

**FIMA CORPORATION BERHAD**  
(Company No. 21185-P)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2009  
THE FIGURES HAVE NOT BEEN AUDITED**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<i>Current Quarter</i>		<i>3 Months Cumulative</i>	
	Current Year Quarter <u>30/06/09</u> RM'000	Preceding Year Corresponding Quarter <u>30/06/08</u> RM'000	Current Year To Date <u>30/06/09</u> RM'000	Preceding Year Corresponding Period <u>30/06/08</u> RM'000
Revenue	62,850	63,891	62,850	63,891
Cost of Sales	(39,900)	(38,834)	(39,900)	(38,834)
Gross Profit	22,950	25,057	22,950	25,057
Other income	310	240	310	240
Administrative Expenses	(2,311)	(2,141)	(2,311)	(2,141)
Selling and Marketing Expenses	(222)	(284)	(222)	(284)
Other Expenses	(2,185)	(2,561)	(2,185)	(2,561)
Finance costs	(360)	(432)	(360)	(432)
Share of profit in associates	3,148	1,704	3,148	1,704
<b>Profit before taxation</b>	21,330	21,583	21,330	21,583
Taxation	(4,626)	(5,649)	(4,626)	(5,649)
<b>Profit for the period</b>	<u>16,704</u>	<u>15,934</u>	<u>16,704</u>	<u>15,934</u>
Attributable to :				
Equity holders of the parent	15,334	14,006	15,334	14,006
Minority interest	1,370	1,928	1,370	1,928
<b>Profit for the period</b>	<u>16,704</u>	<u>15,934</u>	<u>16,704</u>	<u>15,934</u>
<b>Earnings per share</b>				
Basic earnings per share (sen)	19.05	17.26	19.05	17.26

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)

**FIMA CORPORATION BERHAD (Company No. 21185-P)  
CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>As at End Of Current Quarter 30/06/09 (unaudited) RM'000</b>	<b>As at Preceding Financial Year End 31/03/09 (audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	37,741	33,635
Biological assets	78,110	72,112
Investment properties	67,368	67,726
Prepaid land lease payments	6,646	6,656
Intangible assets	510	510
Interest in associates	35,946	32,799
Long term receivables	1,922	2,108
Deferred tax assets	8,736	7,120
	<b>236,979</b>	<b>222,666</b>
<b>Current Assets</b>		
Inventories	41,971	37,712
Trade receivables	74,765	78,385
Other receivables	7,699	6,803
Due from related companies	93	133
Cash and bank balances	45,092	32,203
	<b>169,620</b>	<b>155,236</b>
<b>TOTAL ASSETS</b>	<b>406,599</b>	<b>377,902</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	82,427	82,427
Share premium	534	534
Treasury shares	(3,604)	(3,574)
Foreign translation reserve	(11,924)	(22,659)
Retained earnings	203,802	188,468
	<b>271,235</b>	<b>245,196</b>
<b>Minority Interest</b>	<b>14,948</b>	<b>13,578</b>
<b>Total Equity</b>	<b>286,183</b>	<b>258,774</b>
<b>Non-Current Liabilities</b>		
Borrowings	8,144	8,144
Retirement benefit obligations	636	574
Deferred tax liabilities	1,149	2
	<b>9,929</b>	<b>8,720</b>
<b>Current Liabilities</b>		
Borrowings	35,000	35,000
Trade payables	43,187	48,087
Other payables	23,080	22,649
Provision for compensation claim	2,120	2,120
Tax payable	7,100	2,552
	<b>110,487</b>	<b>110,408</b>
<b>Total Liabilities</b>	<b>120,416</b>	<b>119,128</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>406,599</b>	<b>377,902</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<b>3.37</b>	<b>3.05</b>

