

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUN 2012
(The figures are unaudited)

	FY 2013 Current Qtr Ended 30 Jun 12	FY 2012 Current Qtr Ended 30 Jun 11	FY 2013 Current 3 months Cumulative to 30 Jun 12 (RM'000)	FY 2012 Current 3 months Cumulative to 30 Jun 11 (RM'000)
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Continuing Operations:				
Revenue	11,109	11,441	11,109	11,441
Cost of Sales	(9,545)	(9,690)	(9,545)	(9,690)
Gross Profit	<u>1,564</u>	<u>1,751</u>	<u>1,564</u>	<u>1,751</u>
Other Income	73	82	73	82
Administrative Expenses	(468)	(501)	(468)	(501)
Selling and Marketing Expenses	(601)	(585)	(601)	(585)
Other Expenses	(420)	(422)	(420)	(422)
Finance Costs	(227)	(279)	(227)	(279)
Profit/(loss) Before Tax	<u>(79)</u>	<u>46</u>	<u>(79)</u>	<u>46</u>
Income tax expenses	(89)	(123)	(89)	(123)
Profit/(loss) For The Period	<u>(168)</u>	<u>(77)</u>	<u>(168)</u>	<u>(77)</u>
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income For The Period	<u>(168)</u>	<u>(77)</u>	<u>(168)</u>	<u>(77)</u>
Profit Attributable to:				
Owners of the parent	(193)	(147)	(193)	(147)
Non- Controlling Interest	25	70	25	70
	<u>(168)</u>	<u>(77)</u>	<u>(168)</u>	<u>(77)</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	(193)	(147)	(193)	(147)
Non- Controlling Interest	25	70	25	70
	<u>(168)</u>	<u>(77)</u>	<u>(168)</u>	<u>(77)</u>
EPS - Basic and Diluted (sen)	(0.47)	(0.36)	(0.47)	(0.36)

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUN 2012
(The figures are unaudited)

	As At 30 Jun 12 <u>(RM'000)</u>	As At 31 Mar 12 Restated <u>(RM'000)</u>	As At 1 April 11 Restated <u>(RM'000)</u>
ASSETS			
Non-current assets			
Property, plant and equipment	37,681	37,611	37,520
Goodwill	1,309	1,309	1,309
Deferred Tax	44	44	-
	<u>39,034</u>	<u>38,964</u>	<u>38,829</u>
Current Assets			
Inventories	19,780	15,479	14,092
Trade receivables	12,652	11,327	10,940
Other receivables	857	811	709
Tax recoverable	762	589	359
Fixed Deposit	4,022	3,022	4,022
Cash and bank balances	5,165	6,276	5,172
	<u>43,238</u>	<u>37,504</u>	<u>35,294</u>
Total Assets	<u>82,272</u>	<u>76,468</u>	<u>74,123</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share Capital	41,000	41,000	41,000
Retained Earnings	13,204	13,397	10,804
Other reserves	0	0	0
	<u>54,204</u>	<u>54,397</u>	<u>51,804</u>
Non-Controlling Interest	1,572	1,547	1,678
Total Equity	<u>55,776</u>	<u>55,944</u>	<u>53,482</u>
Non-current liabilities			
Long-term borrowings	7,460	7,472	10,573
Deferred Tax	1,011	1,011	597
Total non-current liabilities	<u>8,471</u>	<u>8,483</u>	<u>11,170</u>
Current liabilities			
Trade Payables	4,292	2,524	2,272
Other Payables	1,917	1,622	2,392
Short-term borrowings	11,816	7,895	4,797
Taxation	-	-	10
Total current liabilities	<u>18,025</u>	<u>12,041</u>	<u>9,471</u>
Total liabilities	<u>26,496</u>	<u>20,524</u>	<u>20,641</u>
Total equity and liabilities	<u>82,272</u>	<u>76,468</u>	<u>74,123</u>
	-	-	-
Net Asset per Share (RM)	1.32	1.33	1.26

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012)

COMPUTER FORMS (MALAYSIA) BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 30 JUNE 2012
 (The figures are unaudited)

	Attributable to Equity Holdings of Parent			Non-Controlling Interest	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
As at 1 April 2011 (Restated)	41,000	10,804	51,804	1,678	53,482
Total Comprehensive Income For The Period		(147)	(147)	70	(77)
At 30 June 2011 (Restated)	41,000	10,657	51,657	1,748	53,405
As at 1 April 2012	41,000	13,397	54,397	1,547	55,944
Total Comprehensive Income For The Period		(193)	(193)	25	(168)
At 30 June 2012	41,000	13,204	54,204	1,572	55,776

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2012
(The figures are unaudited)

