RALCO CORPORATION BERHAD (333101-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

The figures have not been audited.

	AS AT 31/03/2013 UNAUDITED RM'000	AS AT 31/12/2012 AUDITED RM'000
ASSETS		1401000
Non-Current Assets		
Property, plant and equipment Prepaid Lease Payment	27,888 3,178	28,943 3,185
Investment in quoted securities	<u> </u>	-
Current Assets	31,067	32,128
Inventories	8,571	8,215
Trade and other receivables	21,631	23,193
Tax recoverable	54	54
Fixed Deposit	107	106
Cash and bank balances	2,785	
Cash and bailt balances		4,208
TOTAL ASSETS	<u>33,147</u> 64,214	<u>35,777</u> 67,905
	04,214	07,905
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share capital	41,981	41,981
Right Issue - warrants	407	407
Treasury Share.at cost	-	-
Unappropriated profit / (loss)	(6,957)	(7,209)
Total Equity	35,430	35,179
Minority Interest	-	-
	35,430	35,179
Non-Current Liabilities		
Borrowings - Term Loan	-	-
Bank Borrowings	5,383	5,776
Hire Purchase	934	1,104
Deferred Tax	1,273	1,243
	7,589	8,123
Current Liabilities		
Trade and other payables	15,281	18,799
Bank Borrowings	5,002	4,735
Hire Purchase	911	1,067
	21,194	24,602
Total Liabilities	28,783	32,725
TOTAL EQUITY AND LIABILITIES	64,214	67,905
Net assets per share attributable to ordinary		
equity holders of the parent (RM)	0.84	0.84

(The condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2012 and the accompanying explanatory notes attached to the Interim Financial Statements)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For 3 months ended 31 March 2013 - unaudited

	INDIVIDUA CURRENT YEAR QUARTER 31/03/2013 RM'000	L QUARTER PRECEDING YEAR CORRESPONDING QUARTER 31/03/2012 RM'000	CUMULATI CURRENT YEAR PERIOD 31/03/2013 RM'000	VE QUARTER PRECEDING YEAR CORRESPONDING PERIOD 31/03/2012 RM'000
Gross revenue	24,600	22,070	24,600	22,070
Cost of sales	(21,901)	(20,093)	(21,901)	(20,093)
Gross profit	2,699	1,977	2,699	1,977
Other operating income	129	270	129	270
Selling & Distribution expenses	(876)	(722)	(876)	(722)
Administrative and general expenses	(1,458)	(1,396)	(1,458)	(1,396)
Results from operating activities	494	129	494	129
Finance costs	(213)	(259)	(213)	(259)
Profit/(Loss) before tax	281	(130)	281	(130)
Tax expense	(30)	(239)	(30)	(239)
Profit/(Loss) for the year	251	- 369	251	- 369
Foreign currency translation difference for foreign operation	-		-	-
Hedge of net investment	-	-	-	-
Cashflow hedge	-	-	-	-
Other comprehensive income for the year	0	0	0	0
Total comprehensive income for the year	251	(369)	251	(369)
Attributable to:				
Equity holders of the parent	251	(369)	251	(369)
Minority interests	-		-	
Profit/(Loss) for the year	251	(369)	251	(369)
Comprehensive income attributable to :				
Equity holders of the parent	-	-	-	-
Minority interests				
Total comprehensive income for the year	-	-		-
Basic earnings per share (sen)	0.64	(0.92)	0.64	(0.92)

RALCO CORPORATION BERHAD (333101-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2013 The figures have not been audited.

