

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008  
THE FIGURES HAVE NOT BEEN AUDITED**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<i>Current Quarter</i>		<i>9 Months Cumulative</i>	
	Current Year Quarter <u>31/12/08</u> RM'000	Preceding Year Corresponding Quarter <u>31/12/07</u> RM'000	Current Year To Date <u>31/12/08</u> RM'000	Preceding Year Corresponding Period <u>31/12/07</u> RM'000
Revenue	54,801	41,602	177,709	131,555
Cost of Sales	(40,775)	(30,799)	(117,982)	(93,476)
Gross Profit	14,026	10,803	59,727	38,079
Other income	1,294	64	2,250	1,490
Administrative Expenses	(1,355)	(1,968)	(6,967)	(6,172)
Selling and Marketing Expenses	(112)	(387)	(869)	(1,016)
Other Expenses	(2,740)	(974)	(9,755)	(4,586)
Finance costs	(431)	(304)	(1,289)	(1,079)
Share of profit in associates	1,923	1,192	3,454	3,582
<b>Profit before taxation</b>	12,605	8,426	46,551	30,298
Taxation	(2,778)	(2,083)	(12,358)	(7,694)
<b>Profit for the period</b>	<u>9,827</u>	<u>6,343</u>	<u>34,193</u>	<u>22,604</u>
Attributable to :				
Equity holders of the parent	9,162	6,622	31,120	22,301
Minority interest	665	(279)	3,073	303
<b>Profit for the period</b>	<u>9,827</u>	<u>6,343</u>	<u>34,193</u>	<u>22,604</u>
<b>Earnings per share</b>				
Basic earnings per share (sen)	11.32	8.13	38.43	27.38

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2008)

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

	<b>As at End Of Current Quarter 31/12/08 (unaudited) RM'000</b>	<b>As at Preceding Financial Year End 31/03/08 (audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant & Equipment	33,642	34,037
Biological Assets	67,625	75,840
Investment Properties	68,084	69,158
Prepaid land lease payments	6,678	6,753
Intangible assets	510	510
Interest in Associates	31,086	27,632
Long Term Receivables	2,294	2,852
Deferred Tax Assets	2,252	1,729
	212,171	218,511
<b>Current Assets</b>		
Inventories	44,979	44,095
Trade Receivables	76,782	57,711
Other Receivables	9,083	4,099
Due from Related Companies	590	41
Cash and Bank Balances	23,536	12,220
	154,970	118,166
<b>TOTAL ASSETS</b>	<b>367,141</b>	<b>336,677</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	(3,419)	(2,161)
Other Reserve	(22,528)	(14,424)
Retained Earnings	162,458	141,027
	219,472	207,403
<b>Minority Interest</b>	22,444	21,793
<b>Total Equity</b>	241,916	229,196
<b>Non-Current Liabilities</b>		
Retirement Benefit Obligations	497	582
Provision for litigation claims	2,120	-
Deferred Tax Liabilities	1,117	643
	3,734	1,225
<b>Current Liabilities</b>		
Borrowings	35,000	35,000
Trade Payables	49,489	43,756
Other Payables	29,783	25,721
Tax Payable	7,219	1,779
	121,491	106,256
<b>Total Liabilities</b>	125,225	107,481
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>367,141</b>	<b>336,677</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	2.72	2.55

**(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2008)**

**FIMA CORPORATION BERHAD (Company No. 21185-P)**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008**

	<-----Attributable to Equity Holders of the Parent----->						Minority Interest	Total Equity
	<-----Non-Distributable----->			Distributable				
	Share Capital	Share Premium	Treasury Shares	Other Reserve	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 01 April 2007</b>	82,427	534	(1,389)	-	119,379	200,951	-	200,951
Net Profit	-	-	-	-	22,301	22,301	303	22,604
Dividends Paid	-	-	-	-	(4,822)	(4,822)	-	(4,822)
Purchase of Treasury Shares	-	-	(482)	-	-	(482)	-	(482)
Issue of share capital	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	(12,950)	-	(12,950)	-	(12,950)
Revaluation of assets	-	-	-	7,842	-	7,842	1,961	9,803
Acquisition of subsidiary	-	-	-	-	-	-	22,480	22,480
<b>At 31 December 2007</b>	<u>82,427</u>	<u>534</u>	<u>(1,871)</u>	<u>(5,108)</u>	<u>136,858</u>	<u>212,840</u>	<u>24,744</u>	<u>237,584</u>
<b>At 01 April 2008</b>	82,427	534	(2,161)	(14,424)	141,027	207,403	21,793	229,196
Net Profit	-	-	-	-	31,120	31,120	3,073	34,193
Dividends Paid	-	-	-	-	(9,689)	(9,689)	-	(9,689)
Purchase of Treasury Shares	-	-	(1,258)	-	-	(1,258)	-	(1,258)
Foreign currency translation	-	-	-	(8,104)	-	(8,104)	-	(8,104)
Redemption of loan stocks	-	-	-	-	-	-	(2,422)	(2,422)
<b>At 31 December 2008</b>	<u>82,427</u>	<u>534</u>	<u>(3,419)</u>	<u>(22,528)</u>	<u>162,458</u>	<u>219,472</u>	<u>22,444</u>	<u>241,916</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 2008)**