	FY 2013 3 months ended 30 Jun 12 <u>(RM'000)</u>	FY 2012 3 months ended 30 Jun 11 <u>(RM'000)</u>
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(79)	46
Adjustments for:		
Depreciation	497	519
Interest Income	(24)	(27)
Interest Expense	227	279
Other non cash/non operational items	(8)	(1)
Operating profit before working capital changes	<u>613</u>	<u>816</u>
Working capital changes:		
Inventories	(4,301)	(4,048)
Debtors	(1,369)	(65)
Creditors	2,062	1,567
Cash inflows/(outflows) from operations	<u>(2,995)</u>	<u>(1,730)</u>
Tax (paid)/Refunded	(262)	(7)
Interest paid	(227)	(279)
Interest Income	24	27
Net cash inflows/(outflows) from operating activities	<u>(3,460)</u>	<u>(1,989)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(567)	(120)
Proceeds from disposal of PPE	8	5
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of long term liabilities	(12)	(14)
Proceeds/(Repayment) from short term borrowings	4,434	1,026
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>403</u>	<u>(1,092)</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	7,465	8,391
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u><u>7,868</u></u>	<u><u>7,299</u></u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 30 Jun 12 <u>(RM'000)</u>	As At 30 Jun 11 <u>(RM'000)</u>
Cash and Bank Balances	5,165	5,872
Fixed Deposits with licensed bank	4,022	3,022
Fixed Deposit Pledged with licenced banks	(22)	(22)
Bank Overdrafts (included within Short Term Borrowings)	(1,297)	(1,573)
	<u><u>7,868</u></u>	<u><u>7,299</u></u>

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2012

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 2012. 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 2012, except for the following which are applicable to its financial statements and relevant to its operations:

a) Adoption of New and Revised MFRSs, IC Interpretations and Amendments

	Effective Date
IC Interpretation 19 – Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
MFRS 1 – First-time Adoption of Malaysian Financial Reporting Standards	1 January 2012
MFRS 3 – Business Combinations	1 January 2012
MFRS 7 – Financial Instruments :Disclosures	1 January 2012
MFRS 8 – Operating Segments	1 January 2012
MFRS 101 – Presentation of Financial Statements	1 January 2012
MFRS 102 – Inventories	1 January 2012
MFRS 107 – Statement of Cash Flows	1 January 2012
MFRS 108 – Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2012
MFRS 110 – Events after the Reporting Period	1 January 2012
MFRS 112 – Income Taxes	1 January 2012
MFRS 116 – Property, Plant and Equipment	1 January 2012

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MFRS 117 – Leases	1 January 2012
MFRS 118 – Revenue	1 January 2012
MFRS 119 – Employee Benefits	1 January 2012
MFRS 121 – The Effects of changes in Foreign Exchange Rates	1 January 2012
MFRS 123 – Borrowing Costs	1 January 2012
MFRS 124 – Related Party Disclosures	1 January 2012
MFRS 127 – Consolidated and Separate Financial Statements	1 January 2012
MFRS 132 – Financial Instruments: Presentation	1 January 2012
MFRS 133 – Earnings per Share	1 January 2012
MFRS 134 – Interim Financial Reporting	1 January 2012
MFRS 136 – Impairment of Assets	1 January 2012
MFRS 137 – Provisions, Contingent Liabilities and Contingent Assets	1 January 2012
MFRS 138 – Intangible Assets	1 January 2012
MFRS 139 – Financial Instruments: Recognition and Measurement	1 January 2012
IC Interpretation 4 – Determining whether an Arrangement Contains a Lease	1 January 2012
IC Interpretation 9 – Reassessment of Embedded Derivatives	1 January 2012
IC Interpretation 10 – Interim Financial Reporting and Impairment	1 January 2012
IC Interpretation 17 – Distributions of Non-cash Assets to Owners	1 January 2012
IC Interpretation 19 – Extinguishing Financial Liabilities with Equity Instruments	1 January 2012
IC Interpretation 115 – Operating Leases - Incentives	1 January 2012
IC Interpretation 125 – Income Taxes-Changes in the Tax Status of an Entity or its Shareholders	1 January 2012

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IC Interpretation 127 – Evaluating the Substance of Transactions involving the Legal Form of a Lease	1 January 2012
Amendments to FRS 7 – Disclosures – Transfer of Financial Assets	1 January 2012
Amendments to FRS 112 – Deferred tax: Recovery of Underlying Assets	1 January 2012

b) Malaysian Financial Reporting Standards (“MFRS”)

These condensed consolidated interim financial statements are the Group’s first MFRS condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements ending 31 March 2013. MFRS 1 : First-Time Adoption of MFRS gives certain optional exemptions to Group upon transition from FRS to MFRS. The Group has reviewed its accounting policies and elected to regard the revalued amounts of land and building as at 31 March 2008 as deemed costs.