=======	=======	=========	========	=======	======	========
41,981	(0)	407	(6,958)	35,430	-	35,430
-	-	-	251	251	-	251
				-		-
				-		-
			251	251		251
				-		-
-	-			-	-	-
41,981	(0)	407	(7,209)	35,179	-	35,179
41,981 =======	(0) ======	407	(7,209)	35,179 ======	- ======	35,179 ======
-	-	-	(2,146)	(1,000)	-	(1,000)
			-	-		-
	1,146		(1,000) (1,146)	(1,000)		(1,000)
	,			_		-
41,981	(2,568) 1,422	407	(5,062)	34,757 1,422	-	34,757 1,422
Riviooo	T(WOOO	T(WI000	RW000	RW000	TUNOOO	THE OUT
capital	Share RM000	Warrants	profit RM/000	Total RM/000	RM'000	RM'000
Share	Treasury	Right Issue	Unappropriated		interest	equity
					Minority	Total
					Minority	Total
	capital RM000 41,981 	capital Share RM000 RM000 41,981 (2,568) 1,422 1,146 	capital RM000 Share RM000 Warrants RM000 41,981 (2,568) 407 1,422 1,146 - - 41,981 (0) 407 - - - 41,981 (0) 407 - - - 41,981 (0) 407 - - - 41,981 (0) 407 - - - 41,981 (0) 407 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - <td>capital RM000 Share RM000 Warrants RM000 profit RM000 41,981 (2,568) 1,422 407 (5,062) 1,146 (1,000) (1,146) (1,000) - - (2,146) 41,981 (0) 407 (7,209) - - 251 - - 251</td> <td>capital RM000 Share RM000 Warrants RM000 profit RM000 Total RM000 41,981 (2,568) 407 (5,062) 34,757 1,422 (1,000) (1,000) (1,000) 1,146 (1,146) (1,000) - (2,146) (1,000) 41,981 (0) 407 (7,209) 35,179 - 251 251 - - - - 251 251 - - - 251 251 - - - 251 251</td> <td>Share capital RM000 Treasury RM000 Right Issue Unappropriated RM000 Interest Total RM000 Interest RM000 41,981 (2,568) 407 (5,062) 34,757 - 1,422 - 1,422 - - - 1,146 (1,000) (1,000) (1,000) - - - - (2,146) (1,000) - - 41,981 (0) 407 (7,209) 35,179 - 41,981 (0) 407 (7,209) 35,179 - 251 251 - - - - - - 251 251 - -</td>	capital RM000 Share RM000 Warrants RM000 profit RM000 41,981 (2,568) 1,422 407 (5,062) 1,146 (1,000) (1,146) (1,000) - - (2,146) 41,981 (0) 407 (7,209) - - 251 - - 251	capital RM000 Share RM000 Warrants RM000 profit RM000 Total RM000 41,981 (2,568) 407 (5,062) 34,757 1,422 (1,000) (1,000) (1,000) 1,146 (1,146) (1,000) - (2,146) (1,000) 41,981 (0) 407 (7,209) 35,179 - 251 251 - - - - 251 251 - - - 251 251 - - - 251 251	Share capital RM000 Treasury RM000 Right Issue Unappropriated RM000 Interest Total RM000 Interest RM000 41,981 (2,568) 407 (5,062) 34,757 - 1,422 - 1,422 - - - 1,146 (1,000) (1,000) (1,000) - - - - (2,146) (1,000) - - 41,981 (0) 407 (7,209) 35,179 - 41,981 (0) 407 (7,209) 35,179 - 251 251 - - - - - - 251 251 - -

(The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2012 and the accompanying explanatory notes attached to the Interim Financial Statements)

RALCO CORPORATION BERHAD (333101-V) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 201

The figures have not been audited.

Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS		CURRENT YEAR TO DATE 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2012 RM'000
Depreciation / Amorisation1,1331,385Impairment loss on trade receivables no longer requiredInterest spenses213259Interest meme(1)(2)Deferred Taxation30.PPE writen offOperating profit before changes in working capital1,6261,612Changes in working capital(Increase) / decrease in inventories(355)826(Increase) / decrease in trade & other receivables1,562(131)Increase / (decrease) in trade & other receivables1,562(131)Increase / (decrease) in trade & other receivables1,231(259)Cash generated from / (used in) operations(686)(194)Interest paidCash generated from / (used in) operating activities(898)(510)Cash generated from / (used in) operating activities(72)(28)Net cash used in investing activities:Purchase of property, plant & equipment (PPE)Cash Flows from Financing activities:Repayment of biro purchase instalmentsNet cash used in investing activitiesCash Plows from financing activitiesCash Plows from Financing activitiesRepayment of borrowingProceed from borrowingNet cash used in investing activities	Profit/(loss) before tax	251	(130)
Impairment loss on trade receivables no longer required-100Interest income213259Interest income(1)(2)Deferred Taxation30PPE written off-Net fair value gain on initial designation of quoted securities-Unrealised gian on foreign exchange-Operating profit before changes in working capital1,626(Increase) / decrease in inventories(355)Reparate // decrease in inventories(355)(Increase) / decrease in trade & other precivables1,562(Increase) / decrease in trade & other payables(3,518)(2,201)(2,313)Cash generated from / (used in) operations(686)(194)12Interest received12Interest received12Interest received12Net cash generated from / (used in) operating activities(898)(510)(213)(259)Tax paid-(59)Net cash used in investing Activities:(72)Repayment of hire purchase instalments(327)(303)(335)Proceed from financing activities(453)Net cash generated from financing activities(453) <td>Adjustment for:</td> <td></td> <td></td>	Adjustment for:		
Interest expenses213259Interest income(1)(2)Deferred Taxation30PPE written off-Net fair value gain on initial designation of quoted securities-Urrealised gian on foreign exchange-Operating profit before changes in working capital1.626(Increase) / decrease in inventories(355)Represented from / decense in true de & other receivables1.562(Increase) / decrease in inventories(355)(Cash generated from / (used in) operations(686)(Interest paid-(213)(259)Tax paid-Net cash generated from / (used in) operating activities(898)(S10)Cash generated from / (used in) operating activitiesPurchase of property, plant & equipment (PPE)(72)(28)Cash Flows from Financing Activities:Repayment of bire purchase instalments(327)Repayment of bire purchase instalments(327)(363)(335)Proceed from borrowing2371.438Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)CASH AND CASH EQUIVALENTS CARRIED FORWARD2.892ASIM AND CASH EQUIVALENTS CARRIED FORWARD2.892ASIM AND BANK BALANCES2.785Lipse1.07Lipse1.07Lipse1.07Lipse1.07Lipse1.07Lipse1.07Lipse2.785 <td>Depreciation / Amortisation</td> <td>1,133</td> <td>1,385</td>	Depreciation / Amortisation	1,133	1,385
Interest income(1)(2)Deferred Taxation30PPE writen off-Net fair value gain on initial designation of quoted securities-Urrealised gian on foreign exchange-Operating profit before changes in working capital1,626(Increase) / decrease in inventories(355)(Bacrease) / decrease in inventories(355)(Increase) / decrease in trade & other receivables(3,518)(Increase) / decrease in trade & other payables(3,518)(Cash generated from / (used in) operations(6866)(194)1Interest received112Interest paid(213)(233)(259)Tax paid-(S98)(510)Cash generated from / (used in) operating activities(898)Purchase of property, plant & equipment (PPE)(72)(28)Cash Flows from Financing Activities:Repayment of borrowings(333)Proceed from borrowing2371,458(453)Net cash generated from financing activities(453)Cash flows from financing activities(453)Net cash generated from financing activities(453)Cash Pows from Financing activities(453)Operating activities(453)Operating activities(453)Operating activities(453)Operating activities(453)Operating activities(453)Operating activities(453)Operating activities(453)	Impairment loss on trade receivables no longer required	-	100
Deferred Taxation30PPE written off-Net fair value gain on initial designation of quoted securities-Unrealised gain on foreign exchange-Operating profit before changes in working capital1,626(Increase) / decrease in inventories(355)(Increase) / decrease in inventories(355)(Cash generated from / (used in) operations(686)(Increase) / decrease in trade & other receivables(1,562(Increase) / decrease in trade & other payables(213)(235)(2501)Cash generated from / (used in) operations(686)(Interest received11 a 2Interest paid(213)(233)(259)Net cash generated from / (used in) operating activities(898)(510)(59)Cash row from Investing Activities:Purchase of property, plant & equipment (PPE)(72)(28)Cash Bows from Financing Activities:Repayment of birorowingsProceed from borrowing237L488Net cash generated from financing activities(453)Cash Plows from Financing activitiesRepayment of borrowings237L488Net cash generated from financing activities(453)OfferAND CASH AND CASH EQUIVALENTS(1,423)CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:FIXED DEPOSIT(ASH AND BANK BALANCES2,7	Interest expenses	213	259
