



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2011 – unaudited

<i>In thousand of RM</i>	30 September 2011	31 December 2010 Audited
<u>ASSETS</u>		
Property, plant & equipment	19,666	20,851
Prepaid lease payments	1,763	1,798
Investment properties	2,061	2,095
Total non-current assets	23,490	24,744
Inventories	30,522	31,304
Trade & other receivables	14,829	14,467
Derivative financial asset	-	16
Current tax assets	47	87
Cash & bank balances	3,318	1,478
Total current assets	48,716	47,352
TOTAL ASSETS	72,206	72,096
<u>EQUITY</u>		
Equity attributable to equity holders of the parent		
Share capital	45,780	45,780
Reserves	1,719	1,687
Retained earnings	14,580	14,161
Total equity attributable to owners of the Company	62,079	61,628
Non-controlling interests	-	-
Total equity	62,079	61,628
<u>LIABILITIES</u>		
Employee benefits	1,501	1,479
Deferred tax liabilities	160	160
Total non-current liabilities	1,661	1,639
Trade & other payables	3,544	3,341
Derivative financial liabilities	60	-
Short term borrowings	4,781	5,315
Bank overdrafts	21	148
Current tax liabilities	60	25
Total current liabilities	8,466	8,829
Total liabilities	10,127	10,468



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

TOTAL EQUITY & LIABILITIES	<u>72,206</u>	<u>72,096</u>
 Net assets per ordinary share (RM)	 1.36	 1.34

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2010 and the accompanying explanatory notes attached to the interim financial statements.



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the nine months ended 30 September 2011 - unaudited

<i>In thousand of RM</i>	Three months ended 30-September		Nine months ended 30-September	
	2011	2010	2011	2010
Continuing operations				
Revenue	15,148	16,419	48,642	49,683
Cost of sales	(13,028)	(13,964)	(41,448)	(42,867)
Gross profit	2,120	2,455	7,194	6,816
Other operating income	212	24	505	2,272
Selling & distribution expenses	(902)	(792)	(2,737)	(2,492)
Administrative expenses	(1,011)	(889)	(3,184)	(2,701)
Other operating expenses	(158)	(187)	(512)	(372)
Results from operating activities	261	611	1,266	3,523
Finance income	-	-	-	-
Finance costs	(59)	(108)	(195)	(308)
Net finance costs	(59)	(108)	(195)	(308)
Fair value gain / (loss) on derivative financial instruments	(75)	(3)	(76)	-
Share of profit of associates, net of tax	-	-	-	-
Profit before tax	127	500	995	3,215
Income tax expense	(19)	(30)	(61)	(66)
Profit for the period	108	470	934	3,149
Other comprehensive income , net of tax				
Foreign currency translation differences for foreign operations	1	7	31	(18)
Other comprehensive income for the period	1	7	31	(18)
Total comprehensive income for the period	109	477	965	3,131
Profit attributable to :				
Owners of the Company	108	470	934	3,149
Non-controlling interests	-	-	-	-
Profit for the period	108	470	934	3,149



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Total comprehensive income attributable to :

Owners of the Company	109	477	965	3,131
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	109	477	965	3,131

Earnings per ordinary share

Basic earnings per ordinary share (sen)	0.24	1.03	2.04	6.88
Diluted earnings per ordinary share (sen)	0.24	1.03	2.04	6.88

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2010 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 September 2011 - unaudited

<i>In thousand of RM</i>	/----- Attributable to owners of the Company -----/					
	/----- Non- distributable -----/			Distributable		
	Share Capital	Share Premium	Translation Reserve	Share Option Reserve	Retained Earnings	Total Equity
At 1 January 2011,	45,780	1,407	(7)	288	14,161	61,629
Total comprehensive income for the period	-	-	31	-	934	965
Share-based payments transactions	-	-	-	-	-	-
Dividend to owners	-	-	-	-	(515)	(515)
At 30 September 2011	45,780	1,407	24	288	14,580	62,079

<i>In thousand of RM</i>	/----- Attributable to owners of the Company -----/					
	/----- Non- distributable -----/			Distributable		
	Share Capital	Share Premium	Translation Reserve	Share Option Reserve	Retained Earnings	Total Equity
At 1 January 2010,	45,780	1,407	(3)	288	12,372	59,844
Total comprehensive income for the period	-	-	(18)	-	3,149	3,131
Share-based payments transactions	-	-	-	-	-	-
Dividend to owners	-	-	-	-	(515)	(515)
At 30 September 2010	45,780	1,407	(21)	288	15,006	62,460

