



Condensed Consolidated Statement Of Financial Position
As at 30 June 2013

<i>In thousand of RM</i>	30 June 2013 <u>Unaudited</u>	31 December 2012 <u>Audited</u>
<u>Assets</u>		
Property, plant & equipment	18,523	19,406
Prepaid lease payments	1,683	1,706
Investment properties	1,319	1,334
Total non-current assets	21,525	22,446
Inventories	23,619	26,510
Trade & other receivables	14,695	11,528
Derivative financial assets	-	15
Current tax assets	92	73
Cash & bank balances	3,010	2,215
Total current assets	41,416	40,341
Total Assets	62,941	62,787
<u>Equity</u>		
Share capital	45,780	45,780
Reserves	1,758	1,758
Retained earnings	10,689	11,056
Total equity attributable to owners of the Company	58,227	58,594
Non-controlling interests	-	-
Total equity	58,227	58,594
<u>Liabilities</u>		
Employee benefits	1,632	1,623
Total non-current liabilities	1,632	1,623
Trade & other payables	3,061	2,570
Derivative financial liabilities	21	-
Total current liabilities	3,082	2,570
Total liabilities	4,714	4,193
Total Equity and Liabilities	62,941	62,787
Net assets per ordinary share (RM)	1.27	1.28

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2012 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For the six months ended 30 June 2013

<i>In thousand of RM</i>	Current quarter Three months ended 30-June		Cumulative quarter Six months ended 30-June	
	2013 Unaudited	2012 Unaudited	2013 Unaudited	2012 Unaudited
Continuing operations				
Revenue	13,825	14,279	28,474	27,715
Cost of sales	(12,390)	(12,238)	(25,125)	(24,148)
Gross profit	1,435	2,041	3,349	3,567
Non- operating income	73	84	146	194
Selling & distribution expenses	(793)	(799)	(1,644)	(1,652)
Administrative expenses	(1,015)	(1,136)	(1,961)	(2,267)
Non-operating expenses	(157)	(234)	(274)	(498)
Loss from operating activities	(457)	(44)	(384)	(656)
Finance costs	-	(17)	-	(57)
Finance income	2	-	4	-
Net finance costs	2	(17)	4	(57)
Loss before tax	(455)	(61)	(380)	(713)
Tax expense	-	-	13	(7)
Loss for the period	(455)	(61)	(367)	(720)
Other comprehensive income , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	4	42	-	41
Total other comprehensive income for the period	4	42	-	41
Comprehensive income / (expense) for the period	(451)	(19)	(367)	(679)
Loss attributable to :				
Owners of the Company	(455)	(61)	(367)	(720)
Non-controlling interests	-	-	-	-
Loss for the period	(455)	(61)	(367)	(720)



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

Comprehensive income / (expense) attributable to :

Owners of the Company	(451)	(19)	(367)	(679)
Non-controlling interests	-	-	-	-
Comprehensive income / (expense) for the period	(451)	(19)	(367)	(679)

Basic earnings per ordinary share (sen) (0.99) (0.13) (0.80) (1.57)

Diluted earnings per ordinary share (sen) (0.99) (0.13) (0.80) (1.57)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2012 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 six months ended 30 June 2013

<i>In thousand of RM - Unaudited</i>	/----- Attributable to owners of the Company -----/					Total Equity
	Share Capital	Share Premium	Translation Reserve	Option Reserve	Retained Earnings	
At 1 January 2013	45,780	1,407	63	288	11,056	58,594
Foreign currency translation differences for foreign operations	-	-	-	-	-	-
Total other comprehensive income for the period (Loss)/Profit for the year	-	-	-	-	(367)	(367)
Comprehensive income for the period	-	-	-	-	(367)	(367)
<i>Contributions by and distributions to owners of the Company</i>						
- Dividend to owners	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
At 30 June 2013	45,780	1,407	63	288	10,689	58,227



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 -----/					
	Share Capital	Share Premium	Translation Reserve	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	-	-	41	-	-	41
Total other comprehensive income for the period	-	-	41	-	-	41
(Loss)/Profit for the year	-	-	-	-	(720)	(720)
Comprehensive income for the period	-	-	41	-	(720)	(679)
<i>Contributions by and distributions to owners of the Company</i>						
- Dividend to owners	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-
At 30 June 2012	45,780	1,407	56	288	14,114	61,645

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 31.12.2012 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement Of Cash Flows
For the six months ended 30 June 2013