**(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)**

**FIMA CORPORATION BERHAD (Company No. 21185-P)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2009**

	←-----Attributable to Equity Holders of the Parent-----→						Minority Interest	Total Equity	
	←-----Non-Distributable-----→			Distributable					
	Share Capital	Share Premium	Treasury Shares	Foreign		Retained Profits			Total
				Translation Reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>At 01 April 2008</b>	82,427	534	(2,161)	(14,424)	141,027	207,403	21,793	229,196	
Net Profit	-	-	-	-	14,006	14,006	1,928	15,934	
Purchase of Treasury Shares	-	-	(384)	-	-	(384)	-	(384)	
Foreign currency translation	-	-	-	2,439	-	2,439	-	2,439	
Redemption of loan stocks	-	-	-	-	-	-	-	-	
<b>At 30 June 2008</b>	<u>82,427</u>	<u>534</u>	<u>(2,545)</u>	<u>(11,985)</u>	<u>155,033</u>	<u>223,464</u>	<u>23,721</u>	<u>247,185</u>	
<b>At 01 April 2009</b>	82,427	534	(3,574)	(22,659)	188,468	245,196	13,578	258,774	
Net Profit	-	-	-	-	15,334	15,334	1,370	16,704	
Dividends Paid	-	-	-	-	-	-	-	-	
Purchase of Treasury Shares	-	-	(30)	-	-	(30)	-	(30)	
Foreign currency translation	-	-	-	10,735	-	10,735	-	10,735	
<b>At 30 June 2009</b>	<u>82,427</u>	<u>534</u>	<u>(3,604)</u>	<u>(11,924)</u>	<u>203,802</u>	<u>271,235</u>	<u>14,948</u>	<u>286,183</u>	

**(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)**

**FIMA CORPORATION BERHAD (Company No. 21185-P)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 30 JUNE 2009**

	3 months ended	
	<u>30/06/09</u>	<u>30/06/08</u>
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	21,330	21,583
Adjustments for :		
Depreciation for property, plant and equipment	2,072	1,817
Depreciation of investment properties	358	358
Amortisation of biological assets	869	613
Amortisation of prepaid land lease payments	21	21
Bad & doubtful debts (net)	(152)	182
Provision/(write-back) for retirement benefit obligations	45	(38)
Provision for litigation claims	-	-
Write-back for inventories	(1)	(38)
Gain on disposal of property, plant and equipment	(5)	-
Share of results of associate	(3,148)	(1,704)
Unrealised foreign exchange loss	2,220	226
Interest expense	360	432
Interest income	(719)	(123)
Operating profit before working capital changes	23,250	23,329
Increase in receivables	2,593	3,652
Increase in inventories	(4,258)	(2,538)
Decrease in related companies balances	40	287
Increase in payables	(4,469)	(4,156)
Cash generated from operations	17,156	20,574
Tax paid	(78)	(2,610)
Retirement benefit paid	(11)	(9)
Interest paid	(360)	(432)
Interest income received	719	123
Net cash generated from operating activities	<u>17,426</u>	<u>17,646</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,512)	(1,194)
Proceeds from disposal of property, plant and equipment	5	-
Net cash used in investing activities	<u>(4,507)</u>	<u>(1,194)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Purchase of Treasury Shares	(30)	(384)
Net cash used in financing activities	<u>(30)</u>	<u>(384)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase	12,889	16,068
At the beginning of financial period	<u>32,203</u>	<u>12,220</u>
At the end of financial period	<u>45,092</u>	<u>28,288</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF :</b>		
Cash and bank balances	9,751	12,824
Deposits with licensed banks	35,341	15,464
	<u>45,092</u>	<u>28,288</u>

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2009)**

**FIMA CORPORATION BERHAD (Company No. 21185-P)**  
**NOTES TO THE QUARTERLY ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2009**

Part A - FRS 134 Requirements

Part B - Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements

**PART A - FRS 134 Requirements**

**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 2009. 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 2009.

**A2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the statutory financial statements for the financial year ended 31 March 2009.

At the date of authorisation of these interim financial statements, the following new FRSs, Amendments and Interpretations were issued but not yet effective and have not been applied by the Group.

