)	23	<u>3.07</u>	<u>3.62</u>	<u>12.09</u>	<u>12.44</u>

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Century Bond Bhd.

(Company No. 228669-V)

(Incorporated in Malaysia)

Condensed consolidated statement of comprehensive income for the period ended 31 March 2012 - unaudited

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit for the period	3,913	4,737	15,289	15,674
Currency translation differences arising from consolidation	<u>(133)</u>	<u>(96)</u>	<u>(387)</u>	<u>(8)</u>
Total comprehensive income	<u>3,780</u>	<u>4,641</u>	<u>14,902</u>	<u>15,666</u>
Attributable to:				
Owners of the Company	3,545	4,252	14,126	14,920
Minority interest	<u>235</u>	<u>389</u>	<u>776</u>	<u>746</u>
	<u>3,780</u>	<u>4,641</u>	<u>14,902</u>	<u>15,666</u>

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Century Bond Bhd.

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Condensed consolidated statement of changes in equity for the period ended 31 March 2012 – unaudited

	← Non-distributable →			Distributable			
	Share capital RM'000	Revaluation reserve RM'000	Exchange fluctuation reserves RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
<i>At 1 April 2011</i>	60,000	1,867	1,602	63,886	127,355	3,732	131,087
Total comprehensive income for the period	--	--	(387)	14,513	14,126	776	14,902
Dividends to shareholders	--	--	--	(3,600)	(3,600)	--	(3,600)
<i>At 31 March 2012</i>	<u>60,000</u>	<u>1,867</u>	<u>1,215</u>	<u>74,799</u>	<u>137,881</u>	<u>4,508</u>	<u>142,389</u>
<i>At 1 April 2010</i>	60,000	1,867	1,610	51,051	114,528	3,438	117,966
Total comprehensive income for the period	--	--	(8)	14,928	14,920	746	15,666
Gain on deemed disposal from additional shares issued	--	--	--	307	307	(307)	--
Share capital contributed by minority shareholder of a subsidiary	--	--	--	--	--	80	80
Dividends to shareholders	--	--	--	(2,400)	(2,400)	--	(2,400)
Dividends to minority shareholder	--	--	--	--	--	(225)	(225)
<i>At 31 March 2011</i>	<u>60,000</u>	<u>1,867</u>	<u>1,602</u>	<u>63,886</u>	<u>127,355</u>	<u>3,732</u>	<u>131,087</u>

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Century Bond Bhd.

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Condensed consolidated statement of cash flows for the period ended 31 March 2012 - unaudited

	12 months ended 31 March	
	2012 RM'000	2011 RM'000
Cash flows from operating activities		
Profit before tax	20,965	21,298
Adjustments for non-cash flow:		
Non-cash items	5,171	4,770
Non-operating items	(718)	(575)
Operating profit before changes in working capital	<u>25,418</u>	<u>25,493</u>
Net change in current assets	(10,104)	(1,199)
Net change in current liabilities	863	(6,777)
Net tax paid	(7,031)	(7,876)
Net cash generated from operating activities	<u>9,146</u>	<u>9,641</u>
Cash flows from investing activities		
Other investments activities/ Net cash used in investing activities	<u>(4,186)</u>	<u>(1,581)</u>
Cash flows used in financing activities		
Dividend paid to shareholders	(3,600)	(2,400)
Dividend paid to minority shareholder	--	(225)
Payment for bank borrowings	(6,144)	(7,949)
Net cash used in financing activities	<u>(9,744)</u>	<u>(10,574)</u>
Net decrease in cash and cash equivalents	(4,784)	(2,514)
Net change of foreign currency	--	116
Cash and cash equivalents at beginning of period	<u>56,046</u>	<u>58,444</u>
Cash and cash equivalents at end of period	<u><u>51,262</u></u>	<u><u>56,046</u></u>
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and bank balances	25,345	20,204
Deposits with licensed banks	26,117	37,067
Bank overdrafts	(200)	(1,225)
	<u>51,262</u>	<u>56,046</u>

The notes on pages 6 to 13 are an integral part of these condensed consolidated interim financial statements.

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Notes to the condensed consolidated interim financial statements

Century Bond Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements of the Group as at and for the year ended 31 March 2012 comprise the Company and its subsidiaries (together referred to as the Group).

