

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/12/2011 RM'000	Preceding Year Corresponding Quarter Ended 31/12/2010 RM'000	Current Year To Date Ended 31/12/2011 RM'000	Preceding Year Corresponding Period To Date Ended 31/12/2010 RM'000
Revenue	12,794	16,112	12,794	16,112
Cost of sales	(8,707)	(13,900)	(8,707)	(13,900)
Gross profit	4,087	2,212	4,087	2,212
Other items of income	258	93	258	93
Administrative expenses	(2,660)	(2,684)	(2,660)	(2,684)
Finance costs	(721)	(557)	(721)	(557)
Profit/(Loss) before tax	964	(936)	964	(936)
Income tax benefit	45	48	45	48
Profit/(Loss) net of tax, representing total comprehensive profit/(loss) for the period	1,009	(888)	1,009	(888)
Attributable to:				
Equity holders of the parent	1,009	(888)	1,009	(888)
Minority interest	-	-	-	-
	<u>1,009</u>	<u>(888)</u>	<u>1,009</u>	<u>(888)</u>
Earnings/(Loss) per share attributable to equity holders of the parent:				
Basic, for profit/(loss) from continuing operations	0.40	(0.35)	0.40	(0.35)
Diluted, for profit/(loss) from continuing operations	0.40	(0.35)	0.40	(0.35)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	As At 31/12/2011 RM'000	As At 30/09/2011 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	1,509	1,558
Land held for property development	296,110	311,033
	297,619	312,591
Current Assets		
Property development costs	94,497	79,504
Inventories	27,884	28,075
Trade receivables & other receivables	14,876	14,767
Cash & Cash Equivalents	10,266	3,631
	147,523	125,977
TOTAL ASSETS	445,141	438,568
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	253,317	253,317
Other reserves	22	22
Retained earnings	42,373	41,365
	295,713	294,704
Non-controlling interests	2,500	2,500
Total equity	298,213	297,204
Non-current liabilities		
Borrowings	38,199	38,341
Deferred tax liabilities	59,956	60,004
	98,155	98,345
Current Liabilities		
Borrowings	26,405	26,127
Trade & other payables	22,368	16,890
Tax payable	1	2
	48,774	43,019
Total liabilities	146,929	141,364
TOTAL EQUITY AND LIABILITIES	445,141	438,568
Net assets per share attributable to equity holders of the parent (RM)	1.17	1.16

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL PERIOD
ENDED 31 DECEMBER 2011**

	3 months ended	
	31/12/2011	31/12/2010
	RM'000	RM'000
Operating activities		
Profit/(Loss) before tax	964	(936)
Adjustments for :		
Depreciation	55	67
Interest expense	721	557
Interest income	(39)	(70)
Property, plant and equipment written off	-	-
(Gain)/ Loss on disposal of property, plant and equipment	-	-
Write down of property development costs	-	-
Operating cash flows before changes in working capital	1,700	(381)
Property development expenditure	926	7,974
Inventories	191	(1,022)
Receivables	(225)	1,284
Payables	5,477	3,357
Cash flows generated from/(used in) operations	8,069	11,212
Interest received	39	70
Interest paid	(1,717)	(1,486)
Income taxes paid	(35)	(25)
Income taxes refunded	147	-
Net cash flows generated from/(used in) operating activities	6,504	9,770
Investing activities		
Purchase of property, plant and equipment	(6)	(90)
Proceeds from disposal of property, plant and equipment	1	-
Net cash flows (used in)/generated from investing activities	(6)	(90)
Financing activities		
Drawdown of term loans and bank overdraft	2,590	-
Repayment of term loans	(4,020)	(8,073)
Net cash flows used in financing activities	(1,429)	(8,073)
Net decrease in cash and cash equivalents	5,069	1,608
Cash and cash equivalents at 1 October 2011/2010	(6,345)	(4,639)
Cash and cash equivalents at 31 December 2011/2010	(1,276)	(3,031)
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	10,266	6,789
Bank overdrafts (included within short term borrowings)	(11,542)	(9,820)
	(1,276)	(3,031)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2011

	← Attributable to Equity Holders of the Parent →			Total	Minority Interest	Total Equity
	← Non-distributable →		Distributable			
	Share Capital	Other Reserves	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months year ended 30 September 2011</u>						
At 1 October 2011	253,317	22	41,365	294,704	2,500	297,204
Total comprehensive income for the period	-	-	1,009	1,009	-	1,009
At 31 December 2011	253,317	22	42,373	295,713	2,500	298,213
 <u>3 months year ended 30 September 2010</u>						
At 1 October 2010	253,317	22	43,397	296,736	2,500	299,236
Total comprehensive loss for the period	-	-	(888)	(888)	-	(888)
At 31 December 2010	253,317	22	42,508	295,848	2,500	298,348

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad .

