

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FIFTEEN MONTHS ENDED 31 MARCH 2012
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-03-2012 RM'000	Preceding Year Corresponding Quarter RM'000	Current Year 15 months Period to-date 31-03-2012 RM'000	Preceding Year 12 months Period to-date 31-12-2010 RM'000
Revenue	14,029	N/A	82,901	117,059
Cost of sales	(15,873)	N/A	(76,405)	(105,321)
Gross Profit /(Loss)	(1,844)	-	6,496	11,738
Operating expenses	(38,000)	N/A	(54,738)	(33,623)
Other operating income	3,051	N/A	6,108	1,176
Profit /(Loss) from operations	(36,793)	-	(42,134)	(20,709)
Finance cost	(1,001)	N/A	(4,946)	(3,914)
Profit /(Loss) before tax	(37,794)	-	(47,080)	(24,623)
Taxation	-	N/A	(30)	1,375
Profit /(Loss) after tax	(37,794)	-	(47,110)	(23,248)
Minority interest	-	N/A	-	-
Net Profit /(Loss) for the period	(37,794)	-	(47,110)	(23,248)
OTHER COMPREHENSIVE INCOME				
AVAILABLE-FOR -SALE INVESTMENT				
Profit arising during the period	-	N/A	4	(4)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(37,794)	-	(47,106)	(23,252)
Weighted average number of shares ('000s)	264,000	-	264,000	264,000
Earning per share (sen)				
- Basic	(14.32)	-	(17.84)	(8.81)
- Diluted	(14.32)	-	(17.84)	(8.81)

(The financial year end of the Company has been changed from 31 December to 31 March to cover the 15 months period from 1 January 2011 to 31 March 2012 and thereafter, to end on 31 March each year. Accordingly, there are no comparative figures to be presented in this Condensed Consolidated Statements of Comprehensive Income.)

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 MARCH 2012
(The figures have not been audited)

	As at End Of Current Quarter 31.03.2012 RM'000	As at Preceding Financial Year End 31.12.2010 RM'000
Non-current assets		
Property, plant and equipment	140,364	161,180
Prepaid land lease payments	15,803	15,970
Investment properties	13,506	13,780
	<u>169,673</u>	<u>190,930</u>
Current assets		
Inventories	17,470	24,763
Trade and other receivables	16,729	21,266
Tax refundable	221	221
Available-for-sale investments	-	5,195
Cash, deposit and bank balances	734	290
	<u>35,154</u>	<u>51,735</u>
Total Assets	<u>204,827</u>	<u>242,665</u>
EQUITY		
Share capital	132,000	132,000
Reserves	(23,517)	23,589
Total equity	<u>108,483</u>	<u>155,589</u>
LIABILITIES		
Non-current liabilities		
Long term borrowings	25,498	30,037
Deferred Tax Liability	8,503	8,503
	<u>34,001</u>	<u>38,540</u>
Current liabilities		
Borrowings	29,448	29,960
Bank overdraft	956	2,433
Trade and other payable	31,938	16,140
Provision for taxation	1	3
	<u>62,343</u>	<u>48,536</u>
Total Liabilities	<u>96,344</u>	<u>87,076</u>
Total equity & liabilities	<u>204,827</u>	<u>242,665</u>
Net Tangible Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.41</u>	<u>0.59</u>

The unaudited Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FORTH QUARTER ENDED 31 MARCH 2012
(The figures have not been audited)

	Share Capital RM'000	<u>Distributable</u> Retained Profit RM'000	← Share Premium RM'000	<u>Non-Distributable</u> Revaluation reserve RM'000	→ Fair value reserve RM'000	Total RM'000
Balance as at 1 January 2010	132,000	41,181	185	5,475		178,841
Revaluation increase	-	-	-	-	-	-
Tax effect thereon	-	-	-	-	-	-
Net profit not recognized in income statement	-	-	-	-	-	-
Revaluation decrease which reverses the previous increase	-	-	-	-	-	-
Tax effect thereon	-	-	-	-	-	-
Expenses on right issue written off	-	-	-	-	-	-
Net loss not recognized in income statement	-	-	-	-	-	-
Issue of ordinary share on right issue	-	-	-	-	-	-
Net profit for the financial year	-	(23,248)	-	-	(4)	(23,252)
Balance as at 31 December 2010	132,000	17,933	185	5,475	(4)	155,589
						-
As at 1 January 2011 as restated	132,000	17,933	185	5,475	(4)	155,589
Net Profit for the financial year		(47,110)			4	(47,106)
Balance as at 31 March 2012	132,000	(29,177)	185	5,475	0	108,483

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FORTH QUARTER ENDED 31 MARCH 2012
(The figures have not been audited)