<b>FRSs, Amendments and Interpretations</b>	<b>Effective for financial periods beginning on or after</b>
FRS 4 Insurance contracts	1 January 2010
FRS 7 Financial instruments: Disclosures	1 January 2010
FRS 8 Operating segments	1 July 2009
FRS 123 Borrowing costs	1 January 2010
FRS 139 Financial instruments: Recognition and measurement	1 January 2010
Amendments to FRS 1: First-time adoption of financial reporting standards and FRS 127 Consolidation and Separate Financial Statements: Cost of an investment in a subsidiary, jointly controlled entity and associate	1 January 2010
Amendments to FRS 2 : Share-based payment: Vesting conditions and cancellations	1 January 2010
IC Interpretation 9 : Reassessment of embedded derivatives	1 January 2010
IC Interpretation 10 : Interim financial reporting and impairment	1 January 2010
IC Interpretation 11 : FRS 2 - Group and treasury share transactions	1 January 2010
IC Interpretation 13 : Customer loyalty programmes	1 January 2010
IC Interpretation 14 : FRS 119 - The limit on a defined benefit asset, minimum funding requirement and their interaction	1 January 2010

The adoption of the above FRSs, Amendments and Interpretations upon their effective dates are expected to have no significant impact on the financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139 by virtue of exemptions stipulated in FRS 7 and FRS 139.

**A3. Audit Qualification**

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

**A4. Seasonality or cyclical of the interim operations.**

The production of security and confidential documents is influenced by cyclical changes in volume of certain jobs 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.**

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial year to date except for the following:-

- i) During the current quarter, the Company repurchased 11,000 of its issued ordinary shares from the open market at an average price of RM2.70 per share. The total consideration paid for the repurchase including transaction costs was RM29,917 and this was financed by internally generated funds. Of the total 82,426,810 issued and fully paid ordinary shares as at 30 June 2009, 1,956,100 shares are held as treasury shares by the Company.

**A8. Dividends paid**

There were no dividends paid in the current quarter (last year: nil).

**A9. Segmental Information**

<u>Segments</u>	Current Year Totdate 30/06/09	
	Revenue	Profit/(Loss) Before Tax
	RM'000	RM'000
Production and trading of security & confidential documents	40,903	11,292
Oil palm production and processing	20,956	6,851
Property management	1,286	213
Others	-	(174)
	63,145	18,182
Group's share of associated company's results	-	3,148
	63,145	21,330
Eliminations	(295)	-
Group Results	62,850	21,330

**A10. Valuation of property, plant and equipment**

Property, plant and equipment are not stated at any revalued amount.

**A11. Subsequent events**

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

**A12. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to date.

**A13. Changes in contingent liabilities and contingent assets**

There were no contingent liabilities or contingent assets since the last annual balance sheet (other than changes in material litigation disclosed in Note B11).

**A14. Capital Commitments**

	<b>As at 30/06/09 RM'000</b>
Property, plant and equipment	
Approved and contracted for	3,436
Approved but not contracted for	21,995
	<u>25,431</u>

**A15. Acquisition of Property, Plant and Equipment**

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

	<b>Current Year To date 30/06/09 RM'000</b>
Plant and Machinery	3,300
Furniture, Fittings and Computers	87
Motor Vehicles	1,125
	<u>4,512</u>

**A16. Related Party Transactions**

	<b>Current Year To date 30/06/09 RM'000</b>
Kumpulan Fima Berhad, penultimate holding company	
Rental income receivable	(111)

**Fellow Subsidiaries :**

Malaysian Transnational Trading Corporation Berhad	
Rental income receivable	(24)

**Related by virtue of having common director/(s)/shareholder/(s) :**

Nationwide Express Courier Services Berhad	
Purchases made - Delivery services	59
Rental income receivable	(23)
Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	58

**A17. Inventories**

During the quarter, there was no significant write-down or write-back of inventories.

## **PART B - Bursa Securities Listing Requirements**

### **B1. Review of Performance**

For the first quarter, the Group's revenue decreased to RM62.9 million from RM63.9 million recorded in the corresponding period last year, a shortfall of RM1.0 million or 1.6%. The decrease was mainly attributable to lower revenue generated from oil palm production and processing as a result of declining prices of crude palm oil.

Profit before tax recorded for the quarter under review was RM21.3 million, representing a decrease of RM253,000 or 1.2%.