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2010 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the nine months ended 30 September 2011 - unaudited

<i>In thousand of RM</i>	Nine months ended 30-September	
	<u>2011</u>	<u>2010</u>
Cash Flows from operating activities		
Profit before tax from - continuing operations	995	3,215
Adjustment for :-		
Amortisation of prepaid lease payments	35	35
Depreciation of property, plant and equipment	1,360	1,355
Depreciation of investment properties	34	34
Finance costs	195	308
Gain on disposal of property, plant & equipment	(36)	2,095
Plant and equipment written off	-	-
Operating profit / (loss) before changes in working capital	<u>2,583</u>	<u>7,042</u>
Change in employee benefits, provisions and deferred income	22	(21)
Change in inventories	809	(920)
Change in trade and other payables	3,526	(39)
Change in trade and other receivables, prepayments and other financial assets	<u>(3,609)</u>	<u>(3,251)</u>
Cash (used in) / generated from operations	3,331	2,811
Income tax refund / (paid)	15	(66)
Interest paid	<u>(195)</u>	<u>(308)</u>
Net cash (used in) / generated from operating activities	<u>3,151</u>	<u>2,437</u>
Cash flows from investing activities		
Acquisition of property, plant & equipment	(174)	(389)
Proceeds from disposal of property, plant & equipment	36	-
Net cash flow from / (used in) investing activities	<u>(138)</u>	<u>(389)</u>
Cash flows from financing activities		
Dividend paid to the owners of the company	(515)	(515)
Proceeds from / (repayment) of loans and borrowings	(534)	21
Net cash flow (used in) / from financing activities	<u>(1,049)</u>	<u>(494)</u>
Net increase / (decrease) in cash and cash equivalents	1,964	1,554
Effect on exchange rate fluctuations on cash held	4	-
Cash and cash equivalents at 1 January	<u>1,329</u>	<u>2,546</u>
Cash and cash equivalents at 30 September	<u><u>3,297</u></u>	<u><u>4,100</u></u>



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

<i>In thousand of RM</i>	Nine months ended 30-September	
	<u>2011</u>	<u>2010</u>
Cash and bank balances	3,318	4,135
Bank overdrafts	<u>(21)</u>	<u>(35)</u>
	<u>3,297</u>	<u>4,100</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2010 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the nine months ended 30 September 2011

1. **Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Securities Malaysia Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. 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 the year ended 31 December 2010.

2. **Significant Accounting Policies**

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the Group’s annual audited financial statements for the year ended 31 December 2010. At the date of authorisation of the interim financial statements, the following FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group and its subsidiaries, which are:

Amendments effective for annual periods beginning on or after 1 March 2010

- Amendments to FRS 132, Financial Instruments: Presentation – Classification of Right Issues *

FRSs, Interpretations and amendments effective for annual period beginning on or after 1 July 2010

- FRS 1: First-time Adoption of Financial Reporting Standards (revised)
- FRS 3: Business Combinations (revised)
- FRS 127: Consolidated and Separate Financial Statements (revised)
- Amendments to FRS 2: Share-based Payment
- Amendments to FRS 5: Non-current Assets Held for Sales and Discontinued Operations *
- Amendments FRS 138: Intangible Assets *
- IC Interpretations 12: Service Concession Agreements *
- IC Interpretations 16: Hedges of a Net Investment in a Foreign Operation *
- IC Interpretations 17: Distributions of Non-cash Assets to Owners *
- Amendments to IC Interpretations 9: Reassessment of Embedded Derivatives

FRSs, Interpretations and amendments effective for annual period beginning on or after 1 January 2011

- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards
 - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters *
 - Additional Exemption for First-time Adopters *
- Amendments to FRS 2: Group Cash-settled Share Based Payment Transactions *



- Amendments to FRS 7: Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments
- IC Interpretation 4: Determining whether an Arrangement contains a Lease
- IC Interpretation 18: Transfer of Assets from Customers *
- Improvements to FRSs (2010)

FRSs, Interpretations and amendments effective for annual period beginning on or after 1 July 2011

- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretations 14: Prepayments of a Minimum Funding Requirement #

FRSs, Interpretations and amendments effective for annual period beginning on or after 1 January 2012

- FRS124: Related Party Disclosures (revised)
- IC Interpretation 15: Agreements for the Construction of Real Estate #

The Group and its subsidiaries plan to apply the abovementioned standards, amendments and interpretations:

- from the annual period beginning 1 January 2011 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 March 2010, 1 July 2010 and 1 January 2011, except for those marked “ * “ which are not applicable to the Group and its subsidiaries ; and
- from the annual period beginning 1 January 2012 for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 July 2011 and 1 January 2012, except for those marked “ # “ which are not applicable to the Group and its subsidiaries.

