

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Financial Position
As at 31 July 2012

	As at 31 July 2012	As at 30 April 2012 (Restated)	As at 1 May 2011 (Restated)
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	223,779	225,634	227,969
Intangible assets	2	2	16
Investment in an associate	4,225	4,165	9,199
Other investments	430	430	450
	<u>228,436</u>	<u>230,231</u>	<u>237,634</u>
Current assets			
Inventories	49,754	52,812	58,408
Trade and other receivables	83,766	78,060	73,477
Current tax assets	1,336	1,289	955
Short term deposits	7,624	4,462	12,600
Cash and bank balances	4,004	3,242	3,165
	<u>146,484</u>	<u>139,865</u>	<u>148,605</u>
TOTAL ASSETS	374,920	370,096	386,239
EQUITY AND LIABILITIES			
Equity attributable to ordinary shareholders			
Share capital	124,243	124,243	124,243
Share premium	1,528	1,528	1,528
Reserves			
Exchange reserve	656	435	(388)
Retained earnings	104,486	101,595	97,431
Total equity	230,913	227,801	222,814
Non-current liabilities			
Bank borrowings (unsecured)	38,000	38,000	40,000
Deferred tax liabilities	23,225	23,045	22,421
	<u>61,225</u>	<u>61,045</u>	<u>62,421</u>
Current liabilities			
Trade and other payables	31,178	27,479	38,290
Derivative financial liabilities	169	492	755
Bank borrowings (unsecured)	50,975	52,912	61,756
Current tax liabilities	460	367	203
	<u>82,782</u>	<u>81,250</u>	<u>101,004</u>
Total liabilities	144,007	142,295	163,425
TOTAL EQUITY AND LIABILITIES	374,920	370,096	386,239
	RM	RM	RM
Net assets per share	0.93	0.92	0.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2012)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 31 July 2012

	Current quarter ended		Cumulative period ended	
	31 July 2012	31 July 2011 (Restated)	31 July 2012	31 July 2011 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	98,682	96,607	98,682	96,607
Operating expenses	(94,926)	(94,648)	(94,926)	(94,648)
Other operating income	442	1,688	442	1,688
Profit from operations	4,198	3,647	4,198	3,647
Finance costs	(985)	(854)	(985)	(854)
Share of profit in an associate	60	1,678	60	1,678
Profit before taxation	3,273	4,471	3,273	4,471
Taxation	(382)	(669)	(382)	(669)
Net profit for the year	2,891	3,802	2,891	3,802
Other comprehensive income				
-Foreign currency translations	221	804	221	804
Total comprehensive income for the period, net of tax, attributable to owners of parent	3,112	4,606	3,112	4,606
Basic earnings per share attributable to owners of the parent (sen)				
-Basic	1.16	1.53	1.16	1.53
-Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 30 April 2012)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Changes In Equity
For the financial period ended 31 July 2012

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange reserve RM'000	Retained profits RM'000	Total RM'000
Balance as at 1 May 2011	124,243	1,528	9,268	(388)	72,918	207,569
Effect of transition to MFRS 1	-	-	(9,268)	-	24,513	15,245
At 1 May 2011, restated	124,243	1,528	-	(388)	97,431	222,814
Total comprehensive income for the period	-	-	-	804	3,802	4,606
Balance as at 31 July 2011	<u>124,243</u>	<u>1,528</u>	<u>-</u>	<u>416</u>	<u>101,233</u>	<u>227,420</u>
Balance as at 1 May 2012	124,243	1,528	24,521	435	77,102	227,829
Effect of transition to MFRS 1	-	-	(24,521)	-	24,493	(28)
At 1 May 2012, restated	124,243	1,528	-	435	101,595	227,801
Total comprehensive income for the period	-	-	-	221	2,891	3,112
Balance as at 31 July 2012	<u>124,243</u>	<u>1,528</u>	<u>-</u>	<u>656</u>	<u>104,486</u>	<u>230,913</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 April 2012)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 July 2012

