

**JERASIA CAPITAL BERHAD (503248-A)**  
**Notes To Interim Financial Report On The Consolidated Results For**  
**The Second Quarter Ended 30 September 2011**

**1. Basis of Preparation & Accounting Policies**

The interim financial report is unaudited and has been prepared in compliance with Interim Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 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 financial year ended 31 March 2011.

**2. Significant Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 March 2011 except for the changes required due to the adoption of the following new Financial Reporting Standards (“FRS”), Amendments to FRSs and Issues Committee (“IC”) Interpretations which are effective for financial period beginning :-

**On or after 1 July 2010**

**FRSs, Amendments to FRSs and IC Interpretations**

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendment to FRS 2	Share-Based Payment
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distribution of Non-cash Assets to Owners
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives

**On or after 1 January 2011**

**FRSs, Amendments to FRSs and IC Interpretations**

Amendment to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures first-Time Adopters
Amendment to FRS 1	Additional Exemptions for First-Time Adopters

## 2. **Significant Accounting Policies (Con't)**

### **On or after 1 January 2011 (Con't)**

#### **FRSs, Amendments to FRSs and IC Interpretations**

Amendment to FRS 2	Group Cash-Settled Share-Based Payment Transactions
Amendment to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement Contains a Lease
IC Interpretation 18	Transfer of Assets from Customers
Improvements to FRSs (2010)	Improvements to FRSs (2010)

The application of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

At the date of authorisation of this interim financial report, the following FRSs, Amendments to IC Interpretation and IC Interpretations were issued but not yet effective and have not been applied by the Group :-

### **Effective for financial periods beginning on or after 1 July 2011**

#### **FRSs, Amendments to FRSs and IC Interpretations**

IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendment to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

### **Effective for financial periods beginning on or after 1 January 2012**

#### **FRSs, Amendments to FRSs and IC Interpretations**

FRS 124	Related Party Disclosures (revised)
IC Interpretation 15	Agreements for the Constructions of Real Estate

## 3. **Preceding Year's Audited Annual Accounts**

The audited accounts of the Group for the preceding financial year ended 31 March 2011 were not qualified.

## 4. **Seasonal and Cyclical Factors**

The Group's principal business operations were not significantly affected by seasonal or cyclical factors.

## 5. **Unusual Material Event**

There was no unusual material event during the current quarter.

## 6. Accounting Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years that have a material effect in the current interim period under review.

## 7. Issuance and repayment of debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy back, share cancellation, shares held as treasury shares or resale of treasury shares in the current interim period under review.

## 8. Dividend

A final dividend of 1.0 sen per share less 25% income tax for the financial year ended 31 March 2011 was paid on 21 September 2011.

The Board of Directors has approved and declared an interim dividend of 1.0 sen per share less 25% income tax in respect of the financial year ending 31 March 2012 (the previous year's corresponding quarter: nil), which will be paid on 11 January 2012 to shareholders whose names appear on the Record of Depositors on 16 December 2011.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 16 December 2011 in respect of transfers.
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis accordingly to the Rules of Bursa Malaysia Securities Berhad

## 9. Segmental Reporting

The analysis of the Group by activity as at 30 September 2011 is as follows: -

	Garment Manufacturing & Retail RM '000	Haulage Services RM '000	Elimination RM '000	Group Total RM '000
<b>Revenue</b>				
External Sales	146,011	131	-	146,142
Inter-segment sales	-	279	(279)	-
	<u>146,011</u>	<u>410</u>	<u>(279)</u>	<u>146,142</u>
<b>Results</b>				
Segment results	6,699	28		6,727
Unallocated results				<u>(129)</u>
Profit from operations				6,598
Finance cost				<u>(973)</u>
Profit before taxation				<u>5,625</u>

**9. Segmental Reporting (Con't)**

	Garment Manufacturing & Retail RM '000	Haulage Services RM '000	Elimination RM '000	Group Total RM '000
<b>Other Information</b>				
<u>Assets</u>				
Segment assets	165,843	175		166,018
Unallocated assets				2,732
Total assets				<u>168,750</u>
<u>Capital Expenditure</u>	1,067	-		<u>1,067</u>

**10. Property, plant and equipment**

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

**11. Subsequent events**

There are no material events subsequent to the end of the current quarter, which has not been reflected in the financial statements for the current period.

