



Signature International Berhad

(Company No: 754118-K)

(Incorporated In Malaysia with limited liability under the Companies Act 1965)

INTERIM FINANCIAL REPORT 31 MAR 2011

The Board of Directors of Signature International Berhad (“SIB” or “the Company”) is pleased to announce the following unaudited consolidated results of SIB and its subsidiaries (collectively known as “the Group”) for the period ended 31 Mar 2011.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAR 2011

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Revenue	29,428	31,457	91,196	103,555
Operating expenses	(26,941)	(26,877)	(78,792)	(86,298)
Other operating income	1,466	223	2,017	901
Profit from operations	3,953	4,803	14,421	18,158
Finance costs	(512)	(293)	(1,363)	(689)
Profit before taxation	3,441	4,510	13,058	17,469
Tax expense	(863)	(1,330)	(3,324)	(4,156)
Profit after taxation	2,578	3,180	9,734	13,313
Attributable to:				
- Equity holders of the parent	2,125	3,182	9,082	12,930
- Non-controlling interest	453	(2)	652	383
	2,578	3,180	9,734	13,313
Earnings per share (sen)				
- Basic	1.8	2.7	7.6	10.8
- Diluted	Not applicable	Not applicable	Not applicable	Not applicable

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MAR 2011

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Profit after taxation	2,578	3,180	9,734	13,313
Other Comprehensive Income				
Exchange differences on translating foreign operations	(26)	(50)	(61)	(138)
Other comprehensive income for the period, net of tax	(26)	(50)	(61)	(138)
Total Comprehensive Income for the period	2,552	3,130	9,673	13,175
Total Comprehensive Income: attributable to:				
- Equity holders of the parent	2,099	3,132	9,021	12,792
- Non-controlling interest	453	(2)	652	383
	2,552	3,130	9,673	13,175

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAR 2011

	Note	UNAUDITED As at 31 Mar 2011 RM'000	AUDITED As at 30 Jun 2010 RM'000 (Restated)
ASSETS			
Non-Current Assets			
Property, plant and equipment	2.3, 2.4	25,720	26,089
Investment properties	2.3, 2.4	10,528	7,838
Other investment	2.2	-	321
Available-for-sale financial asset	2.2	321	-
Long-term receivables	2.2	6,335	-
		<u>42,904</u>	<u>34,248</u>
Current Assets			
Inventories		10,069	8,511
Amount owing by contract customers		-	11,813
Receivables - net of deposits received	2.2	46,763	54,278
Tax recoverable		2,627	1,550
Short-term investments	2.2	-	8,333
Financial assets at fair value through profit or loss	2.2	12,502	-
Fixed deposit with licensed banks		166	162
Cash and bank balances		17,107	17,693
		<u>89,234</u>	<u>102,340</u>
TOTAL ASSETS		<u>132,138</u>	<u>136,588</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAR 2011 (CONT'D)

	Note	UNAUDITED As at 31 Mar 2011 RM'000	AUDITED As at 30 Jun 2010 RM'000 (Restated)
EQUITY AND LIABILITIES			
Equity			
Share capital		60,000	40,000
Share premium		-	11,582
Reserves	2.2	<u>35,172</u>	<u>40,370</u>
Shareholders' equity		95,172	91,952
Non-controlling interest		<u>1,844</u>	<u>1,192</u>
TOTAL EQUITY		<u>97,016</u>	<u>93,144</u>
Non-Current Liabilities			
Hire purchase payables		927	866
Term loans		9,021	2,043
Deferred taxation		<u>1,090</u>	<u>1,090</u>
		<u>11,038</u>	<u>3,999</u>
Current Liabilities			
Payables		12,920	30,788
Amount owing to contract customers		10,107	7,250
Provision for taxation		225	402
Hire purchase payables		392	565
Term loan		<u>440</u>	<u>440</u>
		<u>24,084</u>	<u>39,445</u>
TOTAL LIABILITIES		<u>35,122</u>	<u>43,444</u>
TOTAL EQUITY AND LIABILITIES		<u>132,138</u>	<u>136,588</u>
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)		<u>0.79</u>	<u>0.77</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MAR 2011

