



FIMA CORPORATION BERHAD (21185-P)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINAL QUARTER ENDED 31 MARCH 2016
(THE FIGURES HAVE NOT BEEN AUDITED)**

	<i>Current Quarter</i>		<i>12 Months Cumulative</i>	
	<i>Current Year</i>	<i>Preceding Year</i>	<i>Current Year</i>	<i>Preceding Year</i>
	<i>Quarter</i>	<i>Corresponding Quarter</i>	<i>To Date</i>	<i>Corresponding Period</i>
	<u><i>31/03/16</i></u>	<u><i>31/03/15</i></u>	<u><i>31/03/16</i></u>	<u><i>31/03/15</i></u>
	<u><i>RM'000</i></u>	<u><i>RM'000</i></u>	<u><i>RM'000</i></u>	<u><i>RM'000</i></u>
Revenue	85,444	95,706	375,207	378,014
Cost of sales	(56,807)	(64,249)	(257,517)	(251,174)
Gross profit	28,637	31,457	117,690	126,840
Interest income	2,176	2,463	5,680	7,176
Other income	1,169	2,387	3,483	3,927
Administrative expenses	(4,825)	(7,157)	(22,027)	(22,628)
Selling and marketing expenses	(6,295)	(3,702)	(8,889)	(6,275)
Other operating expenses	(1,288)	(7,555)	(20,116)	(24,508)
Finance costs	-	(14)	(72)	(42)
Share of results from associates	473	1,177	1,551	3,337
Profit before tax	20,047	19,056	77,300	87,827
Income tax expense	(7,807)	(10,753)	(22,428)	(27,522)
Profit net of tax	12,240	8,303	54,872	60,305
Other comprehensive income, net of tax				
Foreign currency translation gain/(loss)	(4,714)	1,113	3,097	(2,504)
Remeasurement of defined benefit liability	265	-	265	-
Revaluation of land and buildings	-	18,884	-	18,884
Other comprehensive income/(loss) for the year	(4,449)	19,997	3,362	16,380
Total comprehensive income for the year	7,791	28,300	58,234	76,685
Profit attributable to :				
Equity holders of the Company	11,819	7,926	51,282	55,761
Non-controlling interests	421	377	3,590	4,544
Profit for the year	12,240	8,303	54,872	60,305
Total comprehensive income attributable to:				
Equity holders of the Company	8,260	24,109	53,972	69,050
Non-controlling interests	(469)	4,191	4,262	7,635
Total comprehensive income for the year	7,791	28,300	58,234	76,685
Earnings per share attributable to equity holders of the Company				
Basic/diluted earnings per share (sen) (Note B11)	4.90	5.14	21.24	36.15

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at End Of Current Quarter 31/03/16 (unaudited) RM'000	As at Preceding Financial Year End 31/03/15 (audited) RM'000 Restated
ASSETS		
Non-Current Assets		
Property, plant & equipment	125,855	110,871
Biological assets	49,611	44,877
Investment properties	63,684	65,191
Goodwill on consolidation	510	510
Investments in associates	40,238	38,687
Deferred tax assets	8,952	5,921
	288,850	266,057
Current Assets		
Inventories	51,003	91,234
Trade and other receivables	167,079	182,856
Due from related companies	34	17
Cash and cash equivalents	177,593	172,640
	395,709	446,747
TOTAL ASSETS	684,559	712,804
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	122,662	122,662
Treasury shares	(3,789)	(3,604)
Other reserves	(6,674)	(9,257)
Retained earnings	442,048	420,728
	554,247	530,529
Non-controlling interests	28,141	29,990
Total Equity	582,388	560,519
Non-Current Liabilities		
Retirement benefit obligations	1,391	1,634
Finance lease obligations	16,799	5,094
Deferred tax liabilities	10,730	10,983
	28,920	17,711
Current Liabilities		
Trade and other payables	68,932	127,887
Tax payable	3,013	5,471
Due to related companies	660	725
Finance lease obligations	646	491
	73,251	134,574
Total Liabilities	102,171	152,285
TOTAL EQUITY AND LIABILITIES	684,559	712,804
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.30	2.20

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINAL QUARTER ENDED 31 MARCH 2016**

