



Condensed Consolidated Statement Of Financial Position
As at 31 March 2012

<i>In thousand of RM</i>	31 March 2012 Unaudited	31 December 2011 Audited
<u>Assets</u>		
Property, plant & equipment	19,012	19,246
Prepaid lease payments	1,740	1,752
Investment properties	2,038	2,067
Total non-current assets	22,790	23,065
Inventories	27,826	31,059
Trade & other receivables	11,520	12,421
Derivative financial asset	6	-
Current tax assets	49	49
Cash & bank balances	4,020	3,475
Total current assets	43,421	47,004
Total Assets	66,211	70,069
<u>Equity</u>		
Share capital	45,780	45,780
Reserves	1,709	1,710
Retained earnings	14,175	14,834
Total equity attributable to owners of the Company	61,664	62,324
Non-controlling interests	-	-
Total equity	61,664	62,324
<u>Liabilities</u>		
Employee benefits	1,627	1,595
Total non-current liabilities	1,627	1,595
Trade & other payables	1,919	2,022
Derivative financial liabilities	-	32
Short term borrowings	982	4,057
Current tax liabilities	19	39
Total current liabilities	2,920	6,150
Total liabilities	4,547	7,745
Total Equity and Liabilities	66,211	70,069
Net assets per ordinary share (RM)	1.35	1.36



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

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2011 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For the three months ended 31 March 2012

<i>In thousand of RM</i>	Current quarter Three months ended 31-March		Cumulative quarter Three months ended 31-March	
	<u>2012</u> <u>Unaudited</u>	<u>2011</u> <u>Audited</u>	<u>2012</u> <u>Unaudited</u>	<u>2011</u> <u>Audited</u>
Continuing operations				
Revenue	13,436	16,809	13,436	16,809
Cost of sales	(11,910)	(14,324)	(11,910)	(14,324)
Gross profit	1,526	2,485	1,526	2,485
Other income	110	41	110	41
Selling & distribution expenses	(853)	(959)	(853)	(959)
Administrative expenses	(1,131)	(1,039)	(1,131)	(1,039)
Other expenses	(264)	(135)	(264)	(135)
Profit/(Loss) from operating activities	(612)	393	(612)	393
Finance costs	(40)	(74)	(40)	(74)
Net finance costs	(40)	(74)	(40)	(74)
Profit/(Loss) before tax	(652)	319	(652)	319
Tax expense	(7)	(27)	(7)	(27)
Profit/(Loss) for the period	(659)	292	(659)	292
Other comprehensive income, net of tax Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(1)	6	(1)	6
Total other comprehensive income/(expense) for the period	(1)	6	(1)	6
Comprehensive income/(expense) for the period	(660)	298	(660)	298
Profit attributable to :				
Owners of the Company	(659)	292	(659)	292
Non-controlling interests	-	-	-	-
Profit/(Loss) for the period	(659)	292	(659)	292



Comprehensive income/(expense) attributable to :

Owners of the Company	(660)	298	(660)	298
Non-controlling interests	-	-	-	-
Comprehensive income/(expense) for the period	(660)	298	(660)	298

Basic earnings per ordinary share (sen) (1.44) 0.64 (1.44) 0.64

Diluted earnings per ordinary share (sen) (1.44) 0.64 (1.44) 0.64

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2011 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 Changes In Equity
For the three months ended 31 March 2012

	/----- Attributable to owners of the Company -----/					
	/----- Non- distributable -----/			Distributable		
<i>In thousand of RM - Unaudited</i>	Share Capital	Share Premium	Translation Reserve	Share Option Reserve	Retained Earnings	Total Equity
At 1 January 2012,	45,780	1,407	15	288	14,834	62,324
Foreign currency translation differences for foreign operations	-	-	(1)	-	-	(1)
Total other comprehensive income for the period	-	-	(1)	-	-	(1)
Profit for the year	-	-	-	-	(659)	(659)
Comprehensive income for the period	-	-	(1)	-	(659)	(660)
Contributions by and distributions to owners of the Company						
- Dividend to owners	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
At 31 March 2012	45,780	1,407	14	288	14,175	61,664



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

<i>In thousand of RM - Unaudited</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	14,160	61,628
Foreign currency translation differences for foreign operations	-	-	6	-	-	6
Total other comprehensive income for the period	-	-	6	-	-	6
Profit for the year	-	-	-	-	292	292
Comprehensive income for the period	-	-	6	-	292	298
Contributions by and distributions to owners of the Company						
- Dividend to owners	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
At 31 March 2011	45,780	1,407	(1)	288	14,452	61,926

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 31.12.2011 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Cash Flows
For the three months ended 31 March 2012

