

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statements of Comprehensive Income For The Financial Year Ended 30 September 2012 - Unaudited

	Note	Individual Period		Cumulative Period	
		3 months ended		9 months ended	
		30.9.2012 RM'000	30.9.2011 RM'000	30.9.2012 RM'000	30.9.2011 RM'000
Revenue	9	17,747	27,030	57,960	81,593
Cost of sales		(14,554)	(22,316)	(49,372)	(68,546)
Gross profit		3,193	4,714	8,588	13,047
Other items of income:					
– Interest income		543	423	1,680	1,131
– Other income		-	690	240	966
Operating expenses		(3,393)	(4,331)	(9,555)	(13,268)
Operating profit		343	1,496	953	1,876
Finance costs		(10)	(7)	(23)	(20)
Profit before taxation	9 & 19	333	1,489	930	1,856
Taxation	20	(774)	(246)	(1,971)	(1,631)
(Loss)/Profit for the period		(441)	1,243	(1,041)	225
Other comprehensive loss, net of tax					
Foreign currency translation differences for foreign operations		(2,175)	3,787	(2,458)	3,904
Total comprehensive (loss)/income for the period		(2,616)	5,030	(3,499)	4,129

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statements of Comprehensive Income For The Financial Year Ended 30 September 2012 - Unaudited (Continued)

		Individual Period		Cumulative Period	
	Note	3 months ended		9 months ended	
		30.9.2012	30.9.2011	30.9.2012	30.9.2011
		RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(476)	1,240	(1,092)	176
Non-controlling interests		35	3	51	49
(Loss)/Profit for the period					
		(441)	1,243	(1,041)	225
Total comprehensive (loss)/profit attributable to:					
Owners of the Company		(2,651)	5,027	(3,550)	4,080
Non-controlling interests		35	3	51	49
Total comprehensive (loss)/income for the period					
		(2,616)	5,030	(3,499)	4,129
Earnings per share attributable to owners of the Company:					
- Basic	25	(0.17)	0.45	(0.39)	0.06
- Diluted	25	N/A	N/A	N/A	N/A

Notes:

“N/A” – Not applicable

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statement of Financial Position As at 30 September 2012 - Unaudited

	Note	<u>Unaudited</u> As at 30.9.2012 RM'000	<u>Audited</u> As at 31.12.2011 (restated) RM'000	<u>Audited</u> As at 1.1.2011 (restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	10	90,033	97,453	100,982
Investment properties		23,846	23,893	23,956
Other investments		178	174	-
Goodwill		4,932	4,932	4,932
		<hr/>	<hr/>	<hr/>
		118,989	126,452	129,870
		<hr/>	<hr/>	<hr/>
Current assets				
Inventories		13,884	15,687	20,495
Property development costs		62,200	62,114	62,021
Trade and other receivables		29,040	32,599	43,012
Prepaid expenses		2,201	1,421	1,337
Tax recoverable		2,800	2,852	3,190
Deposits with licensed banks		75,294	72,852	46,493
Cash and bank balances		8,476	8,465	20,244
		<hr/>	<hr/>	<hr/>
		193,895	195,990	196,792
		<hr/>	<hr/>	<hr/>
TOTAL ASSETS	9	312,884	322,442	326,662
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital		139,357	139,357	139,357
Share premium		1,281	1,281	1,281
Treasury shares		(947)	(947)	-
Currency translation reserve		(2,049)	409	(2,852)
Retained profits		133,612	134,704	138,122
		<hr/>	<hr/>	<hr/>
		271,254	274,804	275,908
Non-controlling interests		2,499	2,448	2,366
		<hr/>	<hr/>	<hr/>
Total equity		273,753	277,252	278,274
		<hr/>	<hr/>	<hr/>

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statement of Financial Position As at 30 September 2012 - Unaudited (Continued)

	Note	<u>Unaudited</u> As at 30.9.2012 RM'000	<u>Audited</u> As at 31.12.2011 (restated) RM'000	<u>Audited</u> As at 1.1.2011 (restated) RM'000
Non-current liabilities				
Borrowings	22	528	-	182
Deferred tax liabilities		23,145	23,224	22,627
		<hr/>	<hr/>	<hr/>
		23,673	23,224	22,809
		<hr/>	<hr/>	<hr/>
Current liabilities				
Trade and other payables		14,269	21,258	25,094
Borrowings	22	125	182	210
Provision for taxation		1,064	526	275
		<hr/>	<hr/>	<hr/>
		15,458	21,966	25,579
		<hr/>	<hr/>	<hr/>
Total liabilities		<hr/>	<hr/>	<hr/>
		39,131	45,190	48,388
		<hr/>	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		<hr/>	<hr/>	<hr/>
		312,884	322,442	326,662
		<hr/>	<hr/>	<hr/>
Net assets per share				
attributable to owners of the Company (RM)		0.98	0.99	0.99
		<hr/>	<hr/>	<hr/>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statement Of Changes In Equity For The Financial Year Ended 30 September 2012 - Unaudited

Note	Attributable to shareholders of the Company							Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000		
At 1 January 2012 (Previously reported)	139,357	1,281	(947)	572	409	134,132	274,804	2,448	277,252
Effects of adopting Malaysian Financial Reporting Standards ("MFRS")	-	-	-	(572)	-	572	-	-	-
At 1 January 2012 (Restated)	139,357	1,281	(947)	-	409	134,704	274,804	2,448	277,252
Total comprehensive (loss)/income for the period	-	-	-	-	(2,458)	(1,092)	(3,550)	51	(3,499)
At 30 September 2012	139,357	1,281	(947)	-	(2,049)	133,612	271,254	2,499	273,753

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statement Of Changes In Equity For The Financial Year Ended 30 September 2012 - Unaudited (Continued)

	Note	Attributable to shareholders of the Company						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
At 1 January 2011 (Previously reported)		139,357	1,281	-	572	(2,852)	137,550	275,908	2,366	278,274
Effects of adopting MFRS	2	-	-	-	(572)	-	572	-	-	-
At 1 January 2011 (Restated)		139,357	1,281	-	-	(2,852)	138,122	275,908	2,366	278,274
Total comprehensive (loss)/income for the period		-	-	-	-	3,904	176	4,080	49	4,129
Transactions with owners:										
- Purchase of treasury shares		-	-	(945)	-	-	-	(945)	-	(945)
At 30 September 2011		139,357	1,281	(945)	-	1,052	138,298	279,043	2,415	281,458

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

HIL INDUSTRIES BERHAD

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Condensed Consolidated Statement of Cash Flows For The Financial Year Ended 30 September 2012 - Unaudited

	Cumulative Period	
	9 months ended	
	30.9.2012	30.9.2011
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	930	1,856
Adjustments for non-cash items	6,205	6,919
Operating profit before working capital changes	7,135	8,775
Working capital changes		
Inventories	1,803	4,312
Property development costs	(86)	(90)
Receivables, deposits and prepayments	2,779	5,563
Payables and accruals	(6,989)	(7,139)
Cash generated from operations	4,642	11,421
Interest paid	(23)	(20)
Interest received	1,680	1,131
Tax paid	(1,503)	(939)
Tax recovered	43	255
Net cash from operating activities	4,839	11,848
Cash flows from investing activities		
Purchase of property, plant and equipment	(561)	(4,220)
Proceeds from disposal of property, plant and equipment	216	93
Net cash used in investing activities	(345)	(4,127)

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Condensed Consolidated Statement of Cash Flows For The Financial Year Ended 30 September 2012 - Unaudited (Continued)

	Cumulative Period	
	9 months ended 30.9.2012 RM'000	30.9.2011 RM'000
Cash flows from financing activities		
Repayment of finance lease liabilities	(208)	(157)
Dividends paid to ordinary shareholders	-	(3,900)
Dividends paid by a subsidiary company to minority shareholders	-	-
Purchase of treasury shares	-	(947)
Net cash used in financing activities	(208)	(5,004)
Net increase in cash and cash equivalents	4,286	2,717
Cash and cash equivalents at beginning of the financial period	81,317	66,737
Effects of foreign exchange rate changes	(1,833)	2,457
Cash and cash equivalents at end of the financial period	83,770	71,911
Cash and cash equivalents comprise:		
Deposits with licensed banks	75,294	66,851
Cash and bank balances	8,476	5,966
Bank overdrafts	-	(906)
	83,770	71,911

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

Hil Industries Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 November 2012.

1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”). These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2011. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2011.

These condensed consolidated interim financial statements are the Group’s first Malaysian Financial Reporting Standards (“MFRS”) condensed consolidated interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements for the financial year ending 31 December 2012. MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied.

The date of transition to the MFRS framework is on 1 January 2011. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1. The impact of the transition from FRS to MFRS is described in Note 2 below.

The preparation of an interim financial report in conformity with MFRS 134 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

2. Significant Accounting Policies and Application of MFRS 1

The audited financial statements of the Group for the financial year ended 31 December 2011 were prepared in accordance with Financial Reporting Standards (“FRS”). As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing the condensed report are consistent with those of the audited financial statements for the financial year ended 31 December 2011 except as described below:

Property, plant and equipment

The Group has previously adopted the transitional provisions available on the first application of the MASB Approved Accounting Standard IAS 16 (Revised), *Property, Plant and Equipment* which was effective for periods ending on or after 1 September 1998. By virtue of these transitional provisions, the Group had recorded certain land and buildings at revalued amounts but had not adopted a policy of regular revaluation of such assets. These assets are stated at their respective valuation less accumulated depreciation and impairment losses.