	12 months ended	
	31/03/16	31/03/15
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	77,300	87,827
Adjustments for:		
Depreciation for property, plant and equipment	19,980	19,180
Depreciation of investment properties	1,507	1,508
Amortisation of biological assets	3,235	3,526
Write off of biological assets	28	-
Impairment loss on trade receivables	1,434	1,106
Impairment loss on other receivables	2	-
Write back of impairment loss on trade receivables	(748)	(59)
Write back of impairment loss on other receivables	(50)	(46)
Write down of inventories	88	232
Provision for retirement benefit obligations	69	182
Expenses related to defined benefit liability	(142)	-
Gain on disposal of property, plant and equipment	(71)	(14)
Gain from plantation investment compensation	(346)	(811)
Grant of equity-settled share options to employees	105	174
Share of results of associate	(1,551)	(3,337)
Interest income	(5,680)	(7,176)
Operating profit before working capital changes	95,160	102,292
Decrease/(increase) in trade and other receivables	16,865	(78,126)
Decrease/(increase) in inventories	40,143	(23,943)
(Decrease)/increase in related companies balances	(644)	748
(Decrease)/increase in trade and other payables	(64,106)	53,675
Cash generated from operations	87,418	54,646
Taxes paid	(29,206)	(29,156)
Retirement benefits paid	(14)	-
Interest income received	5,680	7,176
Net cash generated from operating activities	63,878	32,666
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(10,796)	(10,793)
Additions to biological assets	(6,985)	(4,406)
Proceeds from disposal of property, plant and equipment	71	15
Proceeds from plantation investment compensation	711	1,296
Acquisition of subsidiary, net cash acquired	(4,162)	(7,503)
Repayment of obligations under finance lease	(442)	(427)
Net cash used in investing activities	(21,603)	(21,818)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(30,174)	(28,165)
Dividends paid by a subsidiary to non-controlling interests	(7,911)	(3,632)
Acquisition of Treasury Shares	(185)	-
Net cash used in financing activities	(38,270)	(31,797)
CASH AND CASH EQUIVALENTS		
Net increase/(decrease) in cash and cash equivalents	4,005	(20,949)
Effect of exchange rate changes in cash and cash equivalents	948	(1,615)
Cash and cash equivalents balances at beginning of year	172,640	195,204
Cash and cash equivalents at end of year	177,593	172,640
CASH AND CASH EQUIVALENTS COMPRISE OF :		
Cash and bank balances	5,154	6,036
Deposits with licensed banks	172,439	166,604
	177,593	172,640

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements)



FIMA CORPORATION BERHAD (21185-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINAL QUARTER ENDED 31 MARCH 2016**

	←----- Attributable to Owners of the Parent ----->							Distributable			
	←----- Non-Distributable ----->										
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	Asset Revaluation Reserve RM'000	Foreign Translation Reserve RM'000	Equity Contribution From Parent RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 April 2014	82,427	534	(3,604)	(22,720)	1,530	(28,199)	3,949	432,833	489,470	25,987	515,457
Total comprehensive income for the year	-	-	-	13,289	15,293	(2,004)	-	55,761	69,050	7,635	76,685
Grant of equity-settled share options	-	-	-	174	-	-	174	-	174	-	174
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,632)	(3,632)
Dividends paid	-	-	-	-	-	-	-	(28,165)	(28,165)	-	(28,165)
Bonus issue	40,235	(534)	-	-	-	-	-	(39,701)	-	-	-
Total transactions with owners	40,235	(534)	-	174	-	-	174	(67,866)	(27,991)	(3,632)	(31,623)
As 31 March 2015	122,662	-	(3,604)	(9,257)	16,823	(30,203)	4,123	420,728	530,529	29,990	560,519
At 1 April 2015	122,662	-	(3,604)	(9,257)	16,823	(30,203)	4,123	420,728	530,529	29,990	560,519
Total comprehensive income for the year	-	-	-	2,478	-	2,478	-	51,494	53,972	4,262	58,234
Grant of equity-settled share options	-	-	-	105	-	-	105	-	105	-	105
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	1,800	1,800
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(7,911)	(7,911)
Dividend paid	-	-	-	-	-	-	-	(30,174)	(30,174)	-	(30,174)
Acquisition of Treasury Shares	-	-	(185)	-	-	-	-	-	(185)	-	(185)
Total transactions with owners	-	-	(185)	105	-	-	105	(30,174)	(30,254)	(6,111)	(36,365)
At 31 March 2016	122,662	-	(3,789)	(6,674)	16,823	(27,725)	4,228	442,048	554,247	28,141	582,388

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements)

PART A - Explanatory notes pursuant to FRS 134

A1. Basis of Preparation and Accounting Policies

The interim 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 the Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2015. The explanatory notes attached to the interim financial statements 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 financial year ended 31 March 2015.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2015 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Amendments to FRSs and IC Interpretations.

(a) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 April 2015, the Group adopted the following FRSs and Amendments to FRSs, IC Interpretations and Amendments to IC Interpretations:-

- Amendments to FRS 10: Consolidated Financial Statements (Investment Entities)
- Amendments to FRS 12: Disclosure of Interest in Other Entities (Investment Entities)
- Amendments to FRS 127: Separate Financial Statements (Investment Entities)
- Amendments to FRS 132: Financial Instruments: Presentation
 - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Impairment of assets
 - Recoverable amount disclosures for non-financial assets
- Amendments to FRS 139: Financial instruments recognition and measurement
 - Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21: Levies
- Amendments to FRS 119: Defined Benefits Plan (Employee Contribution)
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle

The adoption of the above FRSs and Amendments to FRSs did not have any significant effect on the financial performance or presentation of the financial statements of the Group.

A2. Significant Accounting Policies (Contd.)

(b) Standards and Interpretations issued but not yet effective

The Group has not earlier adopted the following new and amended FRSs and IC Interpretations that are not yet effective:

	Effective for annual period beginning on or after
Annual Improvements to FRSs 2012 - 2014 Cycle	1 January 2016
Amendments to FRS 11: Accounting for Acquisition of Interests in Joint Operations	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14: Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 107: Disclosure initiative	1 January 2017
Amendments to FRS 112: Rrecognition of deferred tax assets for unrealised losses	1 January 2017
FRS 15 Revenue from Contracts with Customers	1 January 2018
FRS 9: Financial Instruments	1 January 2018

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any significant effect to the financial statements of the Group upon their initial application, other than for FRS 15: Revenue from Contracts with Customers and FRS 9: Financial Instruments.

(c) 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 the Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS interim financial statements for the quarter ending 30 June 2018. In presenting its first MFRS financial statements, the Group will be required to adjust the comparative financial statements prepared under FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings

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. The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2019.

A3. Audit Qualification

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

A4. Seasonality or cyclicity of the interim operations

The production of security and confidential documents is influenced by cyclical changes in volume of certain products whilst the oil palm production and processing division is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

A5. Unusual items

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

A6. Changes in estimates

There were no changes or estimates that have a material effect to the current quarter's results.

A7. Issuances, cancellation, repurchases, resale and repayment of debt and equity securities

Saved as disclosed below, there were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial year to date.

During the current quarter, the Company repurchased 61,100 of its issued ordinary shares from the open market at an average price of RM2.18. The total consideration paid for the repurchase including transaction costs was RM134,377 and this was financed by internally generated funds. Of the total 245,324,330 issued and fully paid ordinary shares of RM0.50 each, 3,996,200 shares are held as treasury shares by the Company

A8. Dividends paid

		Cumulative Quarter Ended	
		31/03/16	31/03/15
		RM'000	RM'000
Final Dividend			
2015	15% single-tier final dividend (Paid on 9 October 2015)	18,104	-
Interim Dividend			
2014	15% single-tier 2nd interim dividend (Paid on 12 August 2014)	-	12,071
2015	10% single-tier interim dividend (Paid on 24 December 2014)	-	12,071
2016	10% single-tier interim dividend (Paid on 31 December 2015)	12,070	-
Special Dividend			
2014	5% single-tier special dividend (Paid on 12 August 2014)	-	4,023
		<u>30,174</u>	<u>28,165</u>

A9. Segmental Information

	<i>12 Months Cumulative</i>			
	Current Year to date		Preceding Year	
	31/03/16		Corresponding Period	
	Revenue	Profit	Revenue	Profit
	RM'000	Before Tax	RM'000	Before Tax
		RM'000	RM'000	RM'000
Segments				
Production and trading of security and confidential documents	268,302	54,007	266,753	50,543
Oil palm production and processing	102,614	21,357	107,116	34,420
Property management	5,607	1,121	5,597	818
Others	-	(736)	-	(1,291)
	<u>376,523</u>	<u>75,749</u>	<u>379,466</u>	<u>84,490</u>
Share of results of associate	-	1,551	-	3,337
	<u>376,523</u>	<u>77,300</u>	<u>379,466</u>	<u>87,827</u>
Eliminations	(1,316)	-	(1,452)	-
Group Results	<u>375,207</u>	<u>77,300</u>	<u>378,014</u>	<u>87,827</u>