<i>In thousand of RM</i>	Three months ended 31-March	
	<u>2012</u> <u>Unaudited</u>	<u>2011</u> <u>Unaudited</u>
Cash flows from operating activities		
Profit before tax from - continuing operations	(652)	319
Adjustments for :-		
Amortisation of prepaid lease payments	12	12
Depreciation of property, plant and equipment	429	470
Depreciation of investment properties	11	11
Finance costs	40	74
Gain on disposal of property, plant & equipment	(1)	(1)
Operating profit before changes in working capital	(161)	885
Change in employee benefits, provisions and deferred income	32	37
Change in inventories	3,233	2,130
Change in trade and other payables	(134)	95
Change in trade and other receivables, prepayments and other financial assets	894	(3,144)
Cash generated from operations	3,864	3
Income tax paid	(26)	(40)
Interest paid	(40)	(74)
Net cash from/(used in) operating activities	3,798	(111)
Cash flows from investing activities		
Acquisition of property, plant & equipment	(178)	(131)
Proceeds from disposal of property, plant & equipment	1	1
Net cash used in investing activities	(177)	(130)
Cash flows from financing activities		
Dividend paid to the owners of the Company	-	-
Repayment of loans and borrowings, net	(3,076)	887
Net cash from/(used in) financing activities	(3,076)	887
Net increase in cash and cash equivalents	545	646
Effect on exchange rate fluctuations on cash held	-	1
Cash and cash equivalents at 1 January	3,475	1,329
Cash and cash equivalents at 31 March	4,020	1,976



Cash and cash equivalents

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

<i>In thousand of RM</i>	Three months ended	
	31-March	
	<u>2012</u>	<u>2011</u>
Cash and bank balances	4,020	2,085
Bank overdrafts	-	(109)
	<u>4,020</u>	<u>1,976</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 31.12.2011 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the three months ended 31 March 2012

1. **Basis of Preparation**

These condensed consolidated interim financial statements have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysia Financial Reporting Standards (MFRS) 134, ***Interim Financial Reporting*** in Malaysia and also comply with IAS 34, ***Interim Financial Reporting*** issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (FRS).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. The explanatory notes attached to these 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 2011.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied. The transition to MFRS framework does not have any financial impact to the financial statements of the Group.

2. **Significant Accounting Policies**

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011.

The following MFRSs, Amendments to MFRSs, IC Interpretation were issued but not yet effective and have not been applied by the Group:

		<u>Effective on or after</u>
MFRS 9	Financial Instruments (2009 & 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interest in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits (2011)	1 January 2013
MFRS 127	Separate Financial Statements (2011)	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures (2011)	1 January 2013
Amendments to MFRS 7	Disclosure – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013



3. **Auditors' Report**

The auditor's report of the preceding annual financial statements is not subject to any qualification.

4. **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 audited financial statements for the year ended 31 December 2011.

5. **Seasonal or Cyclical Factors**

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

6. **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.

7. **Changes in Estimates**

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

8. **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.

9. **Dividends Paid**

There was no dividend paid during the current quarter ended 31 March 2012.

10. **Segmental Reporting**

The Group's primary business segment is principally engaged in the manufacturing and trading of self-adhesive tapes and label stocks. Segmental reporting for the Group by geographical segment for the current quarter ended 31 March 2012 stated as follows:



<i>In thousand of RM</i>	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31-March		31-March	
	2012	2011	2012	2011
<u>Segment revenue</u>				
- Malaysia	9,022	10,521	9,022	10,521
- Overseas	5,251	7,356	5,251	7,356
Elimination of inter segment revenue	(837)	(1,068)	(837)	(1,068)
Total Segment Revenue	13,436	16,809	13,436	16,809

<i>In thousand of RM</i>	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31-March		31-March	
	2012	2011	2012	2011
<u>Segment Results</u>				
- Malaysia	(665)	301	(665)	301
- Overseas	53	92	53	92
Total Segment Results	(612)	393	(612)	393
Finance Costs	(40)	(74)	(40)	(74)
Profit Before Tax	(652)	319	(652)	319

11. **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.

12. **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.

13. **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.

14. **Capital Commitments**

The Group has entered into an agreement with Converttech Industries Sdn Bhd to purchase one unit of slitter rewinder machine for a cash consideration of RM498,000. The Board has also approved for the purchase of motor vehicles for a total estimated costs of RM450,000.



15. Review of Performance

For the first quarter 2012, the Group has recorded total revenue of RM13.436 million which was 20.07% lower as compared to RM16.809 million recorded in the corresponding quarter of last year. The lower revenue in the current quarter was due to lower overall Group's sales recorded.

The Group recorded a loss before tax of RM0.652 million in the current quarter under review as compared to profit before tax of RM0.319 million in the corresponding quarter of last year. The decrease in profit before tax was mainly due to higher unit cost as a result of lower production output due to low market demand and thus affecting the overall gross margins of the Group.

16. Material Changes in results with immediate preceding quarter

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

	Quarter ended	Quarter ended	Variance	
	31 March 2012	31 December 2011	RM'000	%
	RM'000	RM'000		
Revenue	13,436	14,461	(1,025)	(7.09%)
Profit before tax	(652)	67	(719)	(1,073.13%)

The Group's revenue has dropped from RM14.461 million to RM13.436 million as compared to the revenue recorded in the preceding quarter. The group recorded a loss before tax of RM0.652 million for the current quarter or 1073.13% lower as compared to profit before tax of the preceding quarter ended 31 December 2011. The lower Group's revenue and profit before tax were mainly due to lower sales revenue and lower margin recorded in the current quarter.