**FIMA CORPORATION BERHAD (Company No. 21185-P)  
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008**

	9 months ended	
	31/12/08	31/12/07
	RM'000	RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	46,551	30,298
Adjustments for :		
Depreciation for property, plant and equipment	5,296	6,535
Depreciation of investment properties	1,074	-
Amortisation of biological assets	1,639	-
Amortisation of prepaid land lease payments	64	88
Bad & doubtful debts (net)	565	(2,008)
Reversal of provision for retirement benefit	-	(9)
Provision for litigation claims	2,120	-
Inventories written down	4,134	89
Share of results of associate	(3,454)	(3,582)
Unrealised foreign exchange loss	177	-
Interest expense	1,289	1,079
Interest income	(541)	(1,442)
Operating profit before working capital changes	58,914	31,048
Increase in receivables	(24,111)	(14,309)
Increase in inventories	(5,018)	(8,348)
(Increase)/Decrease in related companies balances	(549)	36,482
Increase in payables	9,795	14,997
Cash generated from operations	39,031	59,870
Tax paid	(6,918)	(8,021)
Retirement benefit paid	(66)	(44)
Interest paid	(1,289)	(1,079)
Interest income received	541	1,442
Net cash generated from operating activities	31,299	52,168
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(6,614)	(10,609)
Acquisition of subsidiary	-	(81,539)
Redemption of loan stocks	(2,422)	-
Net cash used in investing activities	(9,036)	(92,148)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(9,689)	(4,822)
Purchase of Treasury Shares	(1,258)	(482)
Drawdown of Revolving Credit	-	39,006
Net cash (used in)/generated in financing activities	(10,947)	33,702
<b>CASH AND CASH EQUIVALENTS</b>		
Net increase/(decrease)	11,316	(6,278)
At the beginning of financial period	12,220	29,198
At the end of financial period	23,536	22,920
<b>CASH AND CASH EQUIVALENTS COMPRISE OF :</b>		
Cash and bank balances	18,076	7,212
Deposits with licensed banks	5,460	15,708
	23,536	22,920

**(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2008)**

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 2008. 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 2008.

**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 2008 except for the adoption of the following new or revised Financial Reporting Standards ("FRSs"), Amendments to FRSs and Issues Committee Interpretations ("IC Interpretation") that are effective for the Group's financial statements commencing 1 April 2008.

- FRS 107 Cash flow statements
- FRS 111 Construction contracts
- FRS 118 Revenue
- FRS 119 Employee benefits
- FRS 120 Accounting for government grants and disclosure of government assistance
- FRS 126 Accounting and reporting by retirement benefits plans
- FRS 129 Financial reporting in hyperinflationary economies
- FRS 134 Interim financial reporting
- FRS 137 Provisions, contingent liabilities and contingent assets
- Amendment to FRS 121: The effects of changes in foreign exchange rates
  - net investment in a foreign operation
- IC Interpretation 1 : Changes in existing decommissioning, restoration and similar liabilities
- IC Interpretation 2 : Members' shares in co-operative entities and similar instruments
- IC Interpretation 5 : : Rights to interest arising from decommissioning, restoration and environment rehabilitation funds
- IC Interpretation 6 : Liabilities arising from participating in a specific market
  - waste electrical and electronic equipment
- IC Interpretation 7: Applying the restatement approach under FRS 129<sub>2004</sub>
  - financial reporting in hyperinflationary economies
- IC Interpretation 8 : Scope of FRS 2

The adoption of the above FRSs and IC Interpretation does not have any significant financial impact to the Group.

**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 repurchased 239,500 of its issued ordinary shares from the open market at an average price of RM1.89 per share. The total consideration paid for the repurchase including transaction costs was RM455,762 and this was financed by internally generated funds. Of the total 82,426,810 issued and fully paid ordinary shares as at 31 December 2008, 1,862,500 shares are held as treasury shares by the Company.

**A8. Dividends paid**

	Cumulative Quarter Ended	
	31/12/08	31/12/07
	RM'000	RM'000
Final Dividend Paid		
2007 - 8% less taxation 26% (Paid on 9 October 2007)		4,822
2008 - 9% less taxation 25% (Paid on 11 September 2008)	5,456	
Interim Dividend Paid		
2009 - 7% less taxation of 25% (Paid on 24 December 2008)	4,233	

**A9. Segmental Information**

<u>Segments</u>	Current Year Totale	
	31/12/08	
	Revenue	Profit/(Loss)
	RM'000	RM'000
Production and trading of security & confidential documents	122,265	29,254
Oil palm production and processing	52,331	15,366
Property management	3,974	1,042
Others	-	(2,565)
	<u>178,570</u>	<u>43,097</u>
Group's share of associated company's results	-	3,454
	<u>178,570</u>	<u>46,551</u>
Eliminations	(861)	-
Group Results	<u>177,709</u>	<u>46,551</u>

**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 31/12/08 RM'000</b>
Property, plant and equipment	
Approved and contracted for	3,512
Approved but not contracted for	14,901
	<u>18,413</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 31/12/08 RM'000</b>
Plant and Machinery	4,949
Furniture, Fittings and Computers	405
Motor Vehicles	1,260
	<u>6,614</u>

**A16. Related Party Transactions**

	<b>Current Year To date 31/12/08 RM'000</b>
Kumpulan Fima Berhad, penultimate holding company	
Rental income receivable	(333)
Sales made - Printing of documents	(22)
<b>Fellow Subsidiaries :</b>	
Malