

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

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

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<i>Current Quarter</i>		<i>6 Months Cumulative</i>	
	Current Year Quarter <u>30/09/09</u> RM'000	Preceding Year Corresponding Quarter <u>30/09/08</u> RM'000	Current Year To Date <u>30/09/09</u> RM'000	Preceding Year Corresponding Period <u>30/09/08</u> RM'000
Revenue	58,628	59,017	121,478	122,908
Cost of Sales	<u>(37,095)</u>	<u>(38,373)</u>	<u>(76,995)</u>	<u>(77,207)</u>
Gross Profit	21,533	20,644	44,483	45,701
Other income	356	716	666	956
Administrative Expenses	(2,771)	(3,471)	(5,082)	(5,612)
Selling and Marketing Expenses	(215)	(473)	(437)	(757)
Other Expenses	(2,744)	(4,454)	(4,929)	(7,015)
Finance costs	(735)	(426)	(1,095)	(858)
Share of profit/(loss) in associates	<u>2,057</u>	<u>(173)</u>	<u>5,205</u>	<u>1,531</u>
<b>Profit before taxation</b>	17,481	12,363	38,811	33,946
Taxation	<u>(3,826)</u>	<u>(3,931)</u>	<u>(8,452)</u>	<u>(9,580)</u>
<b>Profit for the period</b>	<u>13,655</u>	<u>8,432</u>	<u>30,359</u>	<u>24,366</u>
Attributable to :				
Equity holders of the parent	12,716	7,952	28,050	21,958
Minority interest	939	480	2,309	2,408
<b>Profit for the period</b>	<u>13,655</u>	<u>8,432</u>	<u>30,359</u>	<u>24,366</u>
<b>Earnings per share</b>				
Basic earnings per share (sen)	15.80	9.81	34.85	27.08

(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 30/09/09 (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	36,973	33,635
Biological assets	80,584	72,112
Investment properties	67,011	67,726
Prepaid land lease payments	6,630	6,656
Intangible assets	510	510
Interest in associates	38,003	32,799
Long term receivables	1,736	2,108
Deferred tax assets	8,955	7,120
	240,402	222,666
<b>Current Assets</b>		
Inventories	35,359	37,712
Trade receivables	74,972	78,385
Other receivables	14,966	6,803
Due from related companies	531	133
Cash and bank balances	60,820	32,203
	186,648	155,236
<b>TOTAL ASSETS</b>	<b>427,050</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	(6,840)	(22,659)
Retained earnings	216,518	188,468
	289,035	245,196
<b>Minority Interest</b>	15,887	13,578
<b>Total Equity</b>	<b>304,922</b>	<b>258,774</b>
<b>Non-Current Liabilities</b>		
Borrowings	8,144	8,144
Retirement benefit obligations	650	574
Deferred tax liabilities	1,149	2
	9,943	8,720
<b>Current Liabilities</b>		
Borrowings	35,000	35,000
Trade payables	41,338	48,087
Other payables	23,208	22,649
Provision for compensation claim	2,120	2,120
Tax payable	10,519	2,552
	112,185	110,408
<b>Total Liabilities</b>	<b>122,128</b>	<b>119,128</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>427,050</b>	<b>377,902</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.59	3.05

**(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 SECOND QUARTER ENDED 30 SEPTEMBER 2009**

	<-----Attributable to Equity Holders of the Parent----->						Minority Interest	Total Equity
	<-----Non-Distributable----->			Distributable				
	Share Capital	Share Premium	Treasury Shares	Foreign Translation Reserve	Retained Profits	Total		
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	-	-	-	-	21,958	21,958	2,408	24,366
Dividends Paid	-	-	-	-	(5,456)	(5,456)	-	(5,456)
Purchase of Treasury Shares	-	-	(803)	-	-	(803)	-	(803)
Foreign currency translation	-	-	-	6,178	-	6,178	-	6,178
<b>At 30 September 2008</b>	<u>82,427</u>	<u>534</u>	<u>(2,964)</u>	<u>(8,246)</u>	<u>157,529</u>	<u>229,280</u>	<u>24,201</u>	<u>253,481</u>
<b>At 01 April 2009</b>	82,427	534	(3,574)	(22,659)	188,468	245,196	13,578	258,774
Net Profit	-	-	-	-	28,050	28,050	2,309	30,359
Purchase of Treasury Shares	-	-	(30)	-	-	(30)	-	(30)
Foreign currency translation	-	-	-	15,819	-	15,819	-	15,819
<b>At 30 September 2009</b>	<u>82,427</u>	<u>534</u>	<u>(3,604)</u>	<u>(6,840)</u>	<u>216,518</u>	<u>289,035</u>	<u>15,887</u>	<u>304,922</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 SECOND QUARTER ENDED 30 SEPTEMBER 2009**