A10. Profit Before Tax

The following amounts have been included in arriving at profit before tax:

	<i>Quarter ended</i>		<i>12 Months Cumulative</i>	
	31/03/16	31/03/15	31/03/16	31/03/15
	RM'000	RM'000	RM'000	RM'000
Other income				
Management fees	6	6	24	24
Gain on disposal of property, plant and equipment	71	10	71	14
Gain from plantation investment compensation	(5)	811	346	811
Others	1,097	1,560	3,042	3,078
Operating expenses				
Depreciation and amortisation	5,379	6,401	24,722	24,214
Foreign exchange gain	(2,423)	(749)	(3,060)	(1,224)
Impairment loss on trade receivables	666	726	1,434	1,106
Write back of impairment loss on trade receivables	(4)	17	(748)	(59)
Inventories written (back)/down	(303)	66	88	232

A11. Valuation of property, plant and equipment

The carrying amounts of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

A12. Subsequent events

There were no material events subsequent to the end of the current quarter.

A13. Changes in the composition of the Group

Saved as disclosed below, there were no changes in the composition of the Group for the current quarter and financial period to date.

On 4 December 2015, the Company announced that its wholly-owned subsidiary, FCB Plantation Holdings Sdn Bhd had completed the acquisition of 140,000 ordinary shares of RM1.00 each in R.N.E. Plantation Sdn Bhd ("R.N.E. Plantation"), representing 70% of the total issued and paid up share capital of R.N.E. Plantation for a total purchase consideration of RM4.2 million.

A14. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since the last annual balance sheet (other than as disclosed in Note B9).

A15. Capital Commitments

	As at 31/03/16 RM'000
Property, plant and equipment:	
Approved and contracted for	1,882
Approved but not contracted for	16,927
Share of capital commitments of associated companies:	
Property, plant and equipment	
Approved and contracted for	6,696
Approved but not contracted for	2

A16. Acquisition of Property, Plant and Equipment

As at the end of the financial period to date, the Group has acquired the following assets.

	Current Year to date 31/03/16 RM'000
Computer hardware and software	4,816
Plant and machinery	2,272
Office equipment and fittings	1,713
Motor vehicles	1,531
Buildings	464
	10,796

A17. Related Party Transactions

	Current Year to date 31/03/16 RM'000
Penultimate Holding Company	
Kumpulan Fima Berhad	
Rental income receivable	(749)
Management fees payable	364

A17. Related Party Transactions (Contd.)

	Current Year to date 31/03/16 RM'000
Fellow Subsidiaries :	
Fima Instanco Sdn Bhd	
Rental income receivable	(120)
Related by virtue of having common director(s) of the Company :	
Nationwide Express Courier Services Berhad	
Rental income receivable	(78)
Purchases made - Delivery services	344
Related by virtue of director(s) of the Company and/or Group having substantial interest:	
PT Pohon Emas Lestari	
Purchase of fresh fruit bunches	5,003
TD Technologies Sdn Bhd	
Services payable - Software rental	69
First Zanzibar Sdn Bhd	
Services payable - IT support	<u>44</u>

A18. Inventories

During the quarter, the amount of writedown was reversed by RM303,000.

A19. Comparative

Certain comparative amounts have been reclassified to conform with current year presentation.

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
As at 31 March 2015			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	105,181	5,690	110,871
Goodwill	6,200	(5,690)	<u>510</u>

B1. Review of Performance

	Year to date		Variance	
	31/03/16	31/03/15	RM'000	%
	RM'000	RM'000	RM'000	%
Group				
Revenue	375,207	378,014	(2,807)	(0.7)
Profit before tax	77,300	87,827	(10,527)	(12.0)

For the financial year ended 31 March 2016, the Group's revenue decreased by RM2.8 million or 0.7% to RM375.2 million from RM378.0 million last year. On the back of lower revenue and higher direct cost, profit before tax decreased by RM10.5 million or 12.0% to RM77.3 million from RM87.8 million in the previous year.