Upon transition to MFRS, the Group has elected to continue to measure all its property, plant and equipment using the cost model under MFRS 116, *Property, Plant and Equipment*. At the date of transition to MFRS or 1 January 2011, the Group elected to regard the revalued amounts of land and buildings first revalued in 1992 as deemed cost at the date of the revaluation as these amounts were broadly comparable to their fair values at that date. The revaluation surplus of RM572,000 (31 March 2011: RM572,000, 31 December 2011: RM572,000) was transferred to retained profits on the date of transition to MFRS.

Reconciliation of Statement of Financial Position as at 31 December 2011

	As previously reported RM'000	Effects of transition to MFRS RM'000	As restated RM'000
Revaluation reserve	572	(572)	-
Retained profits	134,132	572	134,704

Reconciliation of Statement of Financial Position as at 1 January 2011

	As previously reported RM'000	Effects of transition to MFRS RM'000	As restated RM'000
Revaluation reserve	572	(572)	-
Retained profits	137,550	572	138,122

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

2. Significant Accounting Policies and Application of MFRS 1 (Continued)

MFRSs, Amendments to MFRSs and IC Interpretation

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

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

Amendments to MFRS 101, Presentation of Items of Other Comprehensive Income

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

MFRS 7, Disclosures - Offsetting Financial Assets and Financial Liabilities

MFRS 10, Consolidated Financial Statements

MFRS 11, Joint Arrangements

MFRS 12, Disclosure of Interests in Other Entities

MFRS 13, Value Measurement

MFRS 119, Employee Benefits (Revised)

MFRS 127, Separate Financial Statements

MFRS 128, Investments in Associates and Joint Ventures

IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine

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

Amendments to MFRS 132, Offsetting Financial Assets and Financial Liabilities

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2011 was not qualified.

4. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors during the quarter under review.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period-to-date.

6. Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date results.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period-to-date.

8. Dividends Paid

No dividend was paid in the current financial period-to-date.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

9. Operating Segments

Segment information is presented in respect of the Group’s business segments.

	Cumulative Period	
	9 months ended	
	30.9.2012	30.9.2011
	RM’000	RM’000
Segment Revenue		
Revenue from:		
Manufacturing	56,796	80,748
Property development and management	1,413	1,107
Trading, services and others	-	-
	<hr/>	<hr/>
Total revenue including inter-segment revenue	58,209	81,855
Elimination of inter-segment revenue	(249)	(262)
	<hr/>	<hr/>
Revenue from external customers	57,960	81,593
	<hr/> <hr/>	<hr/> <hr/>
Segment Results (External)		
Results from:		
Manufacturing	364	1,379
Property development and management	561	477
Trading, services and others	5	-
	<hr/>	<hr/>
Profit before tax	930	1,856
	<hr/> <hr/>	<hr/> <hr/>

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

9. Operating Segments (Continued)

	Cumulative Period	
	9 months ended	
	30.9.2012	30.9.2011
	RM'000	RM'000
Segment Assets		
Segment assets of:		
Manufacturing	194,033	203,075
Property development and management	110,861	109,048
Trading, services and others	259	255
	<hr/>	<hr/>
	305,153	312,378
Unallocated assets	7,731	7,787
	<hr/>	<hr/>
Total consolidated assets	312,884	320,165
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10. Property, Plant and Equipment

During the nine months ended 30 September 2012, the Group acquired items of property, plant and equipment with a cost of RM1,240,000 (nine months ended 30 September 2011: RM4,220,000). Items of property, plant and equipment with a net book value of RM32,000 were disposed of during the nine months ended 30 September 2012 (nine months ended 30 September 2011: RM Nil), resulting in a gain on disposal of RM184,000 (nine months ended 30 September 2011: gain on disposal of RM93,000).

Valuation

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

11. Subsequent Events

There were no material events subsequent to the end of the financial period-to-date.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting and application of MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards

12. Changes in Composition of the Group

There were no changes in the composition of the Group in the current financial period-to-date.

13. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2011.

14. Capital Commitments

There were no capital commitments as at 30 September 2012.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

15. Performance Review

The revenue and profit before tax recorded by the Group for the financial period-to-date was RM57.960 million and RM0.930 million respectively.

This represented a decrease of RM23.633 million in revenue or 28.96% of the revenue for the same period in the previous financial year ended 31 December 2011.

For the cumulative nine months ended 30 September 2012, the decrease in the results for the financial period-to-date was RM0.926 million or 49.89% of the results for the same period in the previous financial year ended 31 December 2011. The decrease in revenue was mainly attributed to the decrease in revenue from our overseas subsidiary.