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 September 2011. 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 30 September 2011.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2011, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs, IC Interpretations and Technical Release.

Description	Effective for annual periods beginning on or after
Amendments to FRS 1: Limited Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 2: Share-based Payment	1 January 2011
Improvements to FRSs issued in 2010	1 January 2011
IC Interpretation 4: Determining whether an Arrangement contains a Lease	1 January 2011
Amendments to IC Interpretation 13: Customer Loyalty Programmes	1 January 2011
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

FRSs, Amendments to FRSs and IC Interpretations and Technical Releases issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but are not yet effective :

Description	Effective for annual periods beginning on or after
FRS 124: Related Party Disclosures	1 January 2012
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax : Recovery of Underlying Assets	1 January 2012
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 9: Financial Instruments	1 January 2013
FRS 10: Consolidated Financial Statements	1 January 2013
FRS 11: Joint Arrangements	1 January 2013
FRS 12: Disclosure of Interests in Other Entities	1 January 2013

Standards issued but not yet effective (cont'd)

FRS 13: Fair Value Measurement	1 January 2013
FRS 119: Employee Benefits	1 January 2013
FRS 127: Separate Financial Statements	1 January 2013
FRS 128: Investment in Associates and Joint Ventures	1 January 2013
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

The adoption of the above new and amended standards and interpretations did not have any effect on the financial performance or position of the Company.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 September 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the period ended 31 December 2011 could be different if prepared under the MFRS Framework.

A3. Qualification of Financial Statements

The preceding annual financial statements of the Group was not subject to any qualification.

A4. Explanatory comments about the seasonality or cyclicity of operations.

This industry is not affected by any fluctuations in relation to seasonality and cyclicity of operations.

A5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

There were no unusual or exceptional items for the current financial year to date.

A6. Nature and amount of changes in estimate of amount reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates which give rise to a material effect in the current interim period.

A7. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities.

There were no issuance, cancellation, repurchase or resale and repayment of debt and equity securities for the current financial year to date.

A8. Dividend

There was no dividend paid for the financial period under review.

A9. Segmental Reporting

No segmental reporting is presented as the Group's operations primarily relate to property development activities and these are carried out entirely in Malaysia.

A10. Valuation of property, plant & equipment

No valuation was carried out on the Group's property, plant and equipment for the financial period ended 31 December 2011.

A11. Events subsequent to the end of the Interim Period of the Financial Statements

There are no material events subsequent to the end of the interim period reported or that have not been reflected in the financial statements for the said period.

A12. Effect of Changes in the Composition of The Group

There were no changes in the composition of the Group for the current year to date.

A13. Changes in contingent liabilities or contingent assets.

The group has no contingent liabilities at the date of this report.

B. Additional notes as required by Bursa Malaysia Listing Requirements

B1. Review of Performance

The Group has recorded revenue of RM12.8 million and profit before taxation of RM964,000 at the end of the first quarter of financial year ended 30 September 2012. The Group's profit has increased by more than 100% in the current year as compared to the previous corresponding year. This is mainly attributed to more income recognised as a result of higher percentage of completion for Saujana O-Lot.

B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.

The Group recorded profit before tax of RM964,000 for the first quarter of financial year ended 31 September 2012 as compared to loss before tax of RM871,000 for the fourth quarter of financial year ended 30 September 2011. The profit have increased by more than 100% in the first quarter and is mainly attributed to higher percentage of completion recognised for Phase 3 Saujana O-Lot project since the previous quarter.

B3. Current Year Prospect

Kota Masai Project (Mukim Plentong, Johor)

The sales of commercial properties has been optimistic. The encouraging response shown is expected to continue.