	← Attributable to equity holders of the parent →						Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	Non Distributable Reserves			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000			
Balance as at 1 Jul 2010									
As previously reported	40,000	11,582	1,309	(28,567)	(35)	67,663	91,952	1,192	93,144
Effects of adopting FRS 139 (Note 2.2)						(1,036)	(1,036)	-	(1,036)
As restated balance	40,000	11,582	1,309	(28,567)	(35)	66,627	90,916	1,192	92,108
Profit after taxation for the financial period	-	-	-	-	-	9,082	9,082	652	9,734
Other Comprehensive income	-	-	-	-	(26)	-	(26)	-	(26)
Total Comprehensive Income for the period	-	-	-	-	(26)	9,082	9,056	652	9,708
Bonus Issue	20,000	(11,582)	-	-	-	(8,418)	-	-	-
Dividend paid						(4,800)	(4,800)		(4,800)
Balance as at 31 Mar 2011	60,000	-	1,309	(28,567)	(61)	62,491	95,172	1,844	97,016

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MAR 2011 (CONT'D)

	← Attributable to equity holders of the parent					→		Non-controlling interest	Total Equity
	Non Distributable Reserves			Distributable		Retained Profits	Total		
	Share Capital	Share Premium	Revaluation Reserve	Merger Deficit	Exchange Translation Reserve			RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 Jul 2009	40,000	11,582	1,309	(28,567)	(88)	59,035	83,271	820	84,091
Profit after taxation for the financial period	-	-	-	-	-	12,930	12,930	383	13,313
Other Comprehensive income	-	-	-	-	(50)	-	(50)	-	(50)
Total Comprehensive Income for the period	-	-	-	-	(50)	12,930	12,880	383	13,263
Issuance of shares to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	200	200
Dividend paid	-	-	-	-	-	(6,400)	(6,400)	-	(6,400)
Balance as at 31 Mar 2010	40,000	11,582	1,309	(28,567)	(138)	65,565	89,751	1,403	91,154

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MAR 2011

	Financial Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,058	17,469
Adjustments:		
Amortisation and depreciation	1,749	1,408
Loss / (Gain) on disposal of property, plant and equipment	(78)	(23)
Loss / (Gain) on disposal of investment properties	-	49
Interest income	(518)	(219)
Interest expense	751	381
Changes in working capital	14,962	19,065
Inventories	(1,558)	335
Receivables	144	(13,434)
Amount owing by contract customers	14,670	2,213
Payables	(17,868)	2,803
Cash generated from operations	10,350	10,982
Interest received	518	219
Interest paid	(751)	(381)
Tax paid	(4,578)	(4,980)
Net cash inflow from operating activities	5,539	5,840
CASH FLOWS FROM / (USED) IN INVESTING ACTIVITIES		
Additions of property, plant and equipment and prepaid lease rentals	(1,554)	(1,481)
Proceeds from disposal of property, plant and equipment	252	(338)
Proceeds from disposal of investment properties	2,400	540
Purchase of Investment properties	(3)	82
Purchase of financial assets at fair value through profit and loss	(4,169)	-
Uplift of short term investment	-	647
Subscription of shares by Non-Controlling interest	-	200
Net cash from / (used) in investing activities	(3,074)	(350)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MAR 2011 (CONT'D)

	Financial Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
CASH FLOWS FROM / (USED) IN FINANCING ACTIVITIES		
Dividend paid	(4,800)	(6,400)
Hire purchase	(112)	(230)
Borrowings	1,891	(313)
Net cash from / (used) in financing activities	(3,021)	(6,943)
Effects of exchange rate changes on cash and cash equivalents	(26)	(50)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(582)	(1,503)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	17,855	9,963
CASH AND CASH EQUIVALENTS AT END OF PERIOD	17,273	8,460
Cash and cash equivalents comprise:		
Deposits with licensed banks	166	162
Cash and bank balances	17,107	8,298
	17,273	8,460



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134 – Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 Jun 2010 and the accompanying explanatory notes attached to the interim financial report.