The consolidated financial statements of the Group as at and for the year ended 31 March 2011 are available upon request from the Company's registered office at:

Suite 5.11 & 5.12, 5th floor,
Menara TJB,
No. 9, Jalan Syed Mohd Mufti,
80000 Johor Bahru,
Johor, Malaysia.

These condensed consolidated interim financial statements were approved by the Board of Directors on 30 May 2012.

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS 134, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 March 2011.

2. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 March 2011.

Following the announcement made by the Malaysian Accounting Standards Board on 19 November 2011, the Group's financial statements for the financial year ending 31 March 2013 will be prepared in accordance with International Financial Reporting Standards Framework. The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group.

3. Comments about seasonal or cyclical factors

The Group businesses are affected by seasonal or cyclical factors in that it normally experiences better sales in the second and third quarters of the financial year.

4. Unusual items affecting the assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

5. Material changes in estimates

There were no material changes in estimates for the current quarter.

6. Capital and reserves

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

7. Dividend

There was no dividend proposed or paid for the current quarter.

8. Segment information

(a) By Business Segments:

	Revenue 12 months ended 31 March		Profit before tax 12 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Paper packaging	174,450	160,707	16,425	15,728
Plastic packaging	30,436	26,666	3,155	2,484
Contract manufacturing and packing	24,614	23,570	1,673	3,186
Investment and property holding	2,810	1,770	528	387
Others	632	--	(319)	--
	<u>232,942</u>	<u>212,713</u>	<u>21,462</u>	<u>21,785</u>
Inter-segment elimination	<u>(51,334)</u>	<u>(42,219)</u>	<u>--</u>	<u>--</u>
	181,608	170,494	21,462	21,785
Finance costs	--	--	(497)	(487)
	<u>181,608</u>	<u>170,494</u>	<u>20,965</u>	<u>21,298</u>

8. Segment information (continued)

(b) By geographical locations:

	Revenue 12 months ended 31 March	
	2012 RM'000	2011 RM'000
Malaysia	132,336	129,632
Indonesia and others	49,272	40,862
	<u>181,608</u>	<u>170,494</u>

9. Profit before tax

	3 months ended 31 March		Cumulative 12 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit for the period is arrived at after charging/ (crediting):				
Depreciation & amortisation	851	1,306	4,934	5,517
Net foreign exchange loss/ (gain)	547	(573)	(241)	(832)
Interest income	(266)	(431)	(916)	(854)

10. Material events subsequent to period end

There were no material events subsequent to the end of the period reported that have not been reflected in this quarterly report.

11. Changes in composition of the Group

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

12. Contingent assets and contingent liabilities

The Group did not have any contingent liabilities and contingent assets since the last annual balance sheet date.

13. Capital Commitments

	31 March 2012 RM'000	31 March 2011 RM'000
<i>Property, plant and equipment</i> Contracted but not provided for	<u>3,099</u>	<u>87</u>

14. Significant related party transactions

	12 months ended 31 March	
	2012 RM'000	2011 RM'000
Directors' remuneration	2,018	2,001
<i>Rental paid/payable to certain Directors</i>	74	73
<i>Companies in which the spouse of an Executive Director/major shareholder of CBB has substantial financial interest</i>		
Purchases of printing block	620	580
<i>Company in which a corporate shareholder of a subsidiary has substantial financial interest</i>		
Sale of paper bags	22,843	20,339
Rental paid/payable	72	72
<i>Company in which persons connected to Directors/major shareholders of CBB has substantial financial interest</i>		
Transport and forwarding charges paid/payable	591	470
<i>Professional fee paid to certain Director</i>	1	--

Notes pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A.

15. Review of performance

The Group's revenue for the current quarter is reported at RM44.225 million, which is RM0.146 million lower compared to RM44.371 million registered in the corresponding quarter of last financial year. Gross profit is reported at RM9.337 million in current quarter representing an increase of RM0.719 million compared to the corresponding quarter in last financial year of RM8.618 million mainly due to lower cost of raw materials for paper packaging segment in the current quarter.

The performance of each business segment is as follows:

(a) Paper packaging

The revenue for the current quarter decreased to RM36.371 million in the current quarter as compared to RM36.800 million reported in the corresponding quarter of last financial year due to lower sales volume achieved during the current quarter.

