

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2012
(The figures are unaudited)

	FY 2013 Current Qtr Ended 31 Dec 12	FY 2012 Comparative Qtr Ended 31 Dec 11	FY 2013 Current 9 months Cumulative to 31 Dec 12 (RM'000)	FY 2012 Comparative 9 months Cumulative to 31 Dec 11 (RM'000)
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Continuing Operations:				
Revenue	17,882	19,343	41,385	42,913
Cost of Sales	(14,363)	(14,955)	(33,139)	(33,848)
Gross Profit	<u>3,519</u>	<u>4,388</u>	<u>8,246</u>	<u>9,065</u>
Other Income	43	37	186	169
Administrative Expenses	(476)	(467)	(1,426)	(1,435)
Selling and Marketing Expenses	(779)	(688)	(1,994)	(1,861)
Other Expenses	(576)	(488)	(1,501)	(1,309)
Finance Costs	(248)	(293)	(766)	(880)
Profit/(loss) Before Tax	<u>1,483</u>	<u>2,489</u>	<u>2,745</u>	<u>3,749</u>
Income tax expenses	(312)	(505)	(461)	(759)
Profit/(loss) For The Period	<u>1,171</u>	<u>1,984</u>	<u>2,284</u>	<u>2,990</u>
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income For The Period	<u>1,171</u>	<u>1,984</u>	<u>2,284</u>	<u>2,990</u>
Profit Attributable to:				
Owners of the parent	1,135	1,976	2,215	2,921
Non- Controlling Interest	36	8	69	69
	<u>1,171</u>	<u>1,984</u>	<u>2,284</u>	<u>2,990</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	1,135	1,976	2,215	2,921
Non- Controlling Interest	36	8	69	69
	<u>1,171</u>	<u>1,984</u>	<u>2,284</u>	<u>2,990</u>
EPS - Basic and Diluted (sen)	2.77	4.82	5.40	7.12

(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 31 DECEMBER 2012
(The figures are unaudited)

	As At 31 Dec 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	37,101	37,611	37,520
Goodwill	1,309	1,309	1,309
Deferred Tax	44	44	-
	<u>38,454</u>	<u>38,964</u>	<u>38,829</u>
Current Assets			
Inventories	14,503	15,479	14,092
Trade receivables	20,579	11,327	10,940
Other receivables	888	811	709
Tax recoverable	743	589	359
Fixed Deposit	23	3,022	4,022
Cash and bank balances	6,660	6,276	5,172
	<u>43,396</u>	<u>37,504</u>	<u>35,294</u>
Total Assets	<u>81,850</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	15,612	13,397	10,804
Other reserves	0	0	0
	<u>56,612</u>	<u>54,397</u>	<u>51,804</u>
Non-Controlling Interest	1,616	1,547	1,678
Total Equity	<u>58,228</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	3,542	2,524	2,272
Other Payables	4,513	1,622	2,392
Short-term borrowings	7,096	7,895	4,797
Taxation	-	-	10
Total current liabilities	<u>15,151</u>	<u>12,041</u>	<u>9,471</u>
Total liabilities	<u>23,622</u>	<u>20,524</u>	<u>20,641</u>
Total equity and liabilities	<u>81,850</u>	<u>76,468</u>	<u>74,123</u>
	-	-	-
Net Asset per Share (RM)	1.38	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 31 DECEMBER 2012
 (The figures are unaudited)

	Attributable to Equity Holdings of Parent				Total Equity
	Share Capital	Distributable Retained Earnings	Total	Non- Controlling Interest	
As at 1 April 2011 (Restated)	41,000	10,804	51,804	1,678	53,482
Total Comprehensive Income For The Period		2,921	2,921	69	2,990
Dividend Paid To Non Controlling Interest		(198)	(198)		(198)
At 31 Dec 2011 (Restated)	41,000	13,527	54,527	1,747	56,274
As at 1 April 2012	41,000	13,397	54,397	1,547	55,944
Total Comprehensive Income For The Period		2,215	2,215	69	2,284
At 31 Dec 2012	41,000	15,612	56,612	1,616	58,228

(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 31 DECEMBER 2012
 (The figures are unaudited)

	FY 2013 9 months ended 31 Dec 12 (RM'000)	FY 2012 9 months ended 31 Dec 11 (RM'000)
CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	2,745	3,749
Adjustments for:		
Depreciation	1,540	1,557
Interest Income	(64)	(47)
Interest Expense	766	880
Other non cash/non operational items	22	42
Operating profit before working capital changes	<u>5,009</u>	<u>6,181</u>
Working capital changes:		
Inventories	977	(781)
Debtors	(9,329)	(10,612)
Creditors	3,908	3,199
Cash inflows/(outflows) from operations	<u>565</u>	<u>(2,013)</u>
Tax (paid)/Refunded	(644)	(552)
Interest paid	(766)	(880)
Interest Income	64	47
Net cash inflows/(outflows) from operating activities	<u>(781)</u>	<u>(3,398)</u>
CASHFLOWS FROM INVESTING ACTIVITIES		
Acquisition of Plant, Property and Equipment (PPE)	(1,033)	(544)
Proceeds from disposal of PPE	10	6
CASHFLOWS FROM FINANCING ACTIVITIES		
Repayment of long term liabilities	(12)	(113)
Proceeds/(Repayment) from short term borrowings	(494)	661
Dividend paid to non controlling interest	-	(198)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	<u>(2,310)</u>	<u>(3,586)</u>
CASH & CASH EQUIVALENTS BROUGHT FORWARD	7,465	8,391
CASH & CASH EQUIVALENTS CARRIED FORWARD	<u>5,155</u>	<u>4,805</u>
Cash and Cash Equivalents at end of financial period comprise of the following:		
	As At 31 Dec 12 (RM'000)	As At 31 Dec 11 (RM'000)
Cash and Bank Balances	6,660	6,275
Fixed Deposits with licensed bank	23	22
Fixed Deposit Pledged with licenced banks	(23)	(22)
Bank Overdrafts (included within Short Term Borrowings)	(1,505)	(1,470)
	<u>5,155</u>	<u>4,805</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 THIRD QUARTER ENDED 31 DECEMBER 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 31 December 2011