The preparation of an interim financial report in conformity with FRS 134 – Interim Financial Reporting, requires management and the Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim consolidated financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

2. Summary of significant accounting policies

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 30 Jun 2010, except for the adoption of the following new Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations by the Group with effect from 1 Jul 2010:

FRS 1 (Revised)	First time adoption of Financial Reporting Standards
FRS 3 (Revised)	Business Combination
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101 (Revised)	Presentation of Financial Statements
FRS 123 (Revised)	Borrowing Costs
FRS 127 (Revised)	Consolidated and Separate Financial Statements
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1 and FRS 127	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 2	Vesting Conditions and Cancellations
Amendment to FRS 2	Scope of FRS 2 and FRS 3 (Revised)
Amendment to FRS 5	Plan to Sell the Controlling interest in a Subsidiary



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2. Summary of significant accounting policies (Cont'd)

Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 101 and FRS 132	Puttable Financial Instruments and Obligations Arising on Liquidation
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interest in Joint Ventures
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendment to IC Interpretation 9	Scope of IC Interpretation 9 and FRS 3(Revised)
Annual Improvements to FRSs (2009)	Improvement to FRSs (2009)

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of FRSs as follows:



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2. Summary of significant accounting policies (Cont'd)

2.1 FRS 101 (Revised): Presentation of Financial Statements

The revised FRS 101 introduces changes in the presentation of the financial statements as follows:

Pre-FRS 101	Post-FRS 101
-Balance Sheet	-Statement of Financial Position
-Income Statements	-Statement of Comprehensive Income
-Statement of Changes in Equity	-Statement of Changes in Equity
-Cash Flow Statement	-Statement of Cash Flows

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the statements of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense recognized directly in equity, either in single statement, or in two linked statements. The Group has elected to present this statement as two linked statement and has accounted the changes retrospectively to the comparative period.

	As previously reported	Effect of adopting FRS 101	After effect of adopting FRS 101
	RM'000	RM'000	RM'000
Nine month period ended 31 Mar 2011			
Profit after taxation	13,313	-	13,313
Other Comprehensive Income			
Exchange differences on translating foreign operations	-	(138)	(138)
Other comprehensive income for the period, net of tax	-	(138)	(138)
Total Comprehensive Income for the year	13,313	(138)	13,175
Total Comprehensive Income: attributable to:			
- Equity holders of the parent	12,930	(138)	12,792
- Non-controlling interest	383	-	383
	13,313	(138)	13,175



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2. Summary of significant accounting policies (Cont'd)

2.2 FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. The adoption of FRS 139 has resulted in financial instruments of the Group to be categorized and measured using the accounting policies as summarized below:-

(a) Initial Recognition and Measurement

Financial instruments are recognized in the financial statements when, and only when, the Group's become a party to the contractual provisions of the instruments. Financial instruments are recorded initially at fair value. Subsequently measurement of the financial instruments in the statement of the financial position at the reporting date is determined by the designation of the financial instruments.

(b) Financial assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in the effective hedge, as appropriate.

(c) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss comprises financial assets that are held for trading including derivatives, unless they are designated as hedges. Financial assets at fair value through profit and loss are measured at fair value at each reporting date with changes in fair values recognized as gains and loss in the statement of comprehensive income. This category of financial assets is classified as current assets. In accordance with the requirement of this standard, foreign exchange contracts of the Group have been measured at fair value and the changes in the fair value has been recognized in profit and loss.

(d) AFS financial assets

AFS financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.