<i>In thousand of RM</i>	Six months ended 30-June	
	<u>2013</u>	<u>2012</u>
	<u>Unaudited</u>	<u>Unaudited</u>
Cash flows from operating activities		
Loss before tax from - continuing operations	(380)	(713)
Adjustments for :-		
Amortisation of prepaid lease payments	23	23
Depreciation of property, plant and equipment	923	878
Depreciation of investment properties	15	23
Finance costs	-	57
Finance income	(4)	-
Gain on disposal of property, plant & equipment	-	(77)
Property, plant and equipment written off	1	1
Operating profit before changes in working capital	<u>578</u>	<u>192</u>
Change in employee benefits, provisions and deferred income	9	51
Change in inventories	2,891	5,975
Change in trade and other payables	512	(399)
Change in trade and other receivables, prepayments and other financial assets	<u>(3,151)</u>	<u>(100)</u>
Cash generated from operations	839	5,719
Income tax paid	(6)	(35)
Interest paid	-	(57)
Net cash from operating activities	<u>833</u>	<u>5,627</u>
Cash flows from investing activities		
Acquisition of property, plant & equipment	(42)	(1,251)
Interest received	4	-
Proceeds from disposal of property, plant & equipment	-	77
Net cash used in investing activities	<u>(38)</u>	<u>(1,174)</u>
Cash flows from financing activities		
Dividend paid to the owners of the Company	-	-
Repayment of loans and borrowings, net	-	(3,187)
Net cash used in financing activities	<u>-</u>	<u>(3,187)</u>
Net increase in cash and cash equivalents	795	1,266
Effect on exchange rate fluctuations on cash held	-	2
Cash and cash equivalents at 1 January	<u>2,215</u>	<u>3,475</u>
Cash and cash equivalents at 30 June	<u><u>3,010</u></u>	<u><u>4,743</u></u>



Cash and cash equivalents

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

<i>In thousand of RM</i>	Six months ended	
		30-June
	<u>2013</u>	<u>2012</u>
Cash and bank balances	3,010	4,743
Bank overdrafts	-	-
	<u>3,010</u>	<u>4,743</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 31.12.2012 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2013

1. **Basis of Preparation**

These condensed consolidated interim financial statements are unaudited and 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.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. 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 2012.

2. **Significant Accounting Policies**

The accounting principles and policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to MFRS 101, *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- MFRS 10, *Consolidated Financial Statements*
- MFRS 11, *Joint Arrangements**
- MFRS 12, *Disclosure of Interests in Other Entities*
- MFRS 13, *Fair Value Measurement*
- MFRS 119, *Employee Benefits* (2011)
- MFRS 127, *Separate Financial Statements* (2011)
- MFRS 128, *Investments in Associates and Joint Ventures* (2011)*
- IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine**
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards – Government Loans**
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 101, *Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)*



- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*
- Amendments to MFRS 11, *Joint Arrangements: Transition Guidance**
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Transition Guidance*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*
- Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- MFRS 9, *Financial Instruments (2009)*
- MFRS 9, *Financial Instruments (2010)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures*

3. Auditors' Report

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

4. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

5. Seasonal or Cyclical Factors

The Group's performance is not materially affected by any seasonal or cyclical factors.

6. Debts and Equity Securities

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



7 **Profit Forecast or Profit Guarantee**

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

8. **Unquoted Investments and Properties**

There were no purchases or sales of unquoted investments and properties in the current quarter under review.

9. **Quoted Securities**

There were no purchases or sales of quoted securities during the current quarter under review.

10. **Changes in Estimates**

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

11. **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 except for a fire incident occurred at the manufacturing plant which was disclosed in the preceding quarter.

12. **Corporate Proposals**

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

13. **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.

14. **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 2012.



15. Dividends Paid

There was no dividend paid during the current quarter ended 30 June 2013.

16. Segmental Reporting

The Group's primary business segment is principally engaged in the manufacture and sale of self-adhesive label stocks and tapes of its own brand, and trading of other self-adhesive label stocks and tapes.

Segmental reporting for the Group by geographical segment for the current quarter ended 30 June 2013 stated as follows:

	Current quarter		Cumulative quarter	
	Three months ended		Six months ended	
	30-June		30-June	
<i>In thousand of RM</i>	2013	2012	2013	2012
<u>Segment Revenue</u>				
- Malaysia	13,558	9,094	28,001	18,116
- Overseas	1,004	5,960	2,021	11,211
Elimination of inter segment revenue	(737)	(775)	(1,548)	(1,612)
Total Segment Revenue	13,825	14,279	28,474	27,715

	Current quarter		Cumulative quarter	
	Three months ended		Six months ended	
	30-June		30-June	
<i>In thousand of RM</i>	2013	2012	2013	2012
<u>Segment Results</u>				
- Malaysia	(448)	23	(390)	(642)
- Overseas	(9)	(67)	6	(14)
Total Segment Results	(457)	(44)	(384)	(656)
Finance Cost	-	(17)	-	(57)
Finance Income	2	-	4	-
Profit / (Loss) Before Tax	(455)	(61)	(380)	(713)

17. 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.

18. Capital Commitments

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



19. **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.