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively or which requires extended disclosures is not expected to have any financial impact to the current and prior periods financial statements upon their first adoption.

The initial application of the remaining standards, amendments or interpretations is not expected to have any significant impact on the Group and its subsidiaries financial statements.

Following the announcement by the MASB on 1 August 2008, the Group and its subsidiaries financial statements will be prepared in accordance with the International Financial Reporting Standards (IFRS) framework for annual periods beginning on 1 January 2012. The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group and its subsidiaries.

2. Auditors' Report

The audited report of the preceding annual financial statements was not qualified.



3. **Valuations of Property, Plant & Equipment**

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. The property, plant and equipment have been brought forward without any amendment from the previous audited financial statements.

4. **Seasonal or Cyclical Factors**

The business nature of the Group is not materially affected by any seasonal or cyclical factors.

5. **Exceptional or unusual items**

There were no exceptional or unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the current quarter under review.

6. **Changes in Estimates**

There were no changes in estimates that have a material effect in the current interim results.

7. **Debts and Equity Securities**

There were no issuances, cancellation, repurchases, resale or repayments of debt or equity securities for the current quarter under review and financial year to date.

8. **Dividends Paid**

A final dividend of 1.5% less tax 25% amounting to RM515,024 in respect of the previous financial year was paid on 13th September 2011.

No dividend was proposed for the current quarter ended 30 September 2011.

9. **Segment Reporting**

The Group's primary business segment is principally engaged in the manufacturing and trading of self-adhesive tapes and label stocks. The analysis of geographical and business segment of the Group is stated as follows: -



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

	Quarter ended		Year to date ended	
	30 September		30 September	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<u>Segment revenue</u>				
Malaysia	9,082	8,313	28,802	27,767
Overseas	6,066	8,106	19,840	21,916
	<u>15,148</u>	<u>16,419</u>	<u>48,642</u>	<u>49,683</u>
Segment results	127	500	995	3,215

The directors are of the opinion that all inter segment transfers have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

10. Subsequent Events

There were no subsequent events up to the date of this interim report that have not been reflected in these interim financial statements.

11. Changes in the Composition of the Group

There are no changes in the composition of the Group for the current quarter under review and financial year to date.

12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets that may have material effect on the net assets, profits or financial position of the Group for the current quarter under review.

13. Capital Commitments

There are no capital commitments for the current quarter under review.

14. Significant Related Party Transactions

There were no significant related party transactions during the current reporting period.



15. **Review of Performance**

Total revenue for the Group reduced by 7.74% to RM15.148 million for the quarter under review as compared to RM16.419 million in the corresponding period of the preceding year. The Group has recorded a profit before tax of RM0.127 million as compared to RM0.5 million in the corresponding period of the preceding year.

For the nine months ended 30 September 2011, the total revenue and profit before tax for the Group reduced by 2.10% and 69.05% to RM48.642 million and RM0.995 million as compared to RM49.683 million and RM3.215 million respectively in the corresponding period last year.

The lower revenue and profit before tax recorded in the current quarter and year to date were due to decrease in overall Group's sales and recognition of a gain on disposal of property of about RM2.0 million in the corresponding period of the preceding year.

16. **Material Changes in results with immediate preceding quarter**

The comparison of the Group revenue and profit before tax for the current quarter and preceding quarter are summarised as follows:-

	Quarter ended 30 September 2011 RM'000	Quarter ended 30 June 2011 RM'000	Variance RM'000	%
Revenue	15,148	16,685	(1,537)	(9.21%)
Profit before tax	127	549	(422)	(76.87%)

The Group's revenue has dropped 9.21% to RM15.148 million as compared to RM16.685 million recorded in the preceding quarter. The group achieved profit before tax of RM0.127 million for the current quarter, a decrease of 76.87% from the preceding quarter ended 30 June 2011. The Group's revenue and profit before tax had decreased due to lower sales recorded in the current quarter.

17. **Commentary of Prospects**

The Board envisages that it will be a challenging 2011 with the rising raw material costs and has since put in place measures for stricter cost control and savings, improvement to products quality, streamlining the supply chain and to continue focusing on further development of our export markets and customers.

