

**PRESS METAL BERHAD***(Company No.153208 W)***CONDENSED CONSOLIDATED INCOME STATEMENT**

For the year ended 31 December 2011

|                                  | <i>Note</i>   | 4th Quarter<br>3 months ended |                             | Year To-date<br>12 months ended |                             |
|----------------------------------|---------------|-------------------------------|-----------------------------|---------------------------------|-----------------------------|
|                                  |               | 31.12.2011<br><i>RM'000</i>   | 31.12.2010<br><i>RM'000</i> | 31.12.2011<br><i>RM' 000</i>    | 31.12.2010<br><i>RM'000</i> |
| Revenue                          |               | 636,506                       | 386,926                     | 2,283,015                       | 1,698,839                   |
| Operating expenses               |               | (594,133)                     | (375,079)                   | (2,099,504)                     | (1,598,773)                 |
| Other operating income           |               | 11,962                        | 20,571                      | 19,062                          | 53,042                      |
| <b>Profit from operations</b>    |               | <b>54,335</b>                 | <b>32,418</b>               | <b>202,573</b>                  | <b>153,108</b>              |
| Finance costs                    |               | (29,187)                      | (11,311)                    | (78,759)                        | (51,789)                    |
| Share of profit from associate   |               | 2,776                         | 690                         | 4,158                           | 1,996                       |
| <b>Profit before tax</b>         |               | <b>27,924</b>                 | <b>21,797</b>               | <b>127,972</b>                  | <b>103,315</b>              |
| Taxation                         | <i>B5</i>     | (415)                         | 2,149                       | (25,939)                        | (13,705)                    |
| <b>Profit for the period</b>     |               | <b>27,509</b>                 | <b>23,946</b>               | <b>102,033</b>                  | <b>89,610</b>               |
| Attributable to :                |               |                               |                             |                                 |                             |
| Equity holders of the parent     |               | 27,044                        | 21,649                      | 91,922                          | 83,493                      |
| Non-controlling interest         |               | 465                           | 2,297                       | 10,111                          | 6,117                       |
|                                  |               | <b>27,509</b>                 | <b>23,946</b>               | <b>102,033</b>                  | <b>89,610</b>               |
| Basic earnings per share (sen)   | <i>B11(a)</i> | 6.16                          | 5.25                        | 21.07                           | 21.87                       |
| Diluted earnings per share (sen) | <i>B11(b)</i> | 6.08                          | 5.11                        | 20.82                           | 21.23                       |

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2010.

**PRESS METAL BERHAD***(Company No.153208 W)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2011

|   | 4th Quarter<br>3 months ended |               | Year To-date<br>12 months ended |               |
|---|-------------------------------|---------------|---------------------------------|---------------|
|   | 31.12.2011                    | 31.12.2010    | 31.12.2011                      | 31.12.2010    |
| <i>Note</i>   | <i>RM'000</i>                 | <i>RM'000</i> | <i>RM' 000</i>                  | <i>RM'000</i> |
| <b>Profit for the period</b>                                      | <b>27,509</b>                 | <b>23,946</b> | <b>102,033</b>                  | <b>89,610</b> |
| Other comprehensive income, net of tax                            |                               |               |                                 |               |
| Foreign currency translation difference<br>for foreign operations | 6,713                         | (2,964)       | 52,369                          | (44,714)      |
| <b>Total comprehensive income for the period</b>                  | <b>34,222</b>                 | <b>20,982</b> | <b>154,402</b>                  | <b>44,896</b> |
| Attributable to :   |                               |               |                                 |               |
| Equity holders of the parent                                      | 33,757                        | 18,685        | 144,291                         | 38,779        |
| Non-controlling interest  | 465                           | 2,297         | 10,111                          | 6,117         |
|   | <b>34,222</b>                 | <b>20,982</b> | <b>154,402</b>                  | <b>44,896</b> |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2010.