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2. Summary of significant accounting policies (Cont'd)

2.2 FRS 139: Financial Instruments: Recognition and Measurement (Cont'd)

(e) Trade and other receivables

Prior to the adoption of FRS 139, trade and other receivables were stated at gross receivables less provision for doubtful debts, Under the FRS 139, these receivables are initially measured at fair value plus transactions costs and subsequently at amortised cost using the effective interest rate ("EIR") method. Gain and losses arising from the derecognition of the receivables, amortization under the EIR method and impairment losses are recognized in the statement of comprehensive income.

(f) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives as hedging instruments in an effective hedge, as appropriate. The Group's financial liabilities included trade and other payables and borrowings. Under the FRS 139, these financial liabilities are measured initially at fair value and subsequently carried at amortised cost using EIR method.

In accordance with the transitional provision of first time adoption of FRS 139, the above changes in accounting policy have been accounted for prospectively and the comparatives are not restated. Instead, the changes have been accounted for by restating the opening balances as at 1 Jul 2010 in the consolidated statement of financial position. The effect of changes in the consolidated statement of financial position is as follows:

	As previously reported	Effect of adopting FRS 139	After effect of adopting FRS 139
	RM'000	RM'000	RM'000
Balance as at 1 Jul 2010			
Non Current assets			
Other investment	321	(321)	-
Available-for-sale financial asset	-	321	321
Long-term receivables	-	4,835	4,835
Current assets			
Receivables - net of deposit received	54,278	(5,871)	48,407
Short-term investments	8,333	(8,333)	-
Financial assets at fair value through profit or loss	-	8,333	8,333
Equity			
Reserves	40,370	(1,036)	39,334



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2. Summary of significant accounting policies (Cont'd)

2.3 Amendment to FRS 117 – Lease

With the adoption of the Amendments to FRS 117, the classification of a leasehold land as a finance lease or operating lease is based on the extent to which risks and rewards incident to ownership lie. In making this judgement, the Group has concluded that all the leasehold land are in substance in finance lease. This change in classification of prepaid land lease payments to property, plant and equipment in the current period and retrospectively to the comparative prior year's Statement of Financial Position are disclosed in Note 2.4

2.4 Amendment to FRS 140 – Investment Property

Prior to the adoption of the Amendment to FRS 140, properties that were being constructed or developed for future use as investment properties were treated as construction-in-progress and classified as property, plant and equipment. With the adoption of the Amendment to FRS 140, such properties are treated as investment property in accordance with FRS 140. The comparatives have been restated to conform to current period presentation.

The effects of the reclassification to the comparatives following the adoption of the above Amendments to FRS 117 and FRS 140 are as follows:

	As previously reported RM'000	Effect of Amendment to FRS 117 RM'000	Effect of Amendment to FRS 140 RM'000	As Restated RM'000
Property, plant and equipment	23,718	6,045	(3,674)	26,089
Prepaid land lease payments	6,045	(6,045)	-	-
Investment Properties	4,164	-	3,674	7,838

3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by seasonal or cyclical factors other than the retail / non-project sector which is affected by the festive periods in Malaysia.



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4. Unusual Items due to their nature, size or incidence

There were no items of a material and unusual nature which would substantially affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review except for the effects arising from the adoption of FRS139 as disclosed in Note 2.2.

5. Changes in Estimates

There were no estimates announced in regard of the current quarter results.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter except that Company issued a bonus issue of 40,000,000 new shares of RM 0.50 each on the basis of one (1) Bonus Share for every two (2) existing shares held on 13 Jul 2010.

The approval is obtained from the Bursa Securities, the Shareholders of the Company and the other relevant authority and the corporate exercise was completed on 14 Jul 2010.

The enlarged issued and paid up capital of 40,000,000 new shares was granted listing and quotation on the Main Market of Bursa Malaysia Securities Berhad on 14 Jul 2010.

7. Dividend Paid

The first and final (net) dividend of 4 sen per ordinary share, in respect of financial year ended 30 Jun 2010, amounting to RM4.8million was paid on 28 January 2011.



