

**COMPUTER FORMS (MALAYSIA) BHD**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2011**  
(The figures are unaudited)

	FY 2012 Current Qtr Ended 30 Sep 11  (RM'000)	FY 2011 Comparative Qtr Ended 30 Sep 10  (RM'000)	FY 2012 Current 6 months Cumulative to 30 Sep 11 (RM'000)	FY 2011 Comparative 6 months Cumulative to 30 Sep 10 (RM'000)
Continuing Operations:				
Revenue	12,129	13,453	23,570	24,567
Cost of Sales	(9,204)	(10,321)	(18,893)	(19,463)
Gross Profit	<u>2,925</u>	<u>3,132</u>	<u>4,677</u>	<u>5,104</u>
Other Income	51	103	132	356
Administrative Expenses	(467)	(519)	(968)	(924)
Selling and Marketing Expenses	(588)	(596)	(1,173)	(1,185)
Other Expenses	(398)	(440)	(821)	(836)
Finance Costs	(309)	(266)	(587)	(558)
Profit/(loss) Before Tax	<u>1,214</u>	<u>1,414</u>	<u>1,260</u>	<u>1,957</u>
Income tax expenses	(131)	(232)	(254)	(420)
Profit/(loss) For The Period	<u>1,083</u>	<u>1,182</u>	<u>1,006</u>	<u>1,537</u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	<u>1,083</u>	<u>1,182</u>	<u>1,006</u>	<u>1,537</u>
Profit Attributable to:				
Owners of the parent	1,091	1,114	944	1,366
Non- Controlling Interest	(8)	68	62	171
	<u>1,083</u>	<u>1,182</u>	<u>1,006</u>	<u>1,537</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	1,091	1,114	944	1,366
Non- Controlling Interest	(8)	68	62	171
	<u>1,083</u>	<u>1,182</u>	<u>1,006</u>	<u>1,537</u>
EPS - Basic (sen)	2.66	2.72	2.30	3.33

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011)

COMPUTER FORMS (MALAYSIA) BERHAD  
 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 30 SEPTEMBER 2011  
 (The figures are unaudited)

	As At 30 Sep 11	As At 31 Mar 11
	<u>(RM'000)</u>	<u>(RM'000)</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	36,969	37,520
Goodwill	1,309	1,309
Financial Assets at Fair Value	-	-
	<u>38,278</u>	<u>38,829</u>
<b>Current Assets</b>		
Inventories	21,538	14,092
Trade receivables	12,320	10,940
Other receivables	2,174	709
Tax recoverable	433	359
Fixed Deposit	1,522	4,022
Cash and bank balances	3,826	5,172
	<u>41,813</u>	<u>35,294</u>
<b>Total Assets</b>	<u>80,091</u>	<u>74,123</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	41,000	41,000
Retained Earnings	4,846	3,902
Other reserves	4,997	4,997
	<u>50,843</u>	<u>49,899</u>
Non-Controlling Interest	1,740	1,678
<b>Total Equity</b>	<u>52,583</u>	<u>51,577</u>
<b>Non-current liabilities</b>		
Long-term borrowings	10,524	10,573
Deferred Tax	2,502	2,502
<b>Total non-current liabilities</b>	<u>13,026</u>	<u>13,075</u>
<b>Current liabilities</b>		
Trade Payables	3,256	2,272
Other Payables	1,810	1,920
Short-term borrowings	9,416	5,269
Taxation	-	10
<b>Total current liabilities</b>	<u>14,482</u>	<u>9,471</u>
<b>Total liabilities</b>	<u>27,508</u>	<u>22,546</u>
<b>Total equity and liabilities</b>	<u>80,091</u>	<u>74,123</u>
Net Asset per Share (RM)	1.24	1.22

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011)

**COMPUTER FORMS (MALAYSIA) BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2011**  
(The figures are unaudited)

	Share Capital	Attributable to Equity Holdings of Parent Non - Distributable Revaluation Reserve	Distributable Retained Earnings	Total	Non- Controlling Interest	Total Equity
As at 1 April 2010	41,000	4,717	(34)	45,683	1,288	46,971
Total Comprehensive Income For The Period			1,366	1,366	171	1,537
<b>At 30 September 2010</b>	<b>41,000</b>	<b>4,717</b>	<b>1,332</b>	<b>47,049</b>	<b>1,459</b>	<b>48,508</b>
As at 1 April 2011	41,000	4,997	3,902	49,899	1,678	51,577
Total Comprehensive Income For The Period			944	944	62	1,006
<b>At 30 September 2011</b>	<b>41,000</b>	<b>4,997</b>	<b>4,846</b>	<b>50,843</b>	<b>1,740</b>	<b>52,583</b>

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ  
IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011)

COMPUTER FORMS (MALAYSIA) BERHAD  
 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
 AS AT 30 SEPTEMBER 2011  
 (The figures are unaudited)

