

TOYO INK GROUP BERHAD

(Company No. 590521 D)

(Incorporated in Malaysia)

**QUARTERLY REPORT
FOR THE THIRD FINANCIAL QUARTER ENDED
31 DECEMBER 2012**

This Report is dated 27 February 2013.

TOYO INK GROUP BERHAD

(Company No. 590521 D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2012**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended	Corresponding quarter ended	Current year to date ended	Corresponding year to date ended
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	20,968	21,888	65,681	70,277
Cost of sales	(16,808)	(17,830)	(52,873)	(56,887)
Gross profit	<u>4,160</u>	<u>4,058</u>	<u>12,808</u>	<u>13,390</u>
Operating expenses	(3,441)	(3,500)	(10,244)	(10,596)
Other operating income	268	161	368	501
Finance cost	(526)	(520)	(1,466)	(1,670)
Share of results in associate	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
Profit before taxation	460	198	1,465	1,624
Taxation	<u>(413)</u>	<u>(30)</u>	<u>(760)</u>	<u>(1,053)</u>
Profit from continuing operations	47	168	705	571
Discontinued operations				
Loss from discontinued operation, net of tax	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>-</u>
Profit for the period	<u><u>47</u></u>	<u><u>168</u></u>	<u><u>699</u></u>	<u><u>571</u></u>
Profit Attributable to:				
Owners of the parent	109	226	866	782
Non-controlling interest	<u>(62)</u>	<u>(58)</u>	<u>(167)</u>	<u>(211)</u>
	<u><u>47</u></u>	<u><u>168</u></u>	<u><u>699</u></u>	<u><u>571</u></u>
Basic earnings/(loss) per ordinary share (sen)				
From continuing operations	0.25	0.53	2.03	1.83
From discontinued operation	<u>-</u>	<u>-</u>	<u>(0.01)</u>	<u>-</u>
	<u><u>0.25</u></u>	<u><u>0.53</u></u>	<u><u>2.02</u></u>	<u><u>1.83</u></u>
- Fully diluted (sen)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 March 2012

TOYO INK GROUP BERHAD

(Company No. 590521 D)

(Incorporated in Malaysia)

**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2012**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended	Corresponding quarter ended	Current year to date ended	Corresponding year to date ended
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Profit for the period	47	168	705	571
Translation reserve	-	(49)	-	4
	<u>47</u>	<u>119</u>	<u>705</u>	<u>575</u>
Discontinued operation				
Profit/(Loss) for the period	-	-	(6)	-
Translation reserve	4	-	(8)	-
Total comprehensive income for the period	<u>51</u>	<u>119</u>	<u>691</u>	<u>575</u>
Total comprehensive income attributable to:				
Owners of the parent	113	157	858	786
Non-controlling interest	<u>(62)</u>	<u>(38)</u>	<u>(167)</u>	<u>(211)</u>
	<u>51</u>	<u>119</u>	<u>691</u>	<u>575</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 March 2012

TOYO INK GROUP BERHAD
(Company No. 590521 D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	As at end of current quarter 31/12/2012 RM '000	Audited As at preceding financial year ended 31/03/2012 RM '000
ASSETS		
Non Current Assets		
Property, plant and equipment	28,278	28,090
Investment property	1,644	1,656
Investment in associate	484	485
Development expenditure	3,683	2,426
Goodwill on consolidation	17,496	17,496
	51,585	50,153
Current Assets		
Inventories	13,239	13,595
Trade and other receivables	101,792	92,412
Tax recoverable	329	367
Fixed deposits with licensed banks	18	17
Cash and bank balances	3,126	3,205
Assets classified as held for sale	5,458	5,036
	123,962	114,632
TOTAL ASSETS	175,547	164,785
EQUITY AND LIABILITIES		
Share capital		
Reserves	42,800	42,800
Total equity attributable to owners of the parent	22,584	21,725
Non-controlling interest	65,384	64,525
TOTAL EQUITY	70,596	69,014
Non Current Liabilities		
Hire purchase creditors	1,004	251
Long term borrowings	397	541
Deferred tax liabilities	2,676	2,632
	4,077	3,424
Current Liabilities		
Trade and other payables	64,317	58,696
Amount owing to directors	5,890	6,088
Hire purchase creditors	990	295
Short term borrowings	29,512	27,109
Taxation	-	-
Liabilities classified as held for sale	165	159
	100,874	92,347
TOTAL LIABILITIES	104,951	95,771
TOTAL EQUITY AND LIABILITIES	175,547	164,785
Net Assets Per Share Attributable to Owners of the Parent (RM)	1.53	1.51