**PRESS METAL BERHAD**

(Company No: 153208-W)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 31 December 2011

|  | As at<br>31.12.2011     | As at<br>31.12.2010     |
|--|-------------------------|-------------------------|
| Note   | RM'000                  | RM'000                  |
| <b>ASSETS &amp; NET CURRENT ASSETS</b>                     |                         |                         |
| <b>Non-current assets</b>                                  |                         |                         |
| Property, plant and equipment                              | 2,012,174               | 1,476,086               |
| Intangible assets  | 13,671                  | 13,187                  |
| Investment properties                                      | 5,378                   | 5,797                   |
| Investment in associates                                   | 32,161                  | 28,003                  |
| Other investments  | 6,837                   | 6,477                   |
| Deferred tax assets  | 131                     | 1,042                   |
|  | <u>2,070,352</u>        | <u>1,530,592</u>        |
| <b>Current assets</b>                                      |                         |                         |
| Inventories  | 384,675                 | 327,165                 |
| Trade receivables  | 387,603                 | 301,714                 |
| Other receivables, deposits and prepayments                | 407,731                 | 402,338                 |
| Tax recoverable  | 5,642                   | 2,520                   |
| Deposits, cash and bank balances                           | 253,680                 | 201,211                 |
|  | <u>1,439,331</u>        | <u>1,234,948</u>        |
| <b>Current liabilities</b>                                 |                         |                         |
| Trade Payables   | 168,828                 | 138,349                 |
| Other payables and accruals                                | 148,697                 | 124,045                 |
| Hire purchase & finance lease liabilities                  | 8,671                   | 4,247                   |
| Overdraft & short term borrowings                          | 1,095,377               | 960,691                 |
| Taxation   | 2,929                   | 3,750                   |
|  | <u>1,424,502</u>        | <u>1,231,082</u>        |
| <b>Net Current Assets</b>                                  | <b>14,829</b>           | <b>3,866</b>            |
|  | <u><u>2,085,181</u></u> | <u><u>1,534,458</u></u> |
| <b>EQUITY &amp; NON-CURRENT LIABILITIES</b>                |                         |                         |
| <b>Equity attributable to equity holders of the parent</b> |                         |                         |
| Share capital  | 219,739                 | 215,031                 |
| Reserves   | 157,319                 | 2,047                   |
| Retained profit  | 667,425                 | 584,286                 |
|  | <u>1,044,483</u>        | <u>801,364</u>          |
| <b>Non-controlling interest</b>                            | <b>136,321</b>          | <b>126,210</b>          |
| <b>Total equity</b>  | <b>1,180,804</b>        | <b>927,574</b>          |
| <b>Non-current liabilities</b>                             |                         |                         |
| Trade Payables   | -                       | 16,377                  |
| Other payables and accruals                                | 126,457                 | 89,672                  |
| Hire purchase & finance lease liabilities                  | 15,886                  | 7,046                   |
| Long term borrowings                                       | 407,926                 | 389,079                 |
| Redeemable Convertible Secured Loan Stock                  | 204,165                 | -                       |
| Deferred tax liabilities                                   | 149,943                 | 104,710                 |
|  | <u>904,377</u>          | <u>606,884</u>          |
|  | <u><u>2,085,181</u></u> | <u><u>1,534,458</u></u> |
| <b>Net assets per share (RM)</b>                           | <b>2.38</b>             | <b>1.86</b>             |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2010.