	Quarter ended 31 July 2012	Quarter ended 31 July 2011 (Restated)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,273	4,471
Adjustments for		
Amortisation of trademark	-	9
Depreciation of property, plant and equipment	5,073	4,458
Fair value adjustment on derivatives	(323)	(627)
Loss on disposal of property, plant and equipment, net	22	1
Impairment losses on:		
- receivables	8	100
- investment	-	40
Reversal of impairment loss on receivables	26	-
Interest expenses	985	854
Interest income	(28)	(79)
Inventories written down	45	60
Property, plant and equipment written off	37	19
Share of profit in an associate	(60)	(1,678)
Unrealised loss/ (gain) on foreign exchange	349	(353)
Operating profit before working capital changes	9,407	7,275
Decrease/(Increase) in inventories	3,012	(2,087)
Increase in receivables	(6,089)	(6,210)
Increase/(Decrease) in payables	3,699	(820)
Cash generated from/(Used in) operations	10,029	(1,842)
Interest paid	(5)	(16)
Tax refund	53	-
Tax paid	(209)	(304)
Net cash from/(used in) operating activities	9,868	(2,162)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	71	1
Purchases of property, plant and equipment	(3,348)	(4,742)
Interest received	28	98
Net cash used in investing activities	(3,249)	(4,643)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 July 2012

	Quarter ended 31 July 2012	Quarter ended 31 July 2011 (Restated)
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(Repayment) of		
- bankers' acceptances, net	(5,056)	-
- import foreign currency loans, net	3,114	-
- term loan, net	-	(6,229)
Interest paid	(980)	(405)
Net cash used in financing activities	<u>(2,922)</u>	<u>(6,634)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	3,697	(13,439)
Effect of exchange rate changes on cash and cash equivalents	221	9
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	7,053	15,493
CASH AND CASH EQUIVALENT AT END OF THE PERIOD	<u>10,971</u>	<u>2,063</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits with licensed financial institutions	7,624	1,000
Cash and bank balances	4,004	2,667
Bank overdrafts	(657)	(1,604)
	<u>10,971</u>	<u>2,063</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2012)

A Selected Explanatory Notes: FRS 134 Paragraph 16

A 1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ('FRS') 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities")'s Listing Requirements.

The condensed financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2012. The explanatory notes to these 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 April 2012.

These condensed consolidated interim financial statements are the Group's first 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 30 April 2013. MFRS 1 *First-Time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied.

In preparing its opening MFRS Statement of Financial Position as at 1 May 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in financial statements prepared in accordance with FRS. An explanation of how the transition from FRS to MFRS has affected the Group's financial position, financial performance and cash flows is set out in Note A2 below. This note include reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has not has a material impact on the statement of cash flows.

A 2 Significant accounting policies and application of MFRS 1

The audited financial statements of the Group for the year ended 30 April 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 30 April 2012 except as discussed below:

A 2 Significant accounting policies and application of MFRS 1 (continued)

(a) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

Acquisition before date of transition

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

- (i) The classification of former business combinations under FRS is maintained;
- (ii) There is no-remeasurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Property, plant and equipment

The Group had previously recorded its property, plant and equipment except for land and buildings are stated at cost less any accumulated depreciation and any accumulated impairment losses. Freehold and leasehold land and buildings are stated at valuation, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professional qualified valuer. Revaluations are performed at sufficient regularity to ensure that the carrying amount does not defer materially from the fair value of the land and buildings at the reporting date.

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 16 Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to apply the “deemed cost” transition exemption and use the fair value at the date of transition as deemed cost for the land and buildings of the Group.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

A 2 Significant accounting policies and application of MFRS 1 (continued)

The impact arising from the changes above is summarised as follows:

(i) Impact on financial statements as at 1 May 2011

	FRS	Effect of transition to MFRSs	MFRS
	RM'000	RM'000	RM'000
<u>Consolidated Statement of Financial Position</u>			
Property, plant and equipment	212,648	15,321	227,969
Deferred tax liabilities	22,345	76	22,421
Revaluation reserve	9,268	(9,268)	-
Retained earnings	72,918	24,513	97,431

(ii) Impact on financial statements as at 31 July 2011

	FRS	Effect of transition to MFRSs	MFRS
	RM'000	RM'000	RM'000
<u>Consolidated Statement of Financial Position</u>			
Property, plant and equipment	212,935	15,317	228,252
Deferred tax liabilities	22,785	76	22,861
Revaluation reserve	9,268	(9,268)	-
Retained earnings	76,724	24,509	101,233
<u>Consolidated Statement of Comprehensive Income</u>			
Operating expenses-depreciation	4,454	4	4,458
Profit after taxation	3,806	(4)	3,802

(iii) Impact on financial statements as at 30 April 2012

	FRS	Effect of transition to MFRSs	MFRS
	RM'000	RM'000	RM'000
<u>Consolidated Statement of Financial Position</u>			
Property, plant and equipment	228,420	(2,786)	225,634
Deferred tax liabilities	25,803	(2,758)	23,045
Revaluation reserve	24,521	(24,521)	-
Retained earnings	77,102	24,493	101,595
<u>Consolidated Statement of Comprehensive Income</u>			
Operating expenses-depreciation	18,109	15	18,124
Taxation	1,370	5	1,375
Profit after taxation	8,533	(20)	8,513

A 2 Significant accounting policies and application of MFRS 1 (continued)

(c) Estimates

The estimates as at 1 May 2011 and 30 April 2012 under MFRS were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect condition as at 1 May 2011, the date of transition to MFRS and as of 30 April 2012.