**12. Effect of changes in the composition of the Group**

There have been no changes in the composition of the Group during the quarter under review including business composition, acquisition or disposal of any subsidiaries or long term investments, restructuring or discontinued operations.

**13. Change in contingent liabilities**

	Quarter Ended 30/09/2011 RM '000	Audited Financial Year Ended 31/03/2011 RM '000
Corporate guarantee given to banks to secure banking facilities granted to subsidiaries	112,940	106,060
Third party legal claim	525	525
	<u>=====</u>	<u>=====</u>

**14. Significant Related Party Transaction**

There is no significant related party transaction for the quarter under review.

**15. Review of performance of the Company and its Principal Subsidiaries**

Amidst the continuing current global uncertainties, the turnover in the export manufacturing sector expanded by 9.01% or RM2.41 million to RM29.13 million as compared to the corresponding quarter ended 30 September 2010.

Turnover in the retail sector, similarly registered an increase of 9.57% or RM3.84 million to RM43.94 million as compared to the corresponding quarter ended 30 September 2010, reflecting a resilient domestic economy.

On the overall, the Group's turnover grew by 9.35% to RM73.14 million as compared to the corresponding quarter of RM66.89 million.

**16. Material Changes in Profit Before Tax Compared to Preceding Quarter**

The Group's profit before tax was RM2.35 million compared to the preceding quarter profit before tax of RM3.28 million. However, a marked increase of 111.80% was registered over the corresponding quarter of RM1.11 million.

**17. Current year prospects**

The Group is continuing to adopt a prudent approach given the unabating global economic uncertainties. However, barring any unforeseen circumstances, the current positive momentum can be attained in the ensuring quarters ahead.

**18. Profit Forecast or Guarantee**

Not applicable.

**19. Taxation**

The breakdown of taxation is as follows :-

	Current Quarter RM '000	Year-to-date RM '000
Taxation	272	1,074
	<u>272</u>	<u>1,074</u>

The Group's effective tax rate is lower than the statutory tax rate in view of the effects of the availability of tax losses brought forward and group relief.

**20. Realised and unrealised Profits/Losses Disclosure**

	As At 30 Sept 2011 RM '000	As At 30 Sept 2010 RM '000
Realised	71,418	65,432
Unrealised	1,159	1,387
	<u>72,577</u>	<u>66,819</u>
Consolidation Adjustments	(41,095)	(41,095)
Total Group retained earning as per consolidated accounts	<u>31,482</u>	<u>25,724</u>

**21. Unquoted investments and properties**

There was no sale of unquoted investment and/or property for the current quarter.

**22. Quoted securities**

There was no purchase or disposal of quoted securities for the current quarter.

**23. Status of Corporate Proposals announced and not completed**

Share Buy-Back

At the Eleventh Annual General Meeting held on 25 Aug 2011, shareholders approved the renewal of Share Buy-Back mandate. To-date, the Company has not effected any Share Buy-Back transaction.

**24. Group Borrowings and Debt Securities**

The Group's borrowings as at the end of the current quarter comprise :-

	<u>RM '000</u>
Unsecured Borrowings (Short Term)	43,756

There was no debt security issued.

**25. Financial Instruments With Off Balance Sheet Risks**

There is no financial instrument with off balance sheet risks.

**26. Derivatives**

- a) There was no outstanding derivative (including instruments designated as hedging instruments) as at the end of the quarter ended 30 September 2011; and
- b) The Group has not entered into any type of derivative, not disclosed in the previous financial year or any of the previous quarters under the current financial year.

**27. Pending Material Litigation**

There is no pending material litigation.

**28. Earnings per share**

Earnings per share have been computed based on profit for the period attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the period.

	6 months ended		Year to Date	
	30.09.11	30.09.10	30.09.11	30.09.10
Profit for the period attributable to equity holders of the Company (RM'000)	2,079	953	4,551	1,984
Weighted average number of ordinary shares in issue (RM '000)	82,046	82,046	82,046	82,046
Basic earnings per share (sen)	2.53	1.16	5.55	2.42