PPE written off - Net fair value gain on initial designation of quoted securities - Unrealised gian on foreign exchange - Operating profit before changes in working capital 1,626 1,612 Changes in working capital 1,626 1,612 Changes in working capital (Increase) / decrease in inventories (355) 826 (Increase) / decrease in trade & other receivables 1,562 (131) Increase / (decrease) in trade & other payables (3,518) (2,250) Cash generated from / (used in) operations (6866) (194) Interest received 1 2 Interest paid (213) (259) Tax paid - (59) Net cash generated from / (used in) operating activities (898) (510) Cash Flows from Investing Activities: (72) (28) Purchase of property, plant & equipment (PPE) (72) (28) Cash Bows from Financing Activities: (363) (335) Repayment of hire purchase instalments (327) (507) Repayment of borrowing 237 1,458 Net cash generated from financing activiti	Interest income	(1) (2)
Net fair value gain on initial designation of quoted securities - Unrealised gain on foreign exchange - Operating profit before changes in working capital 1.626 1.612 Changes in working capital (Increase) / decrease in inventories (355) 826 (Increase) / decrease in inventories (355) 826 (Increase) / decrease in trade & other receivables 1.562 (131) Increase / (decrease) in trade & other payables (3,518) (2,201) Cash generated from / (used in) operations (6866) (194) Interest paid (213) (259) Tax paid - (59) Net cash generated from / (used in) operating activities (898) (510) Cash Plows from Investing Activities: (72) (28) Purchase of property, plant & equipment (PPE) (72) (28) Cash Flows from Financing Activities: (327) (507) Repayment of birr purchase instalments (327) (507) Repayment of birrowing 237 1.458 Net cash generated from financing activities (453) 616 NET CHANGES IN CASH AND CASH EQUIVALENTS (1,423) 78	Deferred Taxation	30	
Unrealised gian on foreign exchange-Operating profit before changes in working capital1,6261,612Changes in working capital1,6261,612(Increase) / decrease in inventories(355)826(Increase) / decrease in trade & other receivables1,562(131)Increase / (decrease) in trade & other payables(3,518)(2,501)Cash generated from / (used in) operations(6866)(194)Interest paid212Interest paid(213)(259)Tax paid-(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:(72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(327)(507)Repayment of bire purchase instalments(327)(507)Repayment of borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	PPE written off	-	
Changes in working capital (Increase) / decrease in inventories(355)826 ((Increase) / decrease in trade & other receivables1,562(131)Increase / (decrease) in trade & other payables(3,518)(2,501)Cash generated from / (used in) operations(686)(194)Interest received12Interest paid(213)(259)Tax paid-(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:(72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities:(327)(507)Repayment of bire purchase instalments(327)(507)Repayment of borrowings2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND CASH EQUIVALENTS2,7851,592BANK OVERDAFTS2,7851,592		-	
(Increase) / decrease in inventories(355)826(Increase) / decrease in trade & other receivables1,562(131)Increase / (decrease) in trade & other payables(3,518)(2,501)Cash generated from / (used in) operations(686)(194)Interest received12Interest paid(213)(259)Tax paid.(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:.(72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Cash Flows from Financing Activities:Repayment of hire purchase instalments(327)(507)Repayment of borrowings2371,458.Net cash generated from financing activities(453)616Net cash generated from financing activities(1453)78Cash Flows from Financing activitiesRepayment of borrowings2371,458.Net cash generated from financing activities(1423)78.CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,083.Represented by:FIXED DEPOSITCASH AND CASH EQUIVALENTSCASH AND CASH EQUIVALENTSCASH AND CASH EQUIVALENTSCASH AND CASH EQUIVALENTS <td< td=""><td>Operating profit before changes in working capital</td><td>1,626</td><td>1,612</td></td<>	Operating profit before changes in working capital	1,626	1,612
(Increase) / decrease in trade & other receivables1,562(131)Increase / (decrease) in trade & other payables(3,518)(2,201)Cash generated from / (used in) operations(686)(194)Interest received12Interest paid(213)(259)Tax paid-(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(327)(507)Repayment of hire purchase instalments(327)(507)Repayment of borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS GROUGHT FORWARD2,8923,083Represented by:1071,491CASH AND CASH EQUIVALENTS CARRIED FORWARD2,7851,592BANK OVERDRAFTS1071,491	Changes in working capital		