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

The Group's revenue for the current quarter at RM63.9 million was RM11.8 million higher than the preceding quarter. The improvement in the Group's revenue was mainly attributable to higher revenue from oil palm production and processing.

In tandem with the higher revenue recorded, the Group registered a RM5.8 million increase in pre-tax profit by posting a profit before tax of RM21.3 million as compared to RM15.5 million pretax profit in the preceding quarter

### **B3. Prospects**

Barring unforeseen circumstances, the Directors are of the view that the Group's overall performance will be satisfactory in the remaining quarters of the financial year.

### **B4. Variance of actual profit from forecast profit**

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

### **B5. Taxation**

	<b>Current Quarter 30/06/09 RM'000</b>	<b>Current Year To date 30/06/09 RM'000</b>
Tax charge	4,626	4,626

The effective tax rate on Group's profit to date is marginally higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes.

### **B6. Profit/Loss on sale of unquoted investments and/or properties**

There was no sale of unquoted investments or properties.

### **B7. Purchase or disposal of quoted securities**

There was no purchase or disposal of quoted securities.

### **B8. (a) Corporate proposals**

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.



## B9. Borrowings

	<b>Current Year To date 30/06/09</b>
	<b>RM'000</b>
<b>Short term borrowings</b>	
Secured	<u>35,000</u>

## B10. Off Balance Sheet financial instruments

The Group is not a party to any financial instruments which may have off-balance sheet risk at the date of this report.

## B11. Changes in material litigation

- i) A wholly-owned subsidiary of the Company ("Plaintiff") had served a Writ of Summons against a third party for arrears of rental income and other expenses amounting RM1.70 million. The defendant filed their Statement of Defence denying the tenancy contract and counter claim for over payment of RM2.06 million.

On 7 February 2003, the High Court ruled in the Plaintiff's favour in respect of the Plaintiff's application for Summary Judgement for the sum of RM1.18 million. The High Court also ordered that the remaining claim of RM0.52 million be proceeded with full trial.

On 6 March 2003, the Defendant has filed their Notice of Appeal to the Court of Appeal against the High Court decision. On 7 January 2009, the Defendant's appeal was allowed with costs by the Court of Appeal and the Plaintiff's judgment for RM1.18 million was set aside. The Defendant is given unconditional leave to defend the claim and the matter is now fixed for Case Management on 29 October 2009 and Trial on 23 November 2009 at the Kuala Lumpur High Court.

- ii) 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 24 June 2002, the Plaintiff filed its amended Writ of Summons and Statement of Claims, naming MAHB as the 2nd Defendant and on 14 January 2003, served the same to the Company. On 20 January 2003, the Company's solicitors filed an amended Statement of Defence and on 22 April 2003, the 2nd Defendant obtained an order in terms from the Court to strike out the Plaintiff's claim.

The Plaintiff served its Application for Summons in Chambers on the Company on 15 December 2003. Subsequently, the Company replied to the Plaintiff on 16 December 2003 expressly stipulating that the Rules of the High Court requires the Plaintiff to file a Notice of Pre-Trial Case Management seeking the directions of the Judge as to the further conduct of the matter.

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.

**B12. Dividend**

For the current quarter under review, no dividend has been proposed and declared (last year: nil).

**B13. Earnings per share**

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	<b>Current Year Quarter <u>30/06/09</u></b>	<b>Preceding Year Corresponding Quarter <u>30/06/08</u></b>	<b>Current Year To Date <u>30/06/09</u></b>	<b>Preceding Year Corresponding Period <u>30/06/08</u></b>
<b><i>Earnings</i></b>				
Profit attributable to ordinary equity holders of the parent (RM'000)	15,334	14,006	15,334	14,006
<b>Basic Earning per Share</b>				
Weighted average number of ordinary shares	80,481,710	81,149,360	80,481,710	81,149,360
Basic Earnings per Share (sen)	19.05	17.26	19.05	17.26

**BY ORDER OF THE BOARD**

**LEE MO LENG**  
**MOHD YUSOF BIN PANDAK YATIM**  
Company Secretaries

Kuala Lumpur  
Date : 19 August 2009