A 3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 30 April 2012.

A 4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A 5 Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the period under review.

A 6 Change in estimates

There were no significant changes in estimates that have a material effect for the period under review.

A 7 Debt and equity securities

There was no issuance or repayment of debt and equity securities nor any shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares for the period under review.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

A 8 Dividend paid

No dividend had been paid during the current quarter/ financial period ended 31 July 2012.

A 9 Notes to the Statements of Comprehensive Income

	Quarter ended 31 July		Year-to-date ended 31 July	
	2012	2011 (Restated)	2012	2011 (Restated)
Income / (expense):	RM'000	RM'000	RM'000	RM'000
Interest income	28	79	28	79
Interest expense	(985)	(854)	(985)	(854)
Depreciation and amortisation	(5,073)	(4,467)	(5,073)	(4,467)
Loss on disposal of property, plant and equipment , net	(22)	(1)	(22)	(1)
Property, plant and equipment written off	(37)	(19)	(37)	(19)
Inventories written down	(45)	(60)	(45)	(60)
Impairment losses on :				
-receivables	(8)	(100)	(8)	(100)
-investment	-	(40)	-	(40)
Reversal of impairment loss on receivables	26	-	26	-
Foreign exchange (loss)/gain, net				
-realised	(112)	(176)	(112)	(176)
-unrealised	(349)	353	(349)	353
Fair value adjustment on derivatives	323	627	323	627

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

A 10 Segmental information

i. Business segments

No business segment information has been provided as the Group is principally engaged in the business of manufacturing, marketing and trading of aluminum products.

ii. Geographical segments

The Group operates mainly in Malaysia. The revenue disclosed in geographical segments is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of assets.

	Malaysia	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000
Revenue				
External	71,185	27,497	-	98,682
Inter-segment	3,809	10,835	(14,644)	-
Total revenue	74,994	38,332	(14,644)	98,682
Profit from operations				4,198
Finance costs				(985)
Share of profit in an associate				60
Profit before taxation				3,273
Other information				
Segment assets	387,900	10,371	(28,912)	369,359
Capital expenditure	3,354	-	(6)	3,348

Inter segment pricing is determined on an arm's length basis under terms, conditions and prices not materially different from transactions with unrelated parties.

A 11 Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

A 12 Changes in composition of the Group

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

A 13 Changes in contingent liabilities and contingent assets

Save as set out below, there were no changes in contingent liabilities and contingent assets since the last date of statement of financial position.

Outstanding as at :	Company	
	31 July 2012	30 April 2012
	RM'000	RM'000
Corporate guarantee in respect of banking facilities utilised by a subsidiary	10,600	10,600

The Company has provided corporate guarantees for banking facilities granted to four of its wholly owned subsidiaries totaling RM25.73 million (30.4.2012: RM25.59 million).

The Company has also provided corporate guarantee to creditors of two wholly owned subsidiaries for supply of goods of up to RM2.00 million (30.4.2012: RM1.0 million).

A 14 Capital commitments

There were no capital commitments during the period under review.

A 15 Acquisition and disposal of items of property, plant and equipment

There were no material acquisitions or disposals of items of property, plant and equipment during the period under review.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter ended 31 July		Increase/(Decrease)	
	2012	2011 (Restated)		
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	71,185	65,413	5,772	8.8
- Other countries	27,497	31,194	(3,697)	(11.9)
Total Revenue	98,682	96,607	2,075	2.1
Profit Before Tax	3,273	4,471	(1,198)	(26.8)
Profit After Tax	2,891	3,802	(911)	(24.0)

The Group's turnover for the quarter ended 31 July 2012 increased by 2.1% to RM98.68 million compared to RM96.61 million for last year's corresponding quarter due mainly to higher business volume.

However, profit before taxation decreased by 26.8% to RM3.27 million from RM4.47 million for the corresponding quarter last year. Although profit from operations was higher than the corresponding quarter last year by RM0.55 million or 15.1%, this was reduced by lower contribution from the associate by RM1.6 million following the cessation of business of the associate.