PRESS METAL BERHAD

(Company No: 151204-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2011

|  | Attributable to equity holders of the parent |                             |                       |                     |                   |                           |                  |           |                          |              | Non-controlling Interest | Total Equity |
|--|--|-----------------------------|-----------------------|---------------------|-------------------|---------------------------|------------------|-----------|--------------------------|--------------|--------------------------|--------------|
|  | Non-Distributable                            |                             |                       |                     |                   | Distributable             |                  |           |                          |              |                          |              |
|  | Share Capital                                | Exchange Difference Account | Share Premium Account | Share Based Payment | Warrants Reserves | Equity Component of RCCLS | Retained Profits | Sub-total | Non-controlling Interest | Total Equity |                          |              |
| RM'000   | RM'000                                       | RM'000                      | RM'000                | RM'000              | RM'000            | RM'000                    | RM'000           | RM'000    | RM'000                   | RM'000       | RM'000                   |              |
| At 1 January 2010  | 182,694                                      | 37,613                      | 1,224                 | 5,451               | -                 | -                         | 508,394          | 735,376   | 87,761                   | 823,137      |                          |              |
| Exchange difference  | -  | (44,714)                    | -                     | -                   | -                 | -                         | -                | (44,714)  | -                        | (44,714)     |                          |              |
| Share based payments   | -  | -                           | -                     | 787                 | -                 | -                         | -                | 787       | -                        | 787          |                          |              |
| Conversion of warrant  | 31,315                                       | -                           | -                     | -                   | -                 | -                         | -                | 31,315    | -                        | 31,315       |                          |              |
| Share option exercised   | 1,022  | -                           | 2,044                 | -                   | -                 | -                         | -                | 3,066     | -                        | 3,066        |                          |              |
| Transfer to share premium for share option exercised                                       | -  | -                           | 714                   | (714)               | -                 | -                         | -                | -         | -                        | -            |                          |              |
| Transfer to retained earnings for share option lapsed                                      | -  | -                           | -                     | (358)               | -                 | -                         | 358              | -         | -                        | -            |                          |              |
| Acquisition of shares from non-controlling interest  | -  | -                           | -                     | -                   | -                 | -                         | -                | -         | (28,068)                 | (28,068)     |                          |              |
| Proposed dividend 2009 final   | -  | -                           | -                     | -                   | -                 | -                         | (3,679)          | (3,679)   | -                        | (3,679)      |                          |              |
| 2010 interim   | -  | -                           | -                     | -                   | -                 | -                         | (4,280)          | (4,280)   | -                        | (4,280)      |                          |              |
| Subscription of additional shares in a subsidiary by non-controlling interest shareholders | -  | -                           | -                     | -                   | -                 | -                         | -                | -         | 60,400                   | 60,400       |                          |              |
| Net profit for the period  | -  | -                           | -                     | -                   | -                 | -                         | 83,493           | 83,493    | 6,117                    | 89,610       |                          |              |
| At 31 December 2010  | 215,031                                      | (7,101)                     | 3,982                 | 5,166               | -                 | -                         | 584,286          | 801,364   | 126,210                  | 927,574      |                          |              |
| At 1 January 2011  | 215,031                                      | (7,101)                     | 3,982                 | 5,166               | -                 | -                         | 584,286          | 801,364   | 126,210                  | 927,574      |                          |              |
| Exchange differences   | -  | 52,369                      | -                     | -                   | -                 | -                         | -                | 52,369    | -                        | 52,369       |                          |              |
| Share based payments   | -  | -                           | -                     | 645                 | -                 | -                         | -                | 645       | -                        | 645          |                          |              |
| Transfer to share premium for share option exercised                                       | -  | -                           | 3,709                 | (3,709)             | -                 | -                         | -                | -         | -                        | -            |                          |              |
| Share option exercised   | 4,708  | -                           | 9,419                 | -                   | -                 | -                         | -                | 14,127    | -                        | 14,127       |                          |              |
| Proposed dividend 2010 final   | -  | -                           | -                     | -                   | -                 | -                         | (4,391)          | (4,391)   | -                        | (4,391)      |                          |              |
| 2011 interim   | -  | -                           | -                     | -                   | -                 | -                         | (4,392)          | (4,392)   | -                        | (4,392)      |                          |              |
| Issuance of RCCLS  | -  | -                           | -                     | -                   | 78,121            | 14,718                    | -                | 92,839    | -                        | 92,839       |                          |              |
| Net profit for the period  | -  | -                           | -                     | -                   | -                 | -                         | 91,922           | 91,922    | 10,111                   | 102,033      |                          |              |
| At 31 December 2011  | 219,739                                      | 45,268                      | 17,110                | 2,102               | 78,121            | 14,718                    | 667,425          | 1,044,483 | 136,321                  | 1,180,804    |                          |              |

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010.