	Current 15 months Period to-date 31-03-2012 RM'000	Preceding Year 12 months Period to-date 31-12-2010 RM'000
Net cash (outflow)/inflow from operating activities	(42,680)	2,152
Net cash inflow from investing activities	50,509	2,543
Net cash inflow/(outflow) from financing activities	(5,891)	(6,073)
Net increase/(decrease) in cash and cash equivalents	<u>1,938</u>	<u>(1,378)</u>
Cash and bank balances as at 1 January 2011	(2,160)	(782)
Cash and cash equivalents as at 31st March 2012	<u><u>(222)</u></u>	<u><u>(2,160)</u></u>
<u>Reconciliation :</u>		
Cash and bank balances	734	290
Bank overdrafts	(956)	(2,433)
Fixed deposit pledged with a licensed bank	-	(17)
Cash and cash equivalents as at 31st March 2012	<u><u>(222)</u></u>	<u><u>(2,160)</u></u>

The unaudited Condensed Consolidated Statement Of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

PART A: EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134 REQUIREMENTS

A1. Accounting Policies

The Financial statement of the Group for the current reporting period have been prepared in accordance with FRS 134- Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and should be read in conjunction with the Group's financial statements for the year ended 31 December 2010.

Except as described below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements of the Group for the year ended 31 December 2010.

With effect from 1 January 2011, the Group adopted the following new or Revised financial reporting standards ("FRS") and amendments to existing standards that are relevant to its operations. These FRSs became effective for the financial periods beginning after 1 January 2010.

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures and additional Exemptions for First-time adopters
Amendments to FRS 3	Business Combinations
Amendments to FRS 7	Improving Disclosures about financial Instruments
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investment in Associates
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting

The adoption of the above FRSs and amendemnts to existing standards did not result in any changes to the Group's accounting policies or have any significant impact on the financial statements of the Group.

Revised FRS 124 Related Party Disclosures

The Group has not adopted the revised FRS 124, Related Party Disclosures that has been issued by MASB, which is relevant to the Group and effective for annual periods beginning on or after 1 January 2012. The Group will apply the revised FRS 124 from 1 January 2012 and its adoption is unlikely to have any impact on the financial position or results of the Group.

A2. Auditors' Report on Preceding Annual Financial Statements

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

A3. Comments about Seasonality or Cyclicity

The Group's performance is not subject to seasonality or cyclicity.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review due to their nature, size or incidence.

A5. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt securities nor any movement in the share capital for the quarter and financial period under review.

A7. Dividends Paid

There were no dividends paid during the quarter under review.

A8. Segmental Reporting

The Group operates wholly in Malaysia. The principal activities of the Group consist of those relating to manufacturing of wood based products and agro-based farming. The Group's segmental reporting for business segments is as below :

31 March 2012

Business Segments	Investment Holding	Manufacturing	Property Investment	Agro-based Industries	Adjustments and Eliminations	Per consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue :						
External Sales	-	80,559	728	1,614		82,901
Inter-segment	525	2,671			(3,196)	-
Total Revenue	<u>525</u>	<u>83,230</u>	<u>728</u>	<u>1,614</u>	<u>(3,196)</u>	<u>82,901</u>
Results :						
Segment results	(304)	(42,115)	404	(120)		(42,134)
Finance cost						(4,946)
Loss before tax						<u>(47,080)</u>
Taxation						<u>(30)</u>
Net (loss)/profit for the period						<u>(47,110)</u>

31 December 2010

Business Segments	Investment Holding	Manufacturing	Property Investment	Agro-based Industries	Adjustments and Eliminations	Per consolidated Financial Statements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue :						
External Sales	-	115,487	582	990		117,059
Inter-segment	420	950	-	-	(1,370)	-
Total Revenue	<u>420</u>	<u>116,437</u>	<u>582</u>	<u>990</u>	<u>(1,370)</u>	<u>117,059</u>
Results :						
Segment results	(301)	(19,320)	(1,022)	(66)		(20,709)
Finance cost						(3,914)
Loss before tax						<u>(24,623)</u>
Income tax benefit						<u>1,375</u>
Net (loss)/profit for the period						<u>(23,248)</u>

A9. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the year ended 31 December 2010

A10. Subsequent Events

There were no material events subsequent to the end of the current quarter under review up to date of this quarterly report

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current year to date.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets of a material nature since the last audited financial statements for the year ended 31 December 2010.

A13. Capital Commitments

Capital commitments of the Group for the period ended 31 March 2012 are as follows:

	As at
	31.03.12
	RM'000
Approved and contracted for	18,000,000
-Deposit Paid	-
Capital commitments	<u>18,000,000</u>

The Group intends to rebuild the factory as well as to repair the damaged plant & machinery which was caused by the recent fire by the end of the next quarter. It has estimated an amount of RM 18 million for the rebuilding process.

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B1 Review of Performance

	<----- 3 months ended ----->		15 months ended
	Jan-12 to Mar-12 RM'000	Oct-11 to Dec-11 RM'000	Jan-11 to Mar-12 RM'000
REVENUE			
Manufacturing and trading	13,433	14,237	80,559
Property development	146	146	728
Argo-bases Industries	451	73	1,614
Investment holdings	-	-	-
Total	14,029	14,456	82,901
PROFIT/ (LOSS) BEFORE TAX ("PBT")			
Manufacturing and trading - operations	(37,721)	(1,805)	(46,508)
Manufacturing and trading - gain on disposal of investment property	-	-	-
Property development	(11)	23	(3)
Argo-bases Industries	69	(184)	(266)
Investment holdings	(130)	(22)	(304)
Total	(37,794)	(1,988)	(47,080)

Comparison with preceding quarter

For the current quarter, the revenue of the Group is maintained at RM14.029 million. Loss after taxation is RM 37.7 million mainly due to the asset/stocks write off in relation to the fire incident as well as the Group's prudent policy of not recognising any insurance claims until it has been confirmed by the adjusters. There are no comparative figures to be presented owing to the change of financial year end from 1 January 2011 to 31 March 2012 covering 15 months.