Increase / (decrease) in trade & other payables(3,518)(2,501)Cash generated from / (used in) operations(686)(194)Interest received12Interest paid(213)(259)Tax paid-(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:(72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(327)(507)Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371.458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	(Increase) / decrease in inventories	(355)) 826
Cash generated from / (used in) operations(686)(194)Interest received12Interest paid2(213)Tax paid-Net cash generated from / (used in) operating activities(898)(S10)Cash Flows from Investing Activities:Purchase of property, plant & equipment (PPE)(72)Net cash used in investing activities(72)(Cash Flows from Financing Activities:Purchase of property, plant & equipment (PPE)(72)(Cash Flows from Financing Activities:Repayment of hire purchase instalments(327)(S07)(363)Repayment of borrowings(363)Proceed from borrowing(363)Net cash generated from financing activities(453)Net cash generated from financing activities(453)Net cash generated from financing activities(1,423)Net cash generated from financing activities(1,423)CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,0052,892CASH AND CASH EQUIVALENTS CARRIED FORWARD2,892Represented by:107FIXED DEPOSIT107CASH AND BANK BALANCES2,785BANK OVERDRAFTS-	(Increase) / decrease in trade & other receivables	1,562	(131)
Interest received12Interest paid(213)(259)Tax paid.(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:.(72)(28)Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities:Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371.458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923.083Represented by:FIXED DEPOSIT1071.491CASH AND BANK BALANCES2,7851.592BANK OVERDRAFTS	Increase / (decrease) in trade & other payables	(3,518)) (2,501)
Interest paid(213)(259)Tax paidNet cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities:Purchase of property, plant & equipment (PPE)Net cash used in investing activitiesCash Flows from Financing Activities:Repayment of hire purchase instalmentsRepayment of borrowingsProceed from borrowingNet cash generated from financing activitiesNet cash generated from financing activitiesCASH AND CASH EQUIVALENTS BROUGHT FORWARDCASH AND CASH EQUIVALENTS CARRIED FORWARDFIXED DEPOSITCASH AND BANK BALANCESBANK OVERDRAFTS </td <td>Cash generated from / (used in) operations</td> <td>(686</td> <td>) (194)</td>	Cash generated from / (used in) operations	(686) (194)
Tax paid-(59)Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities: Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(72)(28)Cash Flows from Financing Activities: Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES BANK OVERDRAFTS2,7851,592BANK OVERDRAFTS	Interest received	1	2
Net cash generated from / (used in) operating activities(898)(510)Cash Flows from Investing Activities: Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(72)(28)Cash Flows from Financing Activities: Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES BANK OVERDRAFTS2,7851,592	Interest paid	(213) (259)
Cash Flows from Investing Activities: Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(72)(28)Cash Flows from Financing Activities: Repayment of bire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371.458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Tax paid		(59)
Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(72)(28)Cash Flows from Financing Activities: Repayment of borrowings(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Net cash generated from / (used in) operating activities	(898) (510)
Purchase of property, plant & equipment (PPE)(72)(28)Net cash used in investing activities(72)(28)Cash Flows from Financing Activities: Repayment of borrowings(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Cash Flows from Investing Activities:		
Cash Flows from Financing Activities: Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by: FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS		(72) (28)
Repayment of hire purchase instalments(327)(507)Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Net cash used in investing activities	(72) (28)
Repayment of borrowings(363)(335)Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Cash Flows from Financing Activities:		
Proceed from borrowing2371,458Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Repayment of hire purchase instalments	(327)) (507)
Net cash generated from financing activities(453)616NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS		(363)	
NET CHANGES IN CASH AND CASH EQUIVALENTS(1,423)78CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Proceed from borrowing	237	1,458
CASH AND CASH EQUIVALENTS BROUGHT FORWARD4,3153,005CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	Net cash generated from financing activities	(453)) 616
CASH AND CASH EQUIVALENTS CARRIED FORWARD2,8923,083Represented by:1071,491FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	NET CHANGES IN CASH AND CASH EQUIVALENTS	(1,423)) 78
Represented by:FIXED DEPOSIT107CASH AND BANK BALANCES2,785BANK OVERDRAFTS-	CASH AND CASH EQUIVALENTS BROUGHT FORWARD	4,315	3,005
FIXED DEPOSIT1071,491CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS	-	2,892	3,083
CASH AND BANK BALANCES2,7851,592BANK OVERDRAFTS-	1 5	107	1 491
BANK OVERDRAFTS -			
			1,374
2,092 3,083		2,892	3,083