	6 months ended	
	<u>30/09/09</u>	<u>30/09/08</u>
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	38,811	33,946
Adjustments for :		
Depreciation for property, plant and equipment	4,257	3,702
Depreciation of investment properties	715	716
Amortisation of biological assets	1,601	1,269
Amortisation of prepaid land lease payments	43	43
Bad & doubtful debts (net)	(469)	414
Provision/(write-back) for retirement benefit obligations	51	(38)
Provision for litigation claims	-	2,120
Write-back for inventories	(5)	(88)
Gain on disposal of property, plant and equipment	(5)	-
Share of results of associate	(5,204)	(1,531)
Unrealised foreign exchange loss	3,331	369
Interest expense	1,095	858
Interest income	(719)	(336)
Operating profit before working capital changes	43,502	41,444
(Increase)/decrease in receivables	(4,597)	2,546
Decrease in inventories	2,358	2,379
Increase in related companies balances	(398)	(406)
Increase in payables	(6,190)	(6,019)
Cash generated from operations	34,675	39,944
Tax paid	(485)	(4,744)
Retirement benefit paid	(16)	(9)
Interest paid	(1,095)	(858)
Interest income received	719	336
Net cash generated from operating activities	<u>33,798</u>	<u>34,669</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5,156)	(5,700)
Proceeds from disposal of property, plant and equipment	5	-
Net cash used in investing activities	<u>(5,151)</u>	<u>(5,700)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	(5,456)
Purchase of Treasury Shares	(30)	(803)
Net cash used in financing activities	<u>(30)</u>	<u>(6,259)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase	28,617	22,710
At the beginning of financial period	<u>32,203</u>	<u>12,220</u>
At the end of financial period	<u>60,820</u>	<u>34,930</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF :</b>		
Cash and bank balances	3,955	19,194
Deposits with licensed banks	56,865	15,736
	<u>60,820</u>	<u>34,930</u>

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

**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 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 did not repurchase any of its issued ordinary shares. Of the total 82,426,810 issued and fully paid ordinary shares as at 30 September 2009, 1,956,100 shares are held as treasury shares by the Company.

**A8. Dividends paid**

	Cummulative Quarter Ended	
	30/09/09	30/09/08
	RM'000	RM'000
Final Dividend Paid		
2008 - 9% less taxation 25%	-	5,456
(Paid on 11 September 2008)		

**A9. Segmental Information**

<u>Segments</u>	Current Year Todate	
	30/09/09	
	Revenue	Profit/(Loss)
	RM'000	RM'000
Production and trading of security & confidential documents	78,013	19,920
Oil palm production and processing	41,504	11,545
Property management	2,537	426
Others	-	1,715
	122,054	33,606
Group's share of associated company's results	-	5,205
	122,054	38,811
Eliminations	(576)	-
Group Results	121,478	38,811

**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**

	As at
	30/09/09
	RM'000
Property, plant and equipment	
Approved and contracted for	3,413
Approved but not contracted for	20,545
	23,958

**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 30/09/09 RM'000</b>
Plant and Machinery	3,806
Furniture, Fittings and Computers	85
Motor Vehicles	1,265
	<u>5,156</u>

**A16. Related Party Transactions**

	<b>Current Year To date 30/09/09 RM'000</b>
Kumpulan Fima Berhad, penultimate holding company Rental income receivable	(208)
<b>Fellow Subsidiaries :</b>	
Malaysian Transnational Trading Corporation Berhad Rental income receivable	(47)
<b>Related by virtue of having common director/(s)/shareholder/(s) :</b>	
Nationwide Express Courier Services Berhad Purchases made - Delivery services	83
Rental income receivable	(46)
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 1st half year under review, the Group registered a revenue of RM121.5 million, a decrease of RM1.4 million over the same period last year. 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.

A profit before tax of RM38.8 million was recorded as compared to RM33.9 million pretax profit in the previous year. The improvement was mainly due to higher share of profit in associate company.

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

During the quarter reported, the Group registered a revenue of RM58.6 million with a pretax profit of RM17.5 million as compared to RM21.3 pretax profit on the back of RM62.9 million revenue in the preceding quarter. The shortfall in pretax profit was mainly due to lower revenue from production of security and confidential documents.

### **B3. Prospects**

Barring unforeseen circumstances, the Directors are of the view that the Group's overall performance will be satisfactory in the second half 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 30/09/09 RM'000</b>	<b>Current Year Todate 30/09/09 RM'000</b>
Tax charge	3,826	8,452

The effective tax rate on Group's profit todate 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 30/09/09</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 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**

The Board of Directors declared a 8.0% interim dividend less taxation of 25% payable for the year ending 31 March 2010 (last year: 7.0% less taxation of 25%). The dividend payment will amount to approximately RM4.8 million (last year: RM4.2 million).

**B13. Earnings per share**

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	<b>Current Year Quarter</b> <b><u>30/09/09</u></b>	<b>Preceding Year Corresponding Quarter</b> <b><u>30/09/08</u></b>	<b>Current Year To Date</b> <b><u>30/09/09</u></b>	<b>Preceding Year Corresponding Period</b> <b><u>30/09/08</u></b>
<b><i>Earnings</i></b>				
Profit attributable to ordinary equity holders of the parent (RM'000)	12,716	7,952	28,050	21,958
<b>Basic Earning per Share</b>				
Weighted average number of ordinary shares	80,478,960	81,082,643	80,478,960	81,082,643
Basic Earnings per Share (sen)	15.80	9.81	34.85	27.08

**BY ORDER OF THE BOARD**

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

Kuala Lumpur  
 Date : 23 November 2009