B2 Comparison with immediate preceding quarter's results

Group revenue decreased compared to the preceding quarter by 3.0% or RM0.427 million is mainly due to the continued slow down in the furniture export market coupled with the shortage of labour which affected production substantially.

On the back of decreased turnover coupled with the decision to defer recognition of insurance claims on the fire incident, the Group recorded a loss after taxation of RM37million.

B3 Commentary on Prospects

The Group continues to operate in a challenging environment due to uncertainty in the global economy.

B4 Taxation

	Current Quarter 31.03.12 RM'000	Current Year To Date 31.03.12 RM'000
Taxation comprise the following :		
<i>Malaysian income tax</i>		
Current Tax Expense	-	30
	-	30

The current tax expenses payable is due to underprovision of tax in previous financial years.

B5 Purchase or Disposal of Quoted Securities

- a) There were no purchases or disposals of quoted securities for the current quarter under review.
- b) There were no investments in quoted securities as at the end of the financial period.

B6 Corporate Proposal

Proposal:

There was no corporate proposal proposed or undertaken during the quarter under review.

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2012 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 31.03.12 Total RM'000
Short term borrowings			
Bank Overdrafts	20	936	956
Bankers Acceptance	11,684	11,679	23,363
Finance Lease Creditor	543	-	543
Revolving Credit	-	-	-
Term Loans	5,415	127	5,542
	17,662	12,742	30,404
Long term borrowings			
Finance Lease Creditors	-	-	-
Term Loans	25,148	350	25,498
	25,148	350	25,498
Total borrowings	42,810	13,092	55,902

B8 Derivative Financial Assets

Details of outstanding derivative financial instruments as at 31 March 2012:

Foreign Exchange Forward Contracts :	Contracted Value RM '000	Fair value RM '000	Changes in Fair Value RM '000
Within 1 year			
- Used to hedge trade receivables	-	-	-

Forward foreign exchange contracts are entered into with licensed banks to hedge part of the Group's sales from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Group is not exposed to any market risk. Given that the contracts are entered into with licensed banks, we are of the view that credit risk is minimal.

B9 Material Litigation

Save as disclosed in last quarter, the Group has not engaged in any material litigation either as plaintiff or defendant up to this quarter.

B10 Changes in Contingent Assets and Contingent Liabilities

There were no material contingent assets or liabilities as at the date of this quarterly report except for the corporate guarantees given to financial institutions by the Company in relation to credit facilities given to its subsidiaries.

B11 Dividend Payable

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the year under review.

B12 Earnings per Share**a) Basic**

The earnings per share for the current quarter and cumulative year to date are computed as follows:

	Individual Current Year Quarter 31.03.12	Cumulative Current Year To Date 31.03.12
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>(37,794)</u>	<u>(47,110)</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>(14.32)</u>	<u>(17.84)</u>

b) Diluted

The calculation of the diluted earnings per share is based on the profit attributable to ordinary equity holders of the parent for the current quarter and cumulative year to date divided by the adjusted weighted average number of ordinary shares of RM0.50 each in issue and issuable under the exercise of share options granted under the DPS Employees' Share Option Scheme.

	Individual Current Year Quarter 31.03.12	Cumulative Current Year To Date 31.03.12
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>(37,794)</u>	<u>(47,110)</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>(14.32)</u>	<u>(17.84)</u>
Diluted Earnings Per Share (sen)	<u>(14.32)</u>	<u>(17.84)</u>

B13 Disclosure of Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad (Bursa Malaysia) issued a directive to all listed issuers and requires to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits and losses. On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The determination of realised and unrealised profits is complied based on Guidance of Special Matter No. 1. Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The group's retained earnings as at reporting date may be analysed as follows:

	Group 31.03.2012 RM'000	Group 31.12.2010 RM'000
Total retained profits		
- Realised profits	10,038	57,224
- Unrealised losses	<u>(3,622)</u>	<u>(3,697)</u>
	6,417	53,527
Less : Consolidation adjustments	<u>(35,594)</u>	<u>(35,594)</u>
Total group retained profits as per statements of financial position	<u><u>(29,177)</u></u>	<u><u>17,933</u></u>

B14 Profit for the Period

	Current Quarter Ended		Financial Period Ended	
	31.03.2012 RM'000	31.12.2010 RM'000	31.03.2012 RM'000	31.12.2010 RM'000
Profit for the period is arrived at after crediting :				
Bad debt recovery	-	-	1,643	24
Gain on foreign exchange	-	-	-	-
and after charging :				
Depreciation	799	247	1,664	990
Provision for loss in fire	34,536	-	43,255	-
Loss on foreign exchange	171	-	36	1,141