

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2011
(The figures are unaudited)

	FY 2012 Current Qtr Ended 31 Dec 11	FY 2011 Comparative Qtr Ended 31 Dec 10	FY 2012 Current 9 months Cumulative to 31 Dec 11 (RM'000)	FY 2011 Comparative 9 months Cumulative to 31 Dec 10 (RM'000)
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Continuing Operations:				
Revenue	19,343	18,423	42,913	42,991
Cost of Sales	(14,955)	(13,424)	(33,848)	(32,887)
Gross Profit	<u>4,388</u>	<u>4,999</u>	<u>9,065</u>	<u>10,104</u>
Other Income	37	42	169	398
Administrative Expenses	(467)	(526)	(1,435)	(1,450)
Selling and Marketing Expenses	(688)	(747)	(1,861)	(1,932)
Other Expenses	(488)	(520)	(1,309)	(1,356)
Finance Costs	(293)	(326)	(880)	(884)
Profit/(loss) Before Tax	<u>2,489</u>	<u>2,922</u>	<u>3,749</u>	<u>4,880</u>
Income tax expenses	(505)	(755)	(759)	(1,176)
Profit/(loss) For The Period	<u>1,984</u>	<u>2,167</u>	<u>2,990</u>	<u>3,704</u>
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income For The Period	<u>1,984</u>	<u>2,167</u>	<u>2,990</u>	<u>3,704</u>
Profit Attributable to:				
Owners of the parent	1,976	2,051	2,921	3,417
Non- Controlling Interest	8	116	69	287
	<u>1,984</u>	<u>2,167</u>	<u>2,990</u>	<u>3,704</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	1,976	2,051	2,921	3,417
Non- Controlling Interest	8	116	69	287
	<u>1,984</u>	<u>2,167</u>	<u>2,990</u>	<u>3,704</u>
EPS - Basic (sen)	4.82	5.00	7.12	8.33

(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 31 DECEMBER 2011
(The figures are unaudited)

	As At 31 Dec 11	As At 31 Mar 11
	<u>(RM'000)</u>	<u>(RM'000)</u>
ASSETS		
Non-current assets		
Property, plant and equipment	36,511	37,520
Goodwill	1,309	1,309
Financial Assets at Fair Value	-	-
	<u>37,820</u>	<u>38,829</u>
Current Assets		
Inventories	14,873	14,092
Trade receivables	20,143	10,940
Other receivables	2,117	709
Tax recoverable	91	359
Fixed Deposit	22	4,022
Cash and bank balances	6,275	5,172
	<u>43,521</u>	<u>35,294</u>
Total Assets	<u>81,341</u>	<u>74,123</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	41,000	41,000
Retained Earnings	6,625	3,902
Other reserves	4,997	4,997
	<u>52,622</u>	<u>49,899</u>
Non-Controlling Interest	1,747	1,678
Total Equity	<u>54,369</u>	<u>51,577</u>
Non-current liabilities		
Long-term borrowings	10,460	10,573
Deferred Tax	2,502	2,502
Total non-current liabilities	<u>12,962</u>	<u>13,075</u>
Current liabilities		
Trade Payables	3,399	2,272
Other Payables	3,992	1,920
Short-term borrowings	6,619	5,269
Taxation	-	10
Total current liabilities	<u>14,010</u>	<u>9,471</u>
Total liabilities	<u>26,972</u>	<u>22,546</u>
Total equity and liabilities	<u>81,341</u>	<u>74,123</u>
Net Asset per Share (RM)	1.28	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 31 DECEMBER 2011
 (The figures are unaudited)

	←-----Attributable to Equity Holdings of Parent-----→				Total Equity
	Share Capital	Non - Distributable Revaluation Reserve	Distributable Retained Earnings	Non-Controlling Interest	
As at 1 April 2010	41,000	4,717	(34)	1,288	46,971
Total Comprehensive Income For The Period			3,417	287	3,704
At 31 Dec 2010	41,000	4,717	3,383	1,575	50,675
As at 1 April 2011	41,000	4,997	3,902	1,678	51,577
Total Comprehensive Income For The Period			2,921	69	2,990
Dividend Paid To Non Controlling Interest			(198)		(198)
At 31 December 2011	41,000	4,997	6,625	1,747	54,369

(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 31 DECEMBER 2011
(The figures are unaudited)

	FY 2012 9 months ended 31 Dec 11 <u>(RM'000)</u>	FY 2011 9 months ended 31 Dec 10 <u>(RM'000)</u>
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	3,749	4,880
Adjustments for:		
Depreciation	1,557	1,705
Interest Income	(47)	(38)
Interest Expense	880	884
Other non cash/non operational items	42	16
Operating profit before working capital changes	<u>6,181</u>	<u>7,447</u>
Working capital changes:		
Inventories	(781)	872
Debtors	(10,612)	(12,072)
Creditors	3,199	3,611
Cash inflows/(outflows) from operations	<u>(2,013)</u>	<u>(142)</u>
Tax (paid)/Refunded	(552)	(957)
Interest paid	(880)	(884)
Interest Income	47	38
Net cash inflows/(outflows) from operating activities	<u>(3,398)</u>	<u>(1,945)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(544)	(303)
Proceeds from disposal of PPE	6	-
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of long term liabilities	(113)	(29)
Proceeds from short term borrowings	661	807
Dividend paid to non controlling interest	(198)	-
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENTS	<u>(3,586)</u>	<u>(1,470)</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	8,391	6,735
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u>4,805</u>	<u>5,265</u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 31 Dec 11 <u>(RM'000)</u>	As At 31 Dec 10 <u>(RM'000)</u>
Cash and Bank Balances	6,297	5,265
Fixed Deposits Pledge with licensed bank	(22)	-
Bank Overdrafts (included within Short Term Borrowings)	(1,470)	-
	<u>4,805</u>	<u>5,265</u>