	FY 2012 6 months ended 30 Sep 11 (RM'000)	FY 2011 6 months ended 30 Sep 10 (RM'000)
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	1,260	1,957
Adjustments for:		
Non-cash items	1,084	1,167
Non-operational items	535	518
Operating profit before working capital changes	<u>2,879</u>	<u>3,642</u>
Working capital changes:		
Net change in current assets	(10,291)	(8,359)
Net change in current liabilities	873	1,066
Cash inflows from operations	<u>(6,539)</u>	<u>(3,651)</u>
Tax (paid)/Refunded	(390)	(567)
Interest paid	(587)	(558)
Interest Income	42	33
Net cash inflows/(outflows) from operating activities	<u>(7,474)</u>	<u>(4,743)</u>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Net Inflows/(outflows) from Investing Activities	(471)	(218)
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Net Inflows/(outflows) from Financing Activities	3,619	1,773
<b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<u>(4,326)</u>	<u>(3,188)</u>
<b>CASH &amp; CASH EQUIVALENTS BROUGHT FORWARD</b>	8,391	6,735
<b>CASH &amp; CASH EQUIVALENTS CARRIED FORWARD</b>	<u><u>4,065</u></u>	<u><u>3,547</u></u>
<b>Cash and Cash Equivalents at end of financial period comprise of the following:</b>		
	<b>As At 30 Sep 11 (RM'000)</b>	<b>As At 30 Sep 10 (RM'000)</b>
Cash and Bank Balances	5,348	4,357
Fixed Deposits Pledge with licensed bank	(22)	0
Bank Overdrafts (included within Short Term Borrowings)	(1,261)	(810)
	<u><u>4,065</u></u>	<u><u>3,547</u></u>
	0	

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011)

**COMPUTER FORMS (MALAYSIA) BERHAD**  
**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2011**

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**A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

A1. Accounting Policies and Methods of Computation

The interim financial report has been prepared in accordance with FRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2011. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2011, except for the following which are applicable to its financial statements and relevant to its operations:

Adoption of New and Revised FRSS, IC Interpretations and Amendments

		Effective Date
FRS 3	Business Combinations (Revised)	1 July 2010
FRS 127	Consolidated and Separate Financial Statements (Revised)	1 July 2010
Amendments to FRS 3	Business Combinations (Revised)	1 Jan 2011
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates	1 Jan 2011
Amendments to FRS 134	Interim Financial Reporting	1 Jan 2011
Amendments to FRS 138	Intangible Assets	1 July 2010

The adoption of the new FRSS and Amendments does not have significant impact on the financial performance and financial position of the Group other than stated below:

FRS 3 Business Combinations (Revised) and FRS 127 Consolidated and Separate Financial Statements (Revised)

The revised FRS 3 introduces a significant number of changes to the accounting for business combinations, both at the acquisition date and post acquisition, with the greater use of fair values. The Group will apply the standard prospectively to business combinations for which the acquisition date is on or after the effective date. The revised FRS 127 requires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. The standard also requires all losses attributable to the non-controlling interest to be absorbed

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by the non-controlling interest even if this results in a deficit balance. The Group will apply FRS 127 prospectively.

The Group has not applied in advance the following FRS that has been issued by the MASB but is not effective for the current financial year:

FRS 124	Related Party Disclosures	1 Jan 2012
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The adoption of the above FRS is not expected to have any significant impact on the results and financial position of the Group.

A2. Explanatory Comments about the Seasonality or Cyclicity of Interim Operations

The operations of the Group are not significantly affected by seasonal or cyclical factors except for a subsidiary that reports higher revenue during the school exercise book sale season in the 3<sup>rd</sup> Quarter of the Financial Year.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cashflows

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence.

A4. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities.

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities in the financial year to date.

A6. Dividends Paid

No dividend was paid in the interim period or the financial year to date.

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A7. Operating Segmental Information

The segment revenue and result of business segments for the financial year to date are as follows:

All balances in RM'000	Business Forms and Data Print Services		Commercial Printing		Flexible Packaging		Other/ Consol Adj		Consolidated Totals	
	FY'12	FY'11	FY'12	FY'11	FY'12	FY'11	FY'12	FY'11	FY'12	FY'10
<b>Revenue</b>										
Revenue	11,553	12,458	3,262	3,871	9,781	9,088	(1,026)	(850)	23,570	24,567
<b>Results</b>										
Profit Before Tax	1,016	1,430	(298)	78	550	461	(8)	(12)	1,260	1,957

A8. Valuation of Property, Plant and Equipment

The valuation of plant and equipment were brought forward without any amendment from the previous annual financial statements.

A9. Material Subsequent Events

There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

A10. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group during the interim period, including business combinations, disposal of subsidiaries and long-term investments, restructurings and discontinued operations.