The impact arising from this change is as follows:

Reconciliation of equity as at 1 April 2011

RM'000	FRS as at 1 April'11	Reclassifications	MFRS as at 1 April'11
Revaluation reserve	4,997	(4,997)	0
Retained profits	3,902	6,902	10,804

Reconciliation of equity as at 30 June 2011

RM'000	FRS as at 30 Jun'11	Reclassifications	MFRS as at 30 Jun'11
Revaluation reserve	4,997	(4,997)	0
Retained profits	3,755	6,902	10,657

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Reconciliation of equity as at 31 March 2012

RM'000	FRS as at 31 Mar'12	Reclassifications	MFRS as at 31 Mar'12
Revaluation reserve	4,936	(4,936)	0
Retained profits	6,579	6,818	13,397

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 3rd 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 by the Company 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'11
Revenue										
Revenue	5,547	6,010	948	854	5,073	4,981	(459)	(404)	11,109	11,441
Results										
Profit Before Tax	358	492	(841)	(720)	407	277	(2)	(3)	(78)	46

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. Subsequent Events

There were no 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. 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
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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 first quarter was 8% lower as compared with the corresponding quarter in the preceding year. This decrease was primarily due to the continual reduction in the sales of business forms.

The profit before tax for the fourth quarter was 27% lower than the corresponding period in the preceding year. The fall in the profit before tax was due to lower revenue as well as margins being reduced as a result of competitive pricing.

Commercial Printing

The revenue for the first quarter was 11% higher as compared with the corresponding quarter in the preceding year. This was primarily due to increased re-orders for exercise books.

The loss before tax for the first quarter was RM122,000 higher than the corresponding quarter in the preceding year. This was due to higher labour costs.

Flexible Packaging

The revenue for the first quarter was 2% higher as compared with the corresponding quarter in the preceding year. The increase in revenue was due to higher sales of food based packaging material.

The profit before tax for the first quarter was 47% higher than the corresponding quarter in the preceding year. This increase was due to higher efficiency resulting in lower production costs.

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

	Current Qtr Ended 30 Jun 2012 (RM'000)	Preceding Qtr Ended 31 Mar 2012 (RM'000)
Revenue	11,109	11,809
Profit/(loss) Before Tax	(78)	(208)

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Revenue was lower this quarter due to slower sales reported by the commercial printing segment with the end of the exercise book season. Despite the lower revenue, losses were reduced because of stronger profits reported by the business forms and data print segment.

B3. Prospects

- a) The Management expects revenue and profitability to improve in the remaining periods of the financial year.
- 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.

B6. Tax

	Current Quarter Ended 30 Jun'12 RM'000	3 Months Cumulative YTD 30 Jun'12 RM'000
Income tax expense/(credit)	89	89

The effective tax rate of the Group is higher than the statutory tax rate because of the following:

- a) Losses reported by a subsidiary amounting to RM0.8 million that did not qualify for group tax relief.

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- b) Profits reported by a subsidiary amounting to RM0.4 million that did not attract income tax because of unabsorbed tax losses carried forward from previous financial years.

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 30 Jun '12 RM'000
Short Term Borrowings – Secured	11,816
Long Term Borrowing – Secured	7,460

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 since the date of the last Annual Statement of Financial Position.

B10. Dividend

No dividend was proposed during the financial year to date.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
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B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2013	Quarter Ended 30 Jun'12	Cumulative 3 Months Ended 30 Jun'12
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	(193)	(193)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	(0.47) sen	(0.47) sen

FY 2012	Quarter Ended 30 Jun'11	Cumulative 3 Months Ended 30 Jun'11
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	(147)	(147)
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	(0.36) sen	(0.36) 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 2012.

B13. Notes to the Comprehensive Income Statement

	Current Qtr 30 Jun'12 RM'000	3 Mths to Date 30 Jun '12 RM'000
a) Interest income	24	24
b) Other income (exclude interest income)	49	49
c) Interest expense	227	227
d) Depreciation and amortisation	497	497
e) Provision for and write off of receivables	0	0
f) Provision for and write off of inventories	0	0
g) Gain and loss on disposal of quoted and unquoted investments or properties	0	0

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h) Impairment of assets	0	0
i) Foreign exchange gain/(loss)	20	20
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

B14. Realised and Unrealised Retained Earnings Disclosure

	As at 30/06/12	As at 31/03/12 Restated
	<u>RM'000</u>	<u>RM'000</u>
Total retained profits of the Company and its subsidiaries:		
Realised Retained Earnings	81,960	82,128
Unrealised Retained Losses	(1,011)	(1,011)
Add Consolidated adjustments	(67,745)	(67,720)
Total Retained Earnings as per Consolidated Accounts	<u>13,204</u>	<u>13,397</u>

By order of the Board

MUHAYUDDIN MUSA

Chief Executive Officer

17 June 2012