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8. Segmental Information

The Group	Design					Eliminations	The Group
	Manufacture and Retail Of Kitchen Wardrobe Systems	Marketing And Distribution Of White Goods	Manufacture Of Glass and Aluminium Products	Others			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Result for 9 months							
Quarter ended 31 Mar 2011							
REVENUE:							
External revenue	78,419	2,909	9,868	-	-		91,196
Inter-segment revenue	21,924	5,198	2,195	-	(29,317)		-
Total revenue	100,343	8,107	12,063	-	(29,317)		91,196
RESULTS							
Segment results	12,428	1,071	1,818	(533)	(363)		14,421
Finance costs	(1,301)	(39)	(23)	-	-		(1,363)
Profit from ordinary activities before taxation	11,127	1,032	1,795	(533)	(363)		13,058
Income tax expense							(3,324)
Profit from ordinary activities after taxation							9,734
Non-controlling interest							(652)
Net profit attributable to equity holders of the Company							9,082



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8. Segmental Information (Cont'd)

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
Result for 9 months Quarter ended 31 Mar 2010						
REVENUE:						
External revenue	97,207	2,224	4,125	-	-	103,555
Inter-segment revenue	22,915	3,505	2,667	-	(29,087)	-
Total revenue	120,121	5,729	6,792	-	(29,087)	103,555
RESULTS						
Segment results	16,549	966	1,283	(640)	-	18,158
Finance costs	(636)	(34)	(19)	-	-	(689)
Profit from ordinary activities before taxation	15,913	932	1,263	(640)	-	17,469
Income tax expense						(4,156)
Profit from ordinary activities after taxation						13,313
Non-controlling interest						(383)
Net profit attributable to equity holders of the Company						12,930



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

8. Segmental Information (Cont'd)

The Group	Design Manufacture and Retail Of Kitchen And Wardrobe Systems RM'000	Marketing and Distribution Of White Goods RM'000	Manufacture Of Glass and Aluminium Products RM'000	Others RM'000	Eliminations RM'000	The Group RM'000
Result for 3 months Quarter ended 31 Mar 2011						
REVENUE:						
External revenue	24,881	765	3,782	-	-	29,428
Inter-segment revenue	6,491	330	357	(815)	(6,363)	-
Total revenue	31,372	1,095	4,139	(815)	(6,363)	29,428
RESULTS						
Segment results	3,889	(579)	1,181	(175)	(363)	3,953
Finance costs	(497)	(8)	(7)	-	-	(512)
Profit from ordinary activities before taxation	3,392	(587)	1,174	(175)	(363)	3,441
Income tax expense						(863)
Profit from ordinary activities after taxation						2,578
Non-controlling interest						(453)
Net profit attributable to equity holders of the Company						2,125



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8. Segmental Information (Cont'd)

The Group	Design	Marketing	Manufacture	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen And Wardrobe Systems	and Distribution Of White Goods	Of Glass and Aluminium Products			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Result for 3 months						
Quarter ended 31 Mar 2010						
REVENUE:						
External revenue	29,173	322	1,962	-	-	31,457
Inter-segment revenue	6,976	518	640	-	(8,134)	-
Total revenue	36,149	840	2,602	-	(8,134)	31,457
RESULTS						
Segment results	5,248	(11)	123	(557)	-	4,803
Finance costs	(263)	(23)	(7)	-	-	(293)
Profit from ordinary activities before taxation	4,985	(34)	115	(557)	-	4,510
Income tax expense						(1,330)
Profit from ordinary activities after taxation						3,180
Non-controlling interest						2
Net profit attributable to equity holders of the Company						3,182



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8. Segmental Information (Cont'd)