	Year to date		Variance	
	31/03/16	31/03/15	RM'000	%
	RM'000	RM'000	RM'000	%
Production and trading of security and confidential documents				
Revenue	268,302	266,753	1,549	0.6
Profit before tax	54,007	50,543	3,464	6.9

Revenue from this segment of RM268.3 million closed RM1.5 million or 0.6% higher compared to RM266.8 million revenue recorded last year, mainly due to higher sales volume of certain documents. Pretax profit improved by RM3.5 million to RM54.0 million from RM50.5 million posted last year. The improvement was mainly due to lower indirect cost.

	Year to date		Variance	
	31/03/16	31/03/15	RM'000	%
	RM'000	RM'000	RM'000	%
Oil palm production and processing				
Revenue	102,614	107,116	(4,502)	(4.2)
Profit before tax	21,357	34,420	(13,063)	(38.0)
Sales Quantity (mt)				
Crude palm oil (CPO)	44,228	45,350	(1,122)	(2.5)
Crude palm kernel oil (CPKO)	3,314	1,104	2,210	-
Palm kernel (PK)	1,899	3,526	(1,627)	-
Average CIF selling price, net of duty (RM/mt)				
CPO	2,064	2,207	(143)	(6.5)
CPKO	2,863	-	2,863	-
PK	835	873	(38)	-

Revenue for the financial year from oil palm production and processing of RM102.6 million was RM4.5 million or 4.2% lower than last year, mainly due to lower sales volume of CPO. This segment posted a profit before tax of RM21.4 million, RM13.1 million or 38.0% lower than last year. Plantation estates in Malaysia which are presently in the process of land development or palm planting registered a total pretax loss of RM1.7 million (2015: RM1.7 million).

The decrease in profit from this segment was mainly due to higher manuring cost of RM3.6 million following an improved fertilizer application programme. In addition, withholding tax on foreign dividend income increased by RM1.7 million while interest income decreased by RM1.6 million.

B1. Review of Performance (Contd.)

	Year to date		Variance	
	31/03/16	31/03/15	RM'000	%
	RM'000	RM'000	RM'000	%
Property Management				
Revenue	5,607	5,597	10	0.2
Profit before tax	1,121	818	303	37.0

Revenue from the property management division remained constant and pretax profit improved marginally by RM303,000 due to lower administration cost compared to previous year.

B2. Material change in profit before taxation for the quarter reported as compared with the preceding quarter

Group	Current	Preceding	Variance	
	Quarter	Quarter	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	85,444	92,415	(6,971)	(7.5)
Profit before tax	20,047	15,823	4,224	26.7

For the final quarter, the Group registered a revenue of RM85.4 million with a pretax profit of RM20.0 million compared to RM15.8 million pretax profit on the back of RM92.4 million revenue in the third quarter.

Production and trading of security and confidential documents	Current	Preceding	Variance	
	Quarter	Quarter	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	65,773	68,106	(2,333)	(3.4)
Profit before tax	15,968	13,932	2,036	14.6

Revenue from production of security and confidential documents for the quarter under review of RM65.8 million was RM2.3 million lower than the preceding quarter. Pretax profit increased by RM2.0 million to RM16.0 million mainly due to lower indirect cost.

Oil palm production and processing	Current	Preceding	Variance	
	Quarter	Quarter	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	18,624	23,114	(4,490)	(19.4)
Profit before tax	3,447	1,545	1,902	123.1
Sales Quantity (mt)				
Crude palm oil (CPO)	8,589	11,209	(2,620)	(23.4)
Crude palm kernel oil (CPKO)	1,115	-	1,115	-
Average CIF selling price, net of duty (RM/mt)				
CPO	1,747	2,052	(305)	(14.9)
CPKO	2,730	-	2,730	-

This segment's revenue for the quarter under review of RM18.6 million was RM4.5 million lower than the preceding quarter due to lower sales volume and lower selling price of CPO. Pretax profit increased by RM1.9 million mainly due to favourable exchange variation.

B3. Prospects

Next year's outlook for production and trading of security and confidential documents will be challenging whilst the prospects for oil palm production and processing is very much dependent on global commodity prices. Based on the current prices of palm oil products, the outlook for this segment continues to remain steady.

The Board is confident that the Group will achieve satisfactory results in 2016/2017.

B4. Variance of actual profit from forecast profit

The Group did not issue any profit forecast and/or guarantees to the public.