18. **Profit Forecast or Profit Guarantee**

Not applicable as no profit forecast or guarantee was issued.



19. **Taxation**

The Group's tax charge comprises:

	Quarter ended		Year to date ended	
	30 September	30 September	30 September	30 September
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	127	500	995	3,215
Tax at the statutory income tax rate of 25%	32	125	249	804
Effect of expenses with double deduction	(2)	(2)	(3)	(5)
Effect of different tax rates in foreign jurisdictions	(8)	-	(29)	-
Expenses not deductible for tax purposes	130	(15)	392	(545)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(133)	(78)	(548)	(188)
Income tax expense	<u>19</u>	<u>30</u>	<u>61</u>	<u>66</u>
Effective tax rate	14.96%	6.00%	6.13%	2.05%

The effective tax rate for the Group in the current quarter under review and financial year to date is lower than the statutory tax rate primarily due to the utilization of previously unrecognised tax losses and unabsorbed capital allowances.

20. **Unquoted Investments and Properties**

There was no purchase or sale of unquoted investments and properties in the current quarter under review.

21. **Quoted Securities**

There was no purchase or sale of quoted securities during the current quarter under review.

22. **Corporate Proposals**

There were no corporate proposals announced in the current quarter under review and up to the date of this interim report.



23. **Borrowings**

All the borrowings are denominated in Ringgit Malaysia and recognized in profit or loss in the year in which they are incurred.

Particulars of the Group's borrowings are as follows:

	30 September 2011 RM'000	31 December 2010 RM'000
<u>Unsecured Borrowings</u>		
Bank Overdraft	21	148
Banker's Acceptance	4,781	5,315
	4,802	5,463

24. **Derivatives Financial Instruments**

a) **Derivatives**

The Group has entered into some forward foreign exchange currencies contracts to hedge foreign exchange risks associated with sales transactions. As at end of the current quarter under review, the details of the open foreign exchange forward contracts are as follows:

Type of Derivatives	Amount in original currency	Contract / Notional Rate	Contract / Notional Value	Fair Value (favorable)
Forward foreign exchange currencies contracts - Less than 1 year	USD 808,307	3.1148	RM 2,517,716	RM 2,577,690

The above instruments are executed with financial institutions in Malaysia and as such credit and counter parties risks are minimal. There are no transaction costs at the inception of these contracts. The Group is exposed to minimal cash flow risk in view of its healthy cash position.

b) **Gains / (losses) arising from fair value changes in financial liabilities**

The losses arising from the fair value changes have been recognised in the financial statements of the Group for the quarter under review.

25. **Material Litigation**

The Group has not engaged in any litigation which has a material effect on the financial position of the Group for the quarter under review and financial year to date.



26. **Realised and Unrealised Profits**

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

The disclosure of realised and unrealised profits or losses is made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and is not made for any other purposes.

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	Quarter ended 30 September 2011 RM'000	Quarter ended 31 December 2010 RM'000
Total retained profits of the Group		
- Realised gain	14,862	14,196
- Unrealised loss	<u>(282)</u>	<u>(35)</u>
	<u>14,580</u>	<u>14,161</u>

The unrealised profits of the Group and the Company as disclosed above includes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as translation gains and losses are incurred in the ordinary course of business of the Group and the Company, and are hence deemed as realised.

27. **Dividends Proposed**

The Board did not recommend any dividend in the current quarter under review.

28. **Earnings Per Share**

Basic earnings per ordinary share are calculated based on the Group's net profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the current quarter and the financial year to date.

Diluted earnings per ordinary share is the same as the basic earnings per ordinary share as the effect of anti-dilutive potential ordinary shares are ignored in calculating diluted earnings per ordinary share in accordance with FRS 133 on Earnings per Share.



CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

	Quarter ended		Year to date ended	
	30 September		30 September	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Basic				
Profit attributable to the owners of the company	108	470	934	3,149
Weighted average number of ordinary shares in issue	45,780	45,780	45,780	45,780
Basic earnings per ordinary share (sen)	0.24	1.03	2.04	6.88
Diluted				
Diluted earnings per ordinary share (sen)	0.24	1.03	2.04	6.88

29. Authorisation for Issue

The interim financial statements and the accompanying notes were authorized for issue by the Board of Directors in accordance with a resolution of the directors passed on 29 November 2011.

By order of the Board,
Central Industrial Corporation Berhad

Fong Phoi Shan
Company Secretary

Date: 29 November 2011