A11. Contingent Liabilities and Contingent Assets

There have been no changes in contingent liabilities and contingent assets since the last annual balance sheet as at 31 March 2011.

A12. Capital Commitments

There was no material capital commitments not recognised in the interim financial statements.

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**B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

B1. Review of Performance

The revenue of the Group for the second quarter ended 30 September 2011 was 10% lower as compared with the corresponding quarter in the preceding year. This was primarily due to lower revenue reported by the business forms & data printing services segment as well as the commercial printing segment. The revenue for the 6 months ended 30 September 2011 was 4% lower than the corresponding 6 months in the preceding year as a result of the lower revenue reported by the abovementioned segments.

The Group reported a profit before tax of RM1.21 million for the current quarter which was 14% lower than the corresponding period in the preceding year. This was due to lower revenue reported by the abovementioned segments as well as lower margins reported by the business forms and data printing services segment. For the 6 months ended 30 September 2011 the Group reported profit before tax of RM1.26 million, a drop of 35% as compared to the corresponding 6 months in the preceding year. Again this decrease was due to weaker results at the abovementioned segments. Further the profit in the preceding year was impacted positively by a bad debt recovery amount of RM190k.

B2. Material Changes in Profit Before Tax for Current Quarter as Compared to the Preceding Quarter.

	Current Qtr Ended 30 Sep 2011 (RM'000)	Preceding Qtr Ended 30 Jun 2011 (RM'000)
Revenue	12,129	11,441
Profit/(loss) Before Tax	1,214	46

Revenue and profit before tax was higher this quarter due to seasonal sales of exercise books.

B3. Prospects

- a) The Management expects revenue and profitability to be maintained for the remaining periods of the current financial year.
- b) The Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.



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**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2011**

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**B4. Statement of the Board of Directors' Opinion as to whether Revenue or Profit Estimate, Forecast, Projection or Internal Targets are likely to be achieved.**

Not applicable as the Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

**B5. Variance of Profit Forecast and Profit Guarantees**

Not applicable as the Group has not disclosed any profit forecasts or made any profit guarantees.

**B6. Tax**

	Current Quarter Ended 30 Sep 11 (RM'000)	6 Months Cumulative YTD 30 Sep 11 (RM'000)
Income tax expense/(credit)	131	254

The effective tax rates of the Group for both the current quarter and the 6 months year to date are lower than the statutory tax rate because of the following:

- a) Profits reported by a subsidiary amounting to RM0.55 million that did not incur any tax expense because of carried forward business losses and unutilised capital allowances.

**B7. Sale of Unquoted Investments and Properties**

There were no sales of unquoted investments and properties during the current quarter and financial year to date.

**B8. Quoted Securities**

There were no other purchases or disposals of quoted securities during the current quarter or financial year to date.

There is no investment of quoted securities as at 30 September 2011.

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B9. Status of Corporate Proposals

- a) The Company does not have any pending corporate proposals.
- b) The disclosure of the utilisation of proceeds raised from any corporate proposal is not applicable.

B10. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

	As At 30 Sep '11 <u>(RM'000)</u>
Short Term Borrowings – Secured	9,416
Long Term Borrowing – Secured	10,524

The Group does not have any debt securities. All borrowings are secured and ringgit denominated.

B11. Derivative Financial Instruments

There were no derivative financial instruments as at the date of issue of this report.

B12. Changes in Material Litigation

There were no pending material litigations as at the date of issue of this report.

B13. Dividend

No dividend was proposed during the financial year to date.

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**NOTES TO THE INTERIM FINANCIAL REPORT**  
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B14. Earnings Per Share (EPS)

**Basic Earnings Per Share**

<b>FY 2012</b>	<b>Quarter Ended 30 Sep'11</b>	<b>Cumulative 6 Months Ended 30 Sep'11</b>
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,091	944
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	2.66 sen	2.30 sen
<b>FY 2011</b>	<b>Quarter Ended 30 Sep'10</b>	<b>Cumulative 6 Months Ended 30 Sep'10</b>
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,114	1,366
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	2.72 sen	3.33 sen

B15. Qualification of Audit Report

There was no audit qualification in the preceding annual financial statement of the Group and Company for the financial year ended 31 March 2011.

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B16. Realised and Unrealised Retained Earnings Disclosure

	As at 30/09/11 <u>RM'000</u>	As at 31/03/11 <u>RM'000</u>
Total retained profits of the Company and its subsidiaries:		
Realised Retained Earnings	64,318	63,343
Unrealised Retained Losses	(2,502)	(2,533)
Add Consolidated adjustments	(56,970)	(56,908)
Total Retained Earnings as per Consolidated Accounts	<u>4,846</u>	<u>3,902</u>

**By order of the Board**

**MUHAYUDDIN MUSA**  
Chief Executive Officer  
25 November 2011