Profit after taxation was also lower in line with the above.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B 2 Variance of results against preceding quarter

	Current Quarter	Preceding Quarter (Restated)	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	71,185	64,389	6,796	10.6
- Other countries	27,497	29,586	(2,089)	(7.1)
Total Revenue	98,682	93,975	4,707	5.0
Profit Before Tax	3,273	635	2,638	415.4
Profit After Tax	2,891	362	2,529	698.6

The Group's turnover increased by 5.0% compared to the preceding quarter's turnover of RM93.98 million due mainly to higher business volume from aluminium extrusions.

Profit before taxation increased substantially by 415.4% to RM3.27 million from RM0.64 million for the preceding quarter as a result of higher profit margins and lower operating expenses as well as a slight gain from the associate for the quarter under review compared to a loss of RM0.56 million in the preceding quarter.

Profit after taxation was higher in line with the above.

B 3 Current year prospects

Throughout the second quarter of 2012, most of the world's major developed nations continue to experience growth deceleration in their respective economies, resulting in a higher degree of market volatilities. The crisis in Europe continued into the third quarter of this year with a combination of economic predicaments, hindering any quick solutions attempted by various governments of those affected countries.

In spite of these negative external developments, Malaysia's GDP continues to record an encouraging growth in the second quarter of 2012. Growth is expected to continue into the third quarter of this year with public and private investment maintaining its role as the main economic growth driver. In particular, the building and construction industry, where the Group has vested interest, should continue to benefit from the progressive implementation of ETP.

Barring unforeseen circumstances, your Board expects the Group to remain profitable for the next quarter.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B 4 Profit forecast

Not applicable as no profit forecast was published.

B 5 Taxation

	Quarter ended 31 July		Year-to-date ended 31 July	
	2012	2011 (Restated)	2012	2011 (Restated)
	RM'000	RM'000	RM'000	RM'000
Current income tax	202	229	202	229
Deferred tax	180	445	180	445
	382	674	382	674

The Group's effective tax rate of 10.7% for the current quarter and financial year-to-date are lower than the statutory tax rate due principally to the availability of non-taxable income and unabsorbed reinvestment allowances brought forward which arose from the capital expenditures in previous financial years as well as unutilised business losses brought forward by a wholly-owned subsidiary.

B 6 Status of corporate proposals announced

There are no corporate proposals announced but not completed as at the date of this report.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B 7 Borrowings and debt securities

	As at 31 July 2012	As at 30 April 2012	As at 1 May 2011
	RM'000	RM'000	RM'000
Short term borrowings (unsecured)			
Bankers acceptances	29,794	34,850	13,000
Revolving credit	6,000	6,000	16,000
Bank overdrafts	657	652	272
Import foreign currency loans: (31 July 2012:USD 4.00 million; 30 April 2012: USD3.11 million; 1 May 2011:USD10.81 million)	12,524	9,410	32,484
Short term loans	2,000	2,000	-
	50,975	52,912	61,756
Long term borrowings (unsecured)			
Long term loans	38,000	38,000	40,000

All the borrowings are denominated in Ringgit Malaysia except for import foreign currency loan which is denominated in US Dollar.

B 8 Changes in material litigation

There is no material litigation involving the Group, which is not in the ordinary course of business as at the date of this report.

B 9 Dividend

The Directors do not recommend the payment of any interim dividend in respect of the current quarter ended 31 July 2012.

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B10 Realised and unrealised profits or losses

The following analysis is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants (“MIA Guidance”) and the directive of Bursa Malaysia Securities Berhad.

	As at 31 July 2012	As at 30 April 2012 (Restated)
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	128,861	123,801
- Unrealised	(25,079)	(24,321)
	103,782	99,480
Total share of retained earnings from an associate:		
- Realised	2,650	2,590
- Unrealised	(13)	(13)
	2,637	2,577
Less: Consolidation adjustments	(1,933)	(462)
Total Group retained earnings as per consolidated accounts	104,486	101,595

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 July 2012

B 11 Earnings per share

	Current quarter	Year-to-date
	RM'000	RM'000
Net profit for the period attributable to ordinary shareholders	2,891	2,891
<i>Basic earnings per share</i>		
<i>Weighted average number of ordinary shares</i>		
Issued ordinary shares at beginning of the period ('000)	248,486	248,486
Effect of shares issued ('000)	-	-
Weighted average number of ordinary shares ('000)	248,486	248,486
Basic earnings per share (sen)	1.16	1.16

There are no potential dilution effects on ordinary shares of the Company for the current quarter under review and financial year.

By Order of the Board

Ng Bee Lian
 Company Secretary
 Date: 25 September 2012