The Group	Design	Marketing	Manufacture	Others	Eliminations	The Group
	Manufacture and Retail Of Kitchen Wardrobe Systems	and Distribution Of White Goods	Of Glass and Aluminium Products			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets and Liabilities						
As at 31 Mar 2011						
OTHER INFORMATION						
Segment assets	121,190	6,921	13,217	62,831	(74,648)	129,511
Unallocated assets						2,627
						132,138
Segment liabilities	63,442	1,690	8,705	2,641	(42,671)	33,807
Unallocated liabilities						1,315
						35,122
Assets and Liabilities						
As at 30 Jun 2010						
OTHER INFORMATION						
Segment assets	127,410	5,581	8,467	69,192	(75,612)	135,038
Unallocated assets						1,550
						136,588
Segment liabilities	77,282	1,038	5,553	3,214	(45,135)	41,952
Unallocated liabilities						1,492
						43,444



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

9. Valuation of Property, Plant and Equipment and Investment Properties

The valuations of the property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

10. Material Events Subsequent to the end of the interim period

There were no material events not reflected in the interim financial results.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

12. Changes in Contingent Assets or Contingent Liabilities

There were no changes in contingent assets.

As at 31 Mar 2011, corporate guarantees extended to licensed banks for credit facilities granted to the subsidiaries as follows:-

	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Corporate guarantee given to licensed banks for credit facilities granted to the subsidiaries	<u>16,514</u>	<u>15,553</u>

13. Capital Commitments

Capital commitments for the purchase of property, plant and equipment and investment properties not provided for in the interim financial statements as at the balance sheet date were as follows:



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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

13. Capital Commitments (Cont'd)

	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Approved and contracted for:-		
Investment Properties	1,812	2,847
Total capital commitments	1,812	2,847

14. Material Related Party Transactions

Details of the relationship between the Group and its related parties are as described below. The related party transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to the third parties, dealt at arm's length with the Group.

Name of Company	Principal Activities
Duamas Consolidated Sdn Bhd ("Duamas")	Interior Fit Out Contractor
Heart Base Sdn Bhd	Retail of kitchen and wardrobe systems
HSB Development Sdn Bhd	Property Development

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Heart Base Sdn Bhd				
Sale of kitchen and wardrobe systems	107	218	215	603
Duamas				
Project claims for Kitchen Systems, Wardrobe Systems and Interior Fit-Out Services	50	5,573	994	11,865



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14. Material Related Party Transactions (Cont'd)

	Individual Period		Cumulative Period	
	Current Quarter Ended	Preceding Period Corresponding Quarter Ended	Current Period Ended	Preceding Period Ended
	31 Mar 2011	31 Mar 2010	31 Mar 2011	31 Mar 2010
	RM'000	RM'000	RM'000	RM'000
HSB Development Sdn Bhd				
Project claims for Kitchen Systems, Wardrobe Systems and Interior Fit-Out Services	1,183	-	5,605	-



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.

15. Review of Performance – Current Quarter and Year to date ended 31 Mar 2011

A summary of the financial results is set out below:-

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Revenue	29,428	31,457	91,196	103,555
Profit before taxation	3,441	4,510	13,058	17,469

(i) *Current Quarter*

For the current quarter ended 31 Mar 2011, the Group recorded revenue of RM29.4 million, a decrease of 6.5% as compared to the preceding quarter ended 31 Mar 2010 of RM31.5 million. The decrease is mainly due to the lower contribution from the project segment.

As a result of the drop in revenue, the Group's profit before tax has decreased by 23.7%, from RM4.5 million in the quarter ended 31 Mar 2010 to RM3.4 million in the current quarter ended 31 Mar 2011.

(ii) *Cumulative period to date*

For the period ended 31 Mar 2011, the Group generated lower revenue of RM91.2 million in comparison with preceding year corresponding period of RM103.6 million. The overall drop of 11.9% in revenue is mainly due to the lower contribution from the overseas project segment.

As a result of the drop in revenue, the Group's profit before tax for the period has decreased by 25.3% from RM17.5 million in the preceding period to RM13.1 million in the current period.