(The condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2012 and the accompanying explanatory notes attached to the Interim Financial Statements)

Unaudited Quarterly report on consolidated results for the 1st Quarter ended 31 March 2013

A) Notes to the Interim Financial Report For the 1st Quarter ended 31 March 2013 : Explanatory Notes in compliance to MFRS 134 on Interim Financial Reporting

(1) **Basis of Preparation**

The interim financial statements have been prepared under the historical cost convention unless otherwise stated.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since financial year ended 31 December 2012.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1: First Time Adoption of Malaysia Financial Reporting Standards has been applied.

The transition to MFRS framework does not have any material financial impact to these interim financial statements.

(2) Audit Report

The Group's financial statements for the year ended 31 December 2012 were reported without any qualification.

(3) Seasonal or Cyclical Factors

The business operation of the Group were not significantly affected by seasonal or cyclical factors.

Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(4) Unusual Items Affecting Financial Statements

There were no unusual items affecting the financial statements of the Group during the quarterly financial period under review.

(5) Changes in Accounting Estimates

There were no changes in accounting estimates for the financial period under review.

(6) Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Treasury Shares

The shareholders of the Company, by a resolution passed at an extraordinary general meeting held on 25 June 2009 approved the Company's proposal to repurchase of up to 10% of its issued and paid up share capital of the Company. ("Share Buy Back")

The Company had repurchased 2,601,900 ordinary shares of RM1.00 each of its issued share capital from the open market for a total consideration of RM2.6 million. The repurchased transaction was financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

From 30 October 2012 to 9 November 2012, the Company had resold all its treasury shares of 2,601,900 ordinary shares under Share Buy Back Account for a total consideration of RM1.4 million.

(7) **Dividend Paid**

No interim dividend has been paid or declared in respect of the financial period under review.

RALCO CORPORATION BERHAD – (333101-V) Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(8) **Segmental Reporting**

	Plastic Product RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
3 Months Ended 31/3/2013				
REVENUE				
External Sales	20,685	3,915	-	24,600
Inter-segment sales	4,032	-	(4,032)	-
Total revenue	24,717	3,915	(4,032)	24,600
RESULT				
Segment operating profit/(loss)	184	67	-	251
Finance cost	(212)	(1)		(213)
=				
Profit for the period				251
Tax expense				-
Net Profit for the period				251
3 Months Ended 31/03/2012				
REVENUE				
External Sales	19,347	2,721	-	22,068
Inter-segment sales	2,903	-	(2,903)	-
Total revenue	22,250	2,721	(2,903)	22,068
RESULT				
Segment operating profit/(loss)	241	(112)		129
Finance cost	(255)	(4)		(259)
Loss for the period				(130)
Tax expense				(239)
Net Loss for the period				(369)

RALCO CORPORATION BERHAD – (333101-V) Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(9) Valuation of Property, Plant and Equipment

There has been no revaluation of property, plant and equipment during the current quarter.

(10)**Material Subsequent Events**

There were no changes during the financial period under review.

(11) **Changes in Composition of the Group**

There were no changes during the financial period under review.

Contingent Liabilities or Contingent Assets (12)

There were no contingent liabilities or contingent assets as at date of this report.

Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

Notes to the interim Financial Reporting for the 1st Quarter ended 31 March 2013 : Explanatory Notes in compliance with Appendix 9B Part A of the BMSB Listing Requirements

(1) **Performance Review**

Current First Quarter Financial Period ended 31 March 2013 compared with Preceding Year Corresponding First Quarter Financial Period ended 31 March 2012.

For the current financial period ended 31 March 2013, the Group registered a revenue of RM24.60 million, representing an increase of RM2.5 million or 11% compared to the preceding financial period of 31 March 2012 of RM22.07 million.

The Group recorded a profit before tax of RM0.251 million for the current financial period ended 31 March 2013 compared to the loss before tax for the preceding financial period ended 31 March 2012 of RM0.130 million. However, without taking into account the other income of RM0.129 million for current financial period, the Group still record a profit of RM0.122 million. The favorable performance during the current period was due to lower cost of sales.

(2) Material Changes In The Quarterly Results Compared to the Results of the Preceding Quarter

First Quarter ended 31 March 2013 against preceding quarter ended 31 December 2012

For the current quarter under review, the Group registered a revenue of RM24.60 million compared to the preceding quarter of RM24.70 million which represented a slight drop of RM0.10 million or 0.40%. The Group recorded a profit before tax of RM0.251 million for the current quarter compared to a profit before tax of RM0.277 million in the preceding quarter.