**(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 THIRD QUARTER ENDED 31 DECEMBER 2011

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

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

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
Revenue Revenue	17,145	19,084	13,027	12,142	14,273	13,145	(1,532)	(1,380)	42,913	42,991
Results Profit Before Tax	1,571	1,900	1,465	2,310	1,061	684	(348)	(14)	3,749	4,880

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

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

B1. Review of Performance of Operating Segments

Business Forms and Data Print Services

The revenue for the third quarter was 10% lower as compared with the corresponding quarter in the preceding year. The revenue for the financial year to date was also 10% lower than the corresponding period in the preceding year. This decrease was primarily due to the continual reduction in the sales of business forms. Stiff competition also led to lower prices for certain key customers.

The profit before tax for the third quarter was 53% lower than the corresponding period in the preceding year. For the financial year to date, the profit before tax dropped 25% as compared to the corresponding period in the preceding year. The fall in the profit before tax was due to lower revenue.

Commercial Printing

The revenue for the third quarter was 18% higher as compared with the corresponding quarter in the preceding year. This was primarily due to increased orders for exercise books. This increase in orders also resulted in the revenue for the 9 months to increase 7% over the corresponding period in the preceding year.

The profit before tax for the third quarter was 21% lower than the corresponding quarter in the preceding year. This was due to higher costs of raw materials. For the financial year to date, the profit before tax was lower by 37% as compared to the corresponding period in the preceding year. This was due to the increased raw material prices as well as RM0.2 million bad debt recovery in the preceding year.

Flexible Packaging

The revenue for the third quarter was 11% higher as compared with the corresponding quarter in the preceding year. The revenue for the financial year to date was 9% higher than the corresponding period in the preceding year. The increase in both the current quarter and the financial year to date was due to higher sales of food based packaging material.

The profit before tax for the third quarter was 129% higher than the corresponding quarter in the preceding year. For the financial year to date, the profit before tax was 55% higher compared to the corresponding 9 months in the preceding year. This increase for both the quarter and financial year to date was due to lower raw material utilization and the higher revenue.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

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

	Current Qtr Ended 31 Dec 2011 (RM'000)	Preceding Qtr Ended 30 Sep 2011 (RM'000)
Revenue	19,343	12,129
Profit/(loss) Before Tax	2,489	1,214

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 lower for the remaining period of the current financial year due to the end of the seasonal sales of exercise books.
- b) The Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

B6. Tax

	Current Quarter Ended 31 Dec 11 RM'000	9 Months Cumulative YTD 31 Dec 11 RM'000
Income tax expense/(credit)	505	759

The effective tax rates of the Group for both the current quarter and the 9 months year to date are lower than the statutory tax rate because of the following:

- a) Profits reported by a subsidiary amounting to RM1.0 million that did not incur any tax expense because of carried forward business losses and unutilised capital allowances.

B7. 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.

B8. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

	As At 31 Dec '11 RM'000
Short Term Borrowings – Secured	6,619
Long Term Borrowing – Secured	10,460

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

B9. Changes in Material Litigation

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

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

B10. Dividend

No dividend was proposed during the financial year to date.

B11. Earnings Per Share (EPS)

Basic Earnings Per Share

FY 2012	Quarter Ended 31 Dec'11	Cumulative 9 Months Ended 31 Dec'11
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,976	2,921
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	4.82 sen	7.12 sen

FY 2011	Quarter Ended 31 Dec'10	Cumulative 9 Months Ended 30 Sep'10
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	2,051	3,417
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	5.0 sen	8.33 sen

B12. 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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

B13. Notes to the Comprehensive Income Statement

	Current Qtr 31 Dec'11 RM'000	9 Mths to Date 31 Dec '11 RM'000
a) Interest income	5	47
b) Other income	37	169
c) Interest expense	293	880
d) Depreciation and amortisation	517	1,557
e) Provision for and write off of receivables	n/a	n/a
f) Provision for and write off of inventories	n/a	n/a
g) Gain and loss on disposal of quoted and unquoted investments or properties	n/a	n/a
h) Impairment of assets	n/a	n/a
i) Foreign exchange gain or loss	36	49
j) Gain or loss on derivatives	n/a	n/a
k) Exceptional items	n/a	n/a

B14. Realised and Unrealised Retained Earnings Disclosure

	As at 31/12/11 <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	64,136	63,343
Unrealised Retained Losses	(2,502)	(2,533)
Add Consolidated adjustments	(55,009)	(56,908)
Total Retained Earnings as per Consolidated Accounts	<u>6,625</u>	<u>3,902</u>

By order of the Board

MUHAYUDDIN MUSA
Chief Executive Officer
23 February 2012