B5. Taxation

	Current Quarter 31/03/16 RM'000	Current Year to date 31/03/16 RM'000
Tax charge	<u>7,807</u>	<u>22,428</u>

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes and no group relief.

B6. Corporate proposals**(a) Status of corporate proposal**

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

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable

B7. Finance lease obligations

	As at 31/03/16 RM'000	As at 31/03/15 RM'000
Obligations under finance leases		
Current	646	491
Non-current	<u>16,799</u>	<u>5,094</u>
	<u>17,445</u>	<u>5,585</u>

The obligations under finance leases are in respect of the following land lease:

- i. A 99 year land lease granted to subsidiary, Gabungan Warisan Sdn Bhd to develop approximately 249.8 ha of land in Kuala Krai, Kelantan Darul Naim. The lease will expire on 2 July 2112.
- ii. Sub-leases granted to subsidiaries, Taka Worldwide Trading Sdn Bhd and Etika Gangsa Sdn Bhd over 2 parcels of land measuring approximately 404.6 ha, deemed suitable for oil palm cultivation, situated in Mukim Reli, Daerah Jajahan Gua Musang, Kelantan for a term of 66 years expiring 5 March 2075, with an option to renew for a further period of 33 years.
- iii. A 60 year lease granted to subsidiary, R.N.E. Plantation Sdn Bhd over 1 plot of agricultural land measuring 2,000 ha located at Sungai Siput, Daerah Kuala Kangsar, Perak. The lease will expire on 3 August 2075, with an option to renew for a further 30 years.

B8. Realised/unrealised profits/(losses)

	As at 31/03/16 RM'000	As at 31/03/15 RM'000
Total retained profits/(accumulated losses) of Fima Corporation Berhad and its subsidiaries:		
- Realised	429,858	411,529
- Unrealised	<u>(31,599)</u>	<u>(23,907)</u>
	398,259	387,622
Total share of retained profits/(accumulated losses) from associated company:		
- Realised	34,389	31,820
- Unrealised	<u>(4,151)</u>	<u>(3,133)</u>
	30,238	28,687
Add: Consolidation adjustments	13,551	4,419
Total group retained profits as per consolidated accounts	<u>442,048</u>	<u>420,728</u>

B9. Changes in material litigation

Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, the Company as the Principal Tenant had issued a termination notice dated 15 May 2000 to all its respective sub-tenants at Airtel Complex, Subang.

Pursuant to the above, on 28 September 2001, the Company was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being their renovation costs and general damages. The Board had sought the opinion from the solicitors who were of the opinion that there should be no compensation payable to the Plaintiff as the demised premise was acquired by a relevant authority which was provided in the Tenancy Agreement between the Company and the Plaintiff.

On 11 November 2008, the Court had disposed off this matter summarily in favour of the plaintiff and on 4 March 2009, the Company had filed its Record of Appeal to the Court of Appeal to appeal against the decision. The Company had made full provision for the compensation claim of RM2.12 million during the financial year ended 31 March 2009.

On 27 September 2011, the Court of Appeal had allowed the Company's appeal against the decision handed down by the High Court and directed that the matter be remitted back to the High Court for a full trial. There has been no development since 27 September 2011.

B10. Dividend

The Board of Directors recommend the payment of a single-tier final dividend of 15.0% or 7.5 sen per RM0.50 share for the year ending 31 March 2016 (last year: 15%), which is subject to the shareholders' approval at the forthcoming Annual General Meeting. The proposed final dividend will amount to approximately RM18.1 million (last year: RM18.1 million) and will be paid on a date to be determined.

B11. Earnings per share

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	Current Year Quarter 31/03/16	Preceding Year Corresponding Quarter 31/03/15	Current Year To Date 31/03/16	Preceding Year Corresponding Period 31/03/15
<i>Earnings</i>				
Profit attributable to owners of the Company (RM'000)	<u>11,819</u>	<u>7,926</u>	<u>51,282</u>	<u>55,761</u>
Basic Earning per Share				
Weighted average number of ordinary shares in issue	241,404,497	154,235,527	241,404,497	154,235,527
Basic earnings per share (sen)	4.90	5.14	21.24	36.15

BY ORDER OF THE BOARD

JASMIN BINTI HOOD (LS 0009071)

LEE MO LENG (MIA 9505)

Company Secretaries

Kuala Lumpur

Date: 24 May 2016