(b) Plastic Packaging

The revenue recorded in the current quarter increased to RM3.892 million as compared to RM2.838 million reported in the corresponding quarter of last financial year due to higher sales volume during the current quarter.

(c) Contract manufacturing and packing

The revenue for the current quarter decreased to RM3.684 million as compared to RM4.733 million recorded in corresponding quarter of last financial year due to lower sales volume achieved during the current quarter.

(d) Investment and property holding

The Group's investment and property holding activities comprises of properties which are rented to subsidiaries and management services which are provided to subsidiaries. All revenue received for both current and corresponding quarter of last financial year is eliminated from the report.

16. Variation of results against preceding quarter

The Group's revenue for the current quarter is RM44.225 million, a decrease of RM2.512 million from preceding quarter of RM46.737 million. This is mainly due to the lower revenue of RM36.371 million in paper packaging segment in the current quarter as compared to RM38.438 million achieved in the preceding quarter.

The Group's current quarter profit before tax of RM5.549 million is RM0.860 million higher compared to the profit before tax of RM4.689 million registered in the preceding quarter. The increased profit before tax is mainly due to lower cost of raw materials for paper packaging segment in the current quarter and amongst other operating costs.

17. Prospects

The Group's core attention and focus will be in the paper packaging division which is the key driver of growth. Other avenues and opportunities will continue to be explored and identified.

The Group anticipates that its business for the next financial year will remain challenging. Currently the ongoing turmoil in the world economy has affected local business confidence and sentiment. Going forward, the Group will closely monitor and take appropriate measures to insulate and adapt to the ever changing operating conditions.

The Group is optimistic that based on the measures and concerted efforts undertaken by the management and employees at all levels, the Group will strive to remain profitable in the next financial year.

18. Profit forecast

Not applicable.

19. Tax expense

	3 months ended 31 March		Cumulative 12 months ended 31 March	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current tax				
- Current year	1,533	1,953	5,502	5,587
- Under provision in prior Quarter	221	1,350	400	1,097
	1,754	3,303	5,902	6,684
Deferred tax (assets) / liabilities	(118)	(616)	(226)	(1,060)
	<u>1,636</u>	<u>2,687</u>	<u>5,676</u>	<u>5,624</u>

20. Status of corporate proposal announced

There was no outstanding corporate proposal announced for the current quarter under review.

21. Loans and borrowings

The loans and borrowings of the Group denominated in Ringgit Malaysia are as follows:

	31 March 2012 RM'000	31 March 2011 RM'000
Non-current		
- Secured	434	757
Current		
- Secured	448	655
- Unsecured	7,032	13,174
	<u>7,480</u>	<u>13,829</u>
Total borrowings	<u><u>7,914</u></u>	<u><u>14,586</u></u>

22. Changes in material litigation

There was no pending material litigation as at 27 May 2012, being a date not earlier than 7 days from the date of the quarterly report.

23. Earnings per ordinary share

Basic and diluted earnings per ordinary share

Basic earnings per ordinary share are calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended 31 March 2012	12 months ended 31 March 2012
Profit for the period (RM'000)	3,913	15,289
Less: Amount attributable to minority interest (RM'000)	(235)	(776)
Profit for the period attributable to owners of the Company (RM'000)	<u>3,678</u>	<u>14,513</u>
Weighted average number of ordinary shares in issue ('000)	<u>120,000</u>	<u>120,000</u>
Basic earnings per share (sen)	<u><u>3.07</u></u>	<u><u>12.09</u></u>

There are no dilutive earnings per share during the period.

24. Realised and unrealised profit/losses disclosure

The retained profits as at 31 March 2012 and 31 December 2011 is analysed as follows:-

	31 March 2012 RM'000	31 December 2011 RM'000
Total retained profits/(accumulated losses) of the Company and the subsidiaries:		
- Realised	86,613	82,392
- Unrealised	(4,088)	(3,565)
	<u>82,525</u>	<u>78,827</u>
Less: Consolidated adjustments	(7,726)	(7,706)
	<u><u>74,799</u></u>	<u><u>71,121</u></u>

25. Auditors' report on preceding annual financial statements

The auditor expressed an unqualified opinion on the Company's statutory financial Statements for the year ended 31 March 2011 in their report dated 19 July 2011.