**PRESS METAL BERHAD***(Company No: 153208-W)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2011

|   | 12 months ended  |                 |
|---|------------------|-----------------|
|   | 31.12.2011       | 31.12.2010      |
|   | RM'000           | RM'000          |
| <b>Cash flows from operating activities</b>               |                  |                 |
| Profit before tax   | 127,972          | 103,315         |
| <i>Adjustments for:</i>                                   |                  |                 |
| Depreciation of investment properties                     | 419              | 112             |
| Depreciation of property, plant and equipment             | 90,901           | 83,373          |
| Derivative loss on forward foreign exchange               | -                | 2,123           |
| Dividend income   | (322)            | -               |
| Equity settled share-based payments transactions          | 644              | 787             |
| Finance costs   | 78,759           | 51,789          |
| Finance income  | (1,733)          | (560)           |
| (Gain)/loss on disposal of property, plant and equipment  | -                | (352)           |
| Impairment loss on investment properties                  | 257              | 200             |
| Negative goodwill   | -                | (18,030)        |
| Property, plant and equipment written off                 | 3,670            | -               |
| Share of profit of equity accounted associate, net of tax | (4,158)          | (1,996)         |
| Unrealised exchange loss/ (gain)                          | 2,947            | (20,543)        |
| Waiver of debts by a creditor                             | -                | (5,000)         |
| <b>Operating profit before changes in working capital</b> | <b>299,356</b>   | <b>195,218</b>  |
| <b>Changes in working capital</b>                         |                  |                 |
| Inventories   | (57,510)         | (64,589)        |
| Trade and other receivables                               | (81,046)         | 116,182         |
| Trade and other payables                                  | 55,131           | (125,294)       |
| Cash generated from operations                            | 215,931          | 121,517         |
| Income tax paid   | (13,835)         | (13,947)        |
| <b>Net income from operating activities</b>               | <b>202,096</b>   | <b>107,570</b>  |
| <b>Cash flows from investing activities</b>               |                  |                 |
| Acquisition of investment properties                      | -                | (272)           |
| Acquisition of non-controlling interest                   | -                | (9,767)         |
| Acquisition of other investments                          | -                | (2,164)         |
| Acquisition of properties, plant and equipment            | (587,067)        | (104,649)       |
| Interest received from an associate                       | 322              | 282             |
| Interest received from cash and cash equivalents          | 1,733            | 560             |
| Proceeds from disposal of investment                      | -                | 60,400          |
| Proceeds from disposal of properties, plant and equipment | -                | 3,522           |
| <b>Net cash used in investing activities</b>              | <b>(585,012)</b> | <b>(52,088)</b> |

**PRESS METAL BERHAD***(Company No: 153208-W)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2011

|  | 12 months ended |               |
|--|-----------------|---------------|
|  | 31.12.2011      | 31.12.2010    |
|  | RM'000          | RM'000        |
| <b>Cash flows from financing activities</b>                    |                 |               |
| Decrease in amount due to an associate                         | -               | (2,466)       |
| Dividends paid to owners of the Company                        | (8,783)         | (7,959)       |
| Interest paid on loans and borrowings                          | (78,759)        | (51,789)      |
| (Placement)/ Withdrawal of deposits pledged with licence banks | -               | (3,514)       |
| Proceeds from issue of share capital via the new ESOS          | 14,127          | 3,066         |
| Proceeds from issue of share capital via warrant conversion    | -               | 31,315        |
| Proceeds from/(repayment of) banking facilities                | 153,533         | 112,609       |
| Drawdown/ (Repayment) of finance lease liabilities             | 13,264          | (4,656)       |
| Decrease in amount due to payables                             | 20,408          | -             |
| Proceed from issuance of RCSLS                                 | 320,507         | -             |
| <b>Net cash used in investing activities</b>                   | <b>434,297</b>  | <b>76,606</b> |

|   |                |                |
|---|----------------|----------------|
| Net increase in cash and cash equivalents         | 51,381         | 132,088        |
| Effect of exchange rate fluctuations on cash held | 3,745          | 1,321          |
| Cash and cash equivalents at 1 January            | 197,640        | 64,231         |
| <b>Cash and cash equivalents at 31 December</b>   | <b>252,766</b> | <b>197,640</b> |

**Cash and cash equivalents**

Cash and cash equivalents included in the statements of cash flows comprise the following statement of financial position amounts:

|                                       | 31.12.2011     | 31.12.2010     |
|---------------------------------------|----------------|----------------|
|                                       | RM'000         | RM'000         |
| Deposits (excluding deposits pledged) | 850            | 2,391          |
| Cash and bank balances                | 251,933        | 195,296        |
| Bank overdrafts                       | (17)           | (47)           |
|                                       | <b>252,766</b> | <b>197,640</b> |

**Deposits, cash and bank balances**

|                                   | 31.12.2011     | 31.12.2010     |
|-----------------------------------|----------------|----------------|
|                                   | RM'000         | RM'000         |
| Deposits placed with licence bank | 1,747          | 5,919          |
| Cash and bank balances            | 251,933        | 195,296        |
|                                   | <b>253,680</b> | <b>201,215</b> |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010