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

16. Material change in Profit before tax of Current Quarter compared with Preceding Quarter

	Individual Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Quarter Ended 31 Dec 2010 RM'000
Revenue	29,428	31,061
Profit before taxation	3,441	4,617

For the current quarter 31 Mar 2011, the Group recorded lower revenue of RM29.4million in comparison with the immediate preceding quarter of RM31.1million, a slight drop due to the shorter working days in the festive month of February.

The Group posted a profit before tax of RM3.4million in the current quarter as compared to RM4.6million in the preceding correspondence quarter, a drop by 25.5% mainly due to the lower revenue recorded in the current quarter as compared to the preceding quarter.

17. Current Year Prospects

Barring any unforeseen circumstances, the Board of Directors is optimistic that the Group will be able to achieve satisfactory performance for the year in view of a promising domestic economic growth and in particularly on the encouraging sentiment of the property sector.

18. Variance between Actual Results and Forecast Results

The Group did not issue any profit forecast or profit guarantee in respect of the current quarter under review.



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

19. Taxation

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Current Tax Expense	863	1,330	3,324	4,156
Total Income Tax Expense	863	1,330	3,324	4,156

The Group's effective tax rate for the current quarter and period to-date is approximate with the statutory tax rate.

20. Sale of unquoted investments and properties

There was no sale of unquoted investments during the quarter under review.

Only one of the Investment properties in Penang with carrying amount of RM2.4million was disposed to third party in the previous reporting quarter. The transaction resulted to no gain no loss.

21. Quoted and marketable securities

There was no a purchase or disposal of quoted securities for the current quarter under review.

22. Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

23. Borrowings and Debt Securities

The Group's borrowings as follows:

	Cumulative Period	
	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
Term Loan (Secured) :-		
Current	440	440
Non Current	9,021	2,043
Total Bank Borrowing	9,461	2,483

24. Off Balance Sheet Financial Instruments

At the latest practicable date (not earlier than 7 days from the date of issue of the interim financial report), 18 May 2011, the Group does not have any off balance sheet financial instruments.

25. Material Litigation

At the date of this interim financial report, there are no material litigations against the Group.

26. Proposed Dividend

The Board recommended a final dividend (net) of 4 sen per ordinary share amounting to RM4.8million for the financial year 30 Jun 2010.

The final dividend recommended by the Board is approved by the shareholders at the Fourth Annual General Meeting held on 17 December 2010 and were distributed to shareholders on 28 January 2011.

No dividend is proposed for the current financial quarter ended 31 Mar 2011.



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

27. Earnings per Share

	Individual Period		Cumulative Period	
	Current Quarter Ended 31 Mar 2011 RM'000	Preceding Period Corresponding Quarter Ended 31 Mar 2010 RM'000	Current Period Ended 31 Mar 2011 RM'000	Preceding Period Ended 31 Mar 2010 RM'000
BASIC EARNINGS PER SHARE				
Profit for the period attributable to ordinary equity holders of the Company	2,125	3,182	9,082	12,930
Weighted average number of ordinary shares in issue ('000) **	120,000	120,000	120,000	120,000
Basic Earnings per Share (sen)	1.8	2.7	7.6	10.8

** The bonus issued was complete in 14 Jul 2010. In capitalising the bonus issue, ordinary shares are issued to existing shareholders for no additional consideration.

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the quarter ended 31 Mar 2011.



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INTERIM FINANCIAL REPORT 31 MAR 2011

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

28. Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 31 Mar 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 31 Mar 2011 RM'000
Total retained profits/ (accumulated losses) of Signature International Berhad and its subsidiaries:	
- Realised	61,836
- Unrealised	2,461
	<hr/>
	64,297
Less: Consolidation adjustments	(29,125)
	<hr/>
	35,172
	<hr/>

29. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 30 Jun 2010 were not subject to any qualification.

30. Authorisation for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board on 25 May 2011.