20. **Review of Performance**

The Group's revenue decreased by 3.18% to RM13.825 million in the current quarter under review as compared to RM14.279 million recorded in the corresponding period last year. As a result of lower revenue, the Group recorded higher loss before tax of RM0.455 million as compared to loss before tax of RM0.061 million recorded in the corresponding quarter last year. The lower revenue and higher loss before tax recorded in the current quarter under review were basically due to impact of the fire incident.

However, the Group managed to register higher revenue of RM28.474 million for the six months ended 30 June 2013 as compared to RM27.715 million recorded in the corresponding period last year. The Group registered lower loss before tax of RM0.38 million, or 46.7% better off as compared to loss before tax of RM0.713 million recorded in the corresponding period last year. The higher revenue and lower loss reported were mainly due to better and higher sales volume and higher margins reported in the 1st quarter.

21. **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 30 June 2013 RM'000	Quarter ended 31 March 2013 RM'000	Variance RM'000	%
Revenue	13,825	14,649	(824)	(5.62%)
(Loss) / Profit before tax	(455)	75	(530)	(706.67%)

Total revenue for the Group decreased by 5.62% to RM13.825 million as compared to RM14.649 million recorded in the preceding quarter due to lower sales recorded. The Group recorded a loss before tax of RM0.455 million in the current quarter, a drop of 706.67% as compared to profit before tax of RM0.75 million recorded in the preceding quarter. The significant loss before tax was mainly due to impact of the fire incident in the current quarter under review.



22. Commentary of Prospects

The overall results of the Group have been affected and impacted in the current quarter due to the challenges faced from the fire incident which caused production to be disrupted for a few months. We anticipated that the affected machine will be fully operational by the end of 3rd quarter. In this regards, the Group would have to find alternative means to fulfill its orders to support the Group's performance and to improve its sales volume and production efficiency in the remaining quarters to mitigate its overall loss in this difficult and challenging financial year.

23. Profit For The Period

Profit for the period is arrived at after charging:-

<i>In thousand of RM</i>	Current quarter		Cumulative quarter	
	Three months ended		Six months ended	
	30-June		30-June	
	2013	2012	2013	2012
Amortisation of prepaid lease payments	11	11	23	23
Bad debts written off	8	6	9	8
Depreciation				
- Property, plant and equipment	460	449	923	878
- Investment properties	7	12	15	23
Fair value loss/(gain) on derivatives	29	35	36	(4)
Finance costs	-	17	-	57
Foreign exchange loss – realised	34	1	50	60
Inventories written off	52	167	88	316
Property, plant and equipment written off	1	1	1	1
And after crediting:-				
Bad debts recovered	16	17	16	17
Finance income	2	-	4	-
Foreign exchange gain – realised	41	12	88	64
Foreign exchange gain – unrealised	-	14	-	14
Gain on disposal of property, plant & equipment	-	76	-	77

24. Borrowings

There were no borrowings in the current quarter under review.



25. Tax Expense

<i>In thousand of RM</i>	Current quarter Three months ended 30-June		Cumulative quarter Six months ended 30-June	
	2013	2012	2013	2012
Current tax expense	-	-	-	7
Deferred tax expense	-	-	-	-
Over provision in prior year	-	-	(13)	-
Tax expense	-	-	(13)	7

26. 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.

The outstanding of these derivatives as at 30 June 2013 are as follows:

Type of Derivatives	Contract / Notional Value	Fair Value
	RM'000	RM'000
Foreign currency forward contracts Sales contract denominated in USD - Less than 1 year	2,069	2,090

Derivatives financial instruments entered into by the Group are similar to those disclosed in the audited financial statements for the year ended 31 December 2012. During the current quarter under review, the Group recognised a fair value loss of RM28,942 on changes of its derivative instruments in the profit or loss.

The maturity periods of the above derivatives are less than one year. 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.

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>	30 June 2013	31 December 2012
Total retained earnings of the Group		
- Realised gain	10,725	11,021
- Unrealised (loss)/gain	<u>(36)</u>	<u>35</u>
	<u>10,689</u>	<u>11,056</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

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

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 Three months ended		Cumulative quarter Six months ended	
	2013	2012	2013	2012
Basic				
Profit /(Loss) attributable to the owners of the company	(455)	(61)	(367)	(720)
Weighted average number of ordinary shares in issue	45,780	45,780	45,780	45,780
Basic earnings per ordinary share (sen)	(0.99)	(0.13)	(0.80)	(1.57)
Diluted				
Diluted earnings per ordinary share (sen)	<u>(0.99)</u>	<u>(0.13)</u>	<u>(0.80)</u>	<u>(1.57)</u>



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 22 August 2013.

By order of the Board,
Central Industrial Corporation Berhad

Fong Phoi Shan
Company Secretary

Date: 22 August 2013