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 March 2012

TOYO INK GROUP BERHAD
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2012**

(The figures have not been audited)

	<--Attributable to Shareholders of the Company-->					Total Equity RM '000
	<-Non-Distributable Reserves->			Distributable Reserve		
	Share Capital RM '000	Share Premium RM '000	Translation Reserve RM '000	Retained Earnings RM '000	Non- Controlling Interest RM'000	
Balance as at 1 April 2011	42,800	4,321	(552)	16,746	4,878	68,193
Dividends	-	-	-	-	(90)	(90)
Total comprehensive income/(expense) for the period	-	-	4	782	(211)	575
Balance as at 31 December 2011	42,800	4,321	(548)	17,528	4,577	68,678
Balance as at 1 April 2012	42,800	4,321	(452)	17,857	4,489	69,015
Changes in equity interest	-	-	-	-	890	890
Dividends	-	-	-	-	-	-
Total comprehensive income/(expense) for the period	-	-	(8)	866	(167)	691
Balance as at 31 December 2012	42,800	4,321	(460)	18,723	5,212	70,596

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the financial year ended 31 March 2012

TOYO INK GROUP BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 2012
(The figures have not been audited)

	Current year to date ended	Corresponding year to date ended
	31/12/2012 RM'000	31/12/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation		
- Continuing operations	1,465	1,624
- Discontinued operation	(6)	-
	<u>1,459</u>	<u>1,624</u>
Adjustments for:		
Non-cash items	1,847	1,751
Interest income	-	(1)
Interest expense	1,341	1,654
Operating profit before working capital changes	<u>4,647</u>	<u>5,028</u>
Changes in working capital:		
Net changes in current assets	(9,088)	194
Net changes in current liabilities	5,429	(732)
Operating assets held for sale	(447)	-
Cash generated from operations	<u>541</u>	<u>4,490</u>
Tax refunded	186	39
Tax paid	(862)	(1,252)
Interest received	-	1
Interest paid	(1,341)	(1,654)
Translation reserve	(8)	4
Net cash (used in)/from operating activities	<u>(1,484)</u>	<u>1,628</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	57	192
Acquisition of property, plant and equipment *	(523)	(366)
Acquisition of subsidiary company, net of cash	-	(7)
Development expenditure	(1,257)	-
Disposal of discontinued operation, net of cash	-	-
Net cash used in investing activities	<u>(1,723)</u>	<u>(181)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(122)	(114)
Proceeds/(Repayment) from bankers acceptance and bills payable	1,183	(5,765)
Dividends paid to non-controlling interest	-	(90)
(Payment) / Finance from hire purchase creditors	(20)	(417)
Capital contribution from non-controlling interest	890	-
Net cash from/(used in) financing activities	<u>1,931</u>	<u>(6,386)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,276)</u>	<u>(4,939)</u>
Cash and cash equivalents at beginning of financial year	<u>(6,825)</u>	<u>(4,667)</u>
Cash and cash equivalents at end of financial quarter	<u>(8,101)</u>	<u>(9,606)</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	3,126	1,752
Fixed deposits with licensed banks	18	17
Bank overdraft	(11,245)	(11,375)
	<u>(8,101)</u>	<u>(9,606)</u>

* Acquisition of property, plant and equipment during the financial quarter are financed by:

	31/12/2012 RM'000	31/12/2011 RM'000
Mode of payments:		
Cash	523	366
Hire Purchase	1,468	704
	<u>1,991</u>	<u>1,070</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 March 2012