Saujana O-Lot Project (Mukim Damansara, Selangor)

The sales has been slow even though constant enquiries for the properties are received.

B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee.

Not applicable

B5. Profit before tax

The following item has been included in arriving at profit before tax:

	Current Year Quarter 31/12/2011 RM'000	Current year To date 31/12/2011 RM'000
(a) Interest income	(26)	(26)
(b) Other income including investment income	(232)	(232)
(c) Interest expense	721	721
(d) Depreciation and amortization	55	55
(e) Provision for and written off of receivables	-	-
(f) Provision for and written off of inventories	-	-
(g) (Gain)/Loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain/loss	-	-
(j) (Gain)/Loss on derivatives	-	-
(k) Exceptional items	-	-

B6. Income tax expenseMajor components of income tax expense

The major components of income tax expense for the quarter/year ended 31 December 2011 are:

Current Year Quarter 31/12/2011 RM'000	Current year To date 31/12/2011 RM'000
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Statement of comprehensive income:	4	4
Current year income tax	4	4
Deferred tax:		
Relating to origination and reversal of temporary differences	(48)	(48)
Relating to changes in tax rates		
Overprovision in prior years	-	-
Income tax benefit recognised in profit or loss	<u>(45)</u>	<u>(45)</u>

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the quarter/year ended 31 December 2011 are as follows:

Profit before tax	<u>964</u>	<u>964</u>
Taxation at Malaysian statutory tax rate of 25%	241	241
Adjustments:		
Effect of expenses not deductible for tax purposes	92	92
Deferred tax assets not recognised in respect of current quarter/year tax losses and unabsorbed capital allowances	58	58
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(436)	(436)
Income tax benefit recognised in profit or loss	<u>(45)</u>	<u>(45)</u>

B7. Sale of unquoted investment and / or properties

There were no sale of unquoted investment and /or properties for the current quarter and financial year to-date.

B8. Particulars of purchase or disposal of quoted securities.

There were no purchases or disposals of quoted securities by the Group for the current quarter and financial year to-date.

B9. (a) Status of corporate proposal

There are no outstanding corporate proposals announced but not completed as at 31 December 2011.

(b) Status of utilisation of proceeds raised from any corporate proposal.
Not applicable.

B10. Group borrowings and debt securities

Details of the Group's borrowings as at 31 December 2011 are as follows:

	RMY000
Short term borrowings	
Secured	14,863
Revolving credit	11,542
Overdraft	-
Hire purchase creditors	<u>26,405</u>
Long term borrowings	
Secured	38,199
Term loans	<u>38,199</u>

There were no term loans or bank borrowings denominated in foreign currencies as at the reporting date.

B11. Summary of off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 31 December 2011.

B12. Changes in material litigation

There was no material litigation pending as at 31 December 2011.

B13. Dividend

The Directors do not recommend any dividend for the current quarter.

B14. Earnings/(Loss) per share

Basic Earnings/(Loss) per share is calculated by dividing the Company's loss after taxation over ordinary shares in issue during the year.

	Current Quarter Ended 31/12/2011	Corresponding Quarter Ended 31/12/2010	Current Year to date Ended 31/12/2011	Corresponding Year to date Ended 31/12/2010
Net Profit/(Loss) attributable to ordinary shareholders (RMY000)	<u>1,009</u>	<u>(888)</u>	<u>1,009</u>	<u>(888)</u>
Number of ordinary shares in issue ('000)	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>
Basic earnings/(loss) per share (sen)	<u>0.40</u>	<u>(0.35)</u>	<u>0.40</u>	<u>(0.35)</u>
Diluted earnings/(loss) per share (sen)	<u>0.40</u>	<u>(0.35)</u>	<u>0.40</u>	<u>(0.35)</u>

B15. Realised/Unrealised Retained Profits/Losses

	As At 31/12/2011 RMY000	As At 30/09/2011 RMY000
Total retained profits of FAHB and its subsidiaries	24,434	22,890
- Realised	17,940	18,475
- Unrealised	6,494	4,415
Consolidation adjustments	-	-
Total group retained profits as per consolidated accounts	<u>42,373</u>	<u>41,365</u>

By order of the Board

Chua Siew Chuan
Company Secretary