17. Commentary of Prospects

With the current uncertainties and the weak and sluggish global economy coupled with the prevalent volatile raw materials prices, European financial debt crisis, and continued fluctuation in foreign exchange rate, The Board envisages that 2012 will continue to remain challenging.

Due to these uncertainties, the Group will continue to focus on stricter cost control and savings, improving its operational efficiency and product quality to enhance its overall competitiveness.

18. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.



19. Tax Expense

<i>In thousand of RM</i>	Current quarter Three months ended 31-March		Cumulative quarter Three months ended 31-March	
	2012	2011	2012	2011
Current tax expense	7	27	7	27
Deferred tax expense	-	-	-	-
Under/(Over) provision in prior year	-	-	-	-
Tax Expense	7	27	7	27

The effective tax rate for the Group in the current quarter and financial year to date is lower than the statutory tax rate of 25% mainly due to the availability and utilisation of various tax allowances and incentives to offset against its taxable income.

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

Particulars of the Group's borrowings are as follows:

<i>In thousand of RM</i>	Denominated in currency	31 March 2012	31 December 2011
Current			
<i>Unsecured :</i>			
Banker's Acceptance	RM	384	3,511
Banker's Acceptance	USD	598	546
		982	4,057



24. Profit For The Period

Profit for the period is arrived at after charging:-

<i>In thousand of RM</i>	Current quarter Three months ended 31-March		Cumulative quarter Three months ended 31-March	
	2012	2011	2012	2011
Amortisation of prepaid lease payments	12	12	12	12
Depreciation of property, plant and equipment	429	470	429	470
Depreciation of investment properties	11	11	11	11
Bad debts written off	2	4	2	4
Fair value loss on derivatives	-	5	-	5
Finance costs	40	74	40	74
Foreign exchange loss – realised	59	29	59	29
Inventories written off	149	26	149	26

And after crediting:-

<i>In thousand of RM</i>	Current quarter Three months ended 31-March		Cumulative quarter Three months ended 31-March	
	2012	2011	2012	2011
Fair value gain on derivatives	39	-	39	-
Foreign exchange gain – realised	52	39	52	39
Foreign exchange gain – unrealised	-	27	-	27
Gain on disposal of property, plant & equipment	1	1	1	1

25. Derivatives Financial Instruments

The Group has entered into forward foreign exchange currencies contracts other than the functional currency to manage exposure to the fluctuations in foreign currency exchange rates. As at 31 March 2012, the outstanding foreign exchange forward contracts are as follows:

Type of Derivatives	Contract / Notional Value	Fair Value
	RM'000	RM'000
Forward foreign currency Sales contract denominated in USD - Less than 1 year	619	613

During the current financial year to date, the Group has recognized a fair value gain of RM39,000 on changes of its derivative instruments in the income statement.

As foreign currencies contracts are hedged with creditworthy financial institutions, the Group does not foresee any significant credit and market risks. There are also no transaction costs at the inception



of these contracts as the Group only uses forward foreign currencies contracts as its hedging instruments. The Group is exposed to minimal cash flow risk in view of its healthy cash position.

26. **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.

27. **Realised and Unrealised Profits**

The breakdown of retained earnings of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Securities Berhad Listing Requirements, are as follows:

<i>In thousand of RM</i>	31 March 2012	31 December 2011
Total retained earnings of the Group		
- Realised gains	14,136	14,925
- Unrealised gains/(losses)	<u>39</u>	<u>(90)</u>
	<u>14,175</u>	<u>14,834</u>

The unrealised gains/(losses) of the Group 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 are hence deemed as realised.

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.

28. **Dividend Proposed**

On 28 February 2012, the Board of Directors recommended a Final Dividend of 2.0% less 25% income tax in respect of the financial year ended 31 December 2011 for the shareholders' approval in the forthcoming Annual General Meeting. The entitlement date and payment date for the proposed final dividend will be determined and announced at a later date.

29. **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.



<i>In thousand of RM</i>	Current quarter		Cumulative quarter	
	Three months ended		Three months ended	
	31-March		31-March	
	2012	2011	2012	2011
Basic				
Profit/(loss) attributable to the owners of the company	(659)	292	(659)	292
Weighted average number of ordinary shares in issue	45,780	45,780	45,780	45,780
Basic earnings per ordinary share (sen)	(1.44)	0.64	(1.44)	0.64
Diluted				
Diluted earnings per ordinary share (sen)	(1.44)	0.64	(1.44)	0.64

30. 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 May 2012.

By order of the Board,
Central Industrial Corporation Berhad

Fong Phoi Shan
Company Secretary

Date: 29 May 2012