The performance of the respective operating segments for the financial period-to-date as compared to the corresponding financial period-to-date in the preceding financial year is analysed as follows:

a) Manufacturing segment

The manufacturing segment registered a decrease in revenue and results for the current financial period-to-date of 29.66% and 73.60% respectively as compared to the revenue and results in the corresponding financial period-to-date in the preceding financial year. The performance of our overseas subsidiary was substantially affected by the global slowdown in demand for the information technology industry's products, as well as from the domestic market.

b) Property development and management segment

Profit before tax from this segment registered an increase of 17.61%, this was mainly due to the renting out of vacant shoplots in the current financial period-to-date.

c) Trading, services and others segment

This segment is not active.

HIL INDUSTRIES BERHAD

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Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

16. Variation of Results Against Preceding Quarter

The revenue and profit before tax for the current quarter were RM17.747 million and RM0.333 million respectively compared to revenue of RM19.234 million and profit before tax of RM0.726 million for the immediate preceding quarter ended 30 June 2012. This was mainly attributed to a decrease in revenue from the local operations and our overseas subsidiary, and the decreased in profit before tax is in line with the reduction in revenue. The performance of our overseas subsidiary was substantially affected by the global slowdown in demand for the information technology industry's products.

17. Current Year Prospects

The global economic outlook will likely be impacted negatively by the uncertainty arising from the Eurozone debt crisis and the continuing weak US economy.

The outlook for the Group's domestic performance from the automotive industries continues to be a key contributor to the overall performance, with the group venturing to accommodate newer customers as well as expanding its target markets to cover a wider range of automotive parts, and making significant inroads into areas and components not previously ventured into.

The management will endeavour to improve the results of the Group's overseas subsidiary.

For the property segment, the demand for rented properties is expected to remain positive.

Given the uncertainty and currently weak economic situation, the Board will continue to push forward so that the Group is able to succeed in becoming a major industry player.

18. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

HIL INDUSTRIES BERHAD

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Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

19. Profit before taxation

	Current Quarter	Year-To- Date
	3 months ended 30.9.2012	9 months ended 30.9.2012
	RM'000	RM'000
Profit before taxation is arrived at after charging:		
Depreciation and amortisation	2,663	8,050
Interest expense	10	23
Net foreign exchange gain:		
– Realised	111	83
– Unrealised	80	(13)

20. Taxation

	Individual Period		Cumulative Period	
	3 months ended		months ended	
	30.9.2012	30.9.2011	30.9.2012	30.9.2011
	RM'000	RM'000	RM'000	RM'000
In respect of current financial year:				
– Malaysian income tax	775	44	2,051	1,255
– Foreign tax	-	-	-	73
– Deferred tax	(1)	202	(12)	303
	774	246	2,039	1,631
Deferred tax in respect of prior financial years	-	-	(68)	-
	774	246	1,971	1,631

The effective tax rate for the current quarter and the financial period-to-date was higher than the statutory tax rate principally due to the losses of certain subsidiary companies which cannot be set off against the taxable profits made by other subsidiary companies, and certain expenses which are not deductible for tax purposes.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

21. Status of Corporate Proposals

There were no corporate proposals announced.

22. Borrowings

	As at 30.9.2012 RM'000	As at 31.12.2011 RM'000
Non-current		
– Secured	528	-
Current		
– Secured	125	182
	<hr/>	<hr/>
	653	182
	<hr/> <hr/>	<hr/> <hr/>

23. Material Litigation

As at the reporting date, there was no material litigation against the Group.

24. Dividend

No dividend has been declared for the financial period ended 30 September 2012.

HIL INDUSTRIES BERHAD

(Company No: 8812-M)

Notes To The Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

25. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the (loss)/profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Period		Cumulative Period	
	3 months ended 30.9.2012	30.9.2011	9 months ended 30.9.2012	30.9.2011
(Loss)/Profit for the period attributable to owners of the Company (RM'000)	(476)	1,240	(1,092)	176
Weighted average number of ordinary shares in issue ('000)	276,617	276,620	276,617	277,857
Basic earnings per share (sen)	(0.17)	0.45	(0.39)	0.06

(b) Diluted earnings per share

Diluted earnings per share is not disclosed as it is not applicable.

26. Breakdown of retained profits into realised and unrealised profits or losses

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

	As at 30.9.2012 RM'000	As at 31.12.2011 RM'000
Realised and unrealised profits/(losses) of the Company and its subsidiaries:		
- Realised	173,597	175,137
- Unrealised	(7,968)	(8,590)
	<hr/>	<hr/>
Less: Consolidation adjustments	165,629 (32,017)	166,547 (31,843)
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Total retained profits	133,612	134,704