RM'000	FRS as at 31 Dec'11	Reclassifications	MFRS as at 31 Dec'11
Revaluation reserve	4,997	(4,997)	0
Retained profits	6,625	6,902	13,527

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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'13	FY'12	FY'13	FY'12	FY'13	FY'12	FY'13	FY'12	FY'13	FY'12
Revenue	15,272	16,245	12,692	13,027	13,877	14,273	(456)	(632)	41,385	42,913
Results Profit Before Tax	791	1,235	1,052	1,465	915	1,062	(13)	(13)	2,745	3,749

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 third quarter was 0.5% lower as compared with the corresponding quarter in the preceding year. For the nine months to date revenue was 6% lower as compared with the corresponding nine months in the preceding year. This decrease was primarily due to lower sales of security printing as well as the continual reduction in the sales of business forms.

The profit before tax for the third quarter was 9% lower than the corresponding period in the preceding year. For the nine months to date profit before tax was 36% lower as compared with the corresponding nine months 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 11% lower as compared with the corresponding quarter in the preceding year. This was primarily due to the earlier delivery of exercise books in the second quarter. For the nine months to date revenue was 3% lower as compared with the corresponding nine months in the preceding year. This decrease in revenue was a result of the competition as well as the trend in schools to move away from exercise books towards A4 pad and workbooks.

The profit before tax for the third quarter was 32% lower than the corresponding period in the preceding year. The profit before tax for the nine months to date was 28% lower than the corresponding nine months in the preceding year. The weaker performance was due to the lower revenue.

Flexible Packaging

The revenue for the third quarter was 9% lower as compared with the corresponding quarter in the preceding year. For the nine months to date revenue was 3% lower as compared with the corresponding nine months in the preceding year. This decrease in revenue was due to slower export sales.

The profit before tax for the third quarter was 82% lower than the corresponding quarter in the preceding year. For the nine months to date profit before tax was 14% lower as compared with the corresponding nine months in the preceding year. The weaker profit was due to the lower revenue as well as exchange rate losses.

COMPUTER FORMS (MALAYSIA) BERHAD
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B2. Material Changes in Profit Before Tax for Current Quarter as Compared to the Preceding Quarter.

	Current Qtr Ended 31 Dec 2012 (RM'000)	Preceding Qtr Ended 30 Sep 2012 (RM'000)
Revenue	17,882	12,394
Profit/(loss) Before Tax	1,483	1,340

Revenue was higher this quarter due to the seasonal sales of exercise books. Profit before tax was higher this quarter as a result of higher revenue.

B3. Prospects

- a) The Management expects revenue and profitability to be lower in the final period of the financial year with 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.

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B6. Tax

	Current Quarter Ended 31 Dec'12 RM'000	9 Months Cumulative YTD 31 Dec'12 RM'000
Income tax expense/(credit)	312	461

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

- a) Year to date profits reported by a subsidiary amounting to RM0.92 million that did not attract income tax because of unabsorbed tax losses and allowances 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 31 Dec '12 RM'000
Short Term Borrowings – Secured	7,096
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.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2012

B10. Dividend

No dividend was proposed during the financial year to date.

B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

FY 2013	Quarter Ended 31 Dec'12	Cumulative 9 Months Ended 31 Dec'12
RM'000		
Profit/(Loss) for the Period attributable to owners of the parent	1,135	2,215
No. of Ordinary Shares	41,000	41,000
Earnings/ (loss) Per Share	2.77 sen	5.40 sen

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

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 31 Dec'12 RM'000	9 Mths to Date 31 Dec'12 RM'000
a) Interest income	4	64
b) Other income (exclude interest income)	25	79

COMPUTER FORMS (MALAYSIA) BERHAD
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FOR THE THIRD QUARTER ENDED 31 DECEMBER 2012

c) Interest expense	248	766
d) Depreciation and amortization	538	1540
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
h) Impairment of assets	0	0
i) Foreign exchange (gain)/loss	19	33
j) Gain or loss on derivatives	0	0
k) Exceptional items	0	0

B14. Realised and Unrealised Retained Earnings Disclosure

	As at 31/12/12	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	84,212	82,074
Unrealised Retained Losses	(1,011)	(957)
Add Consolidated adjustments	(67,589)	(67,720)
Total Retained Earnings as per Consolidated Accounts	<u>15,612</u>	<u>13,397</u>

By order of the Board

LEE YU JIN
Chief Financial Officer
28 February 2013