(3) **Prospects for Year 2013**

The plastic manufacturing industry outlook for year 2013 remain competitive and challenging. External forces such as raw material costs are expected to continue to exert pressure on the Group's profit margin. The Board of Directors shall endeavour to ensure quality and productivity controls are in place to ensure a satisfactory financial performance is achieved for the year 2013.

Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(4) Variance of Actual Profit from Forecast Profit

This note is not applicable.

(5) **Taxation**

Tax comprises:

	Individual Quarter		Cumula	tive Quarter
	Current	Current Preceding year		Preceding year
	year	corresponding	year	corresponding
	quarter	quarter	to date	period
	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	RM '000	RM '000	RM '000	RM '000
Current year (expense)				
- current period/year	-	(59)		(59)
Deferred tax (expense)				
- current period/year	(30)	(180)		(180)
	(30)	(239)		(239)
	======			= ======

The Group's effective tax rate for current first quarter and financial year ended 31 March 2013 was lower than the statutory tax rate mainly due to the recognition of deferred tax provided earlier.

(6) **Status of Corporate Proposals and Utilisation of Proceeds**

There were no corporate proposals whatsoever during the period under review.

(7) Group Borrowings and Debts Securities

Total Group borrowings as at 31 March 2013 are as follows:

	Short Term	Short Term	Long Term	Long Term	Total
	Secured	Unsecured	Secured	Unsecured	
	RM '000	RM '000	RM '000	RM '000	RM '000
Currency					
- Ringgit Malaysia	2,106	3,773	934	5,383	12,196
	=======	=======	=======	=======	=======

Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(8) **Dividend**

No interim dividend has been proposed in the current financial period.

(9) Earnings Per Share

(a) **Basic Earnings Per Share**

Basic earnings per share of the Group is calculated by dividing the net profit/(loss) attributable to shareholders of the Group for the financial period under review over the weighted average number of ordinary shares in issue excluding weighted average treasury of 39,379,100 (31/12/2012: 39,379,100) shares during the said financial period.

(b) **Diluted Earnings Per Share** Not applicable.

(10) **Disclosure realised and unrealised profits/(losses)**

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained earnings of the Group as at 31 March 2013, into realised and unrealised profits/(losses), pursuant to the directive, is as follows:

	As at 31.03.2013 RM'000	As at 31.12.2012 RM'000
Total retained earnings of the Group		
- Realised	(5,769)	(5,448)
- Unrealised	(1,158)	(1,760)
	(6,927)	(7,208)

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

RALCO CORPORATION BERHAD – (**333101-V**) Unaudited Quarterly Report on Consolidated results for 1st Quarter ended 31 March 2013

(11) **Profit/(Loss) Before Taxation**

FTOIII/(LOSS) BEFORE TAXALIOII	Current	Preceding	Current	Preceding
	Year Qtr	Year Qtr	Year Cumm	Year Cumm
	01/01/13-	01/01/12 -	01/01/13-	01/01/12-
	31/03/13	31/03/12	31/03/13	31/03/12
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Profit for the period is arrived	()	()	()	()
at after crediting/(charging)				
Impairment loss on receivables				
Reversal of impairment loss on		100		100
receivables				
Gain/(loss) on disposal of property,				
plant and equipment				
Property, plant & equipment written off				
Interest income		2		2
Rental income	69	69	69	69
Realised gain/(loss) on foreign	(59)	(70)	(59)	(70)
exchange				
Unrealised gain/(loss) on foreign	84	85	84	85
exchange				
Waiver of bank interest	-	-	-	-
Gain on disposal of unquoted				
investment	-	-	-	-
Depreciation	(1,123)	(1,379)	(1,123)	(1,379)
Amortisation of prepaid lease payments	(6)	(6)	(6)	(6)
Interest expense	(213)	(259)	(213)	(259)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

(12) **Authorisation for Issue**

The interim financial statements were authorised for issue on 28 May 2013 by the Board of Directors.

By Order of The Board,

Chia Siew Chin (MIA 2184) Secretary

Date: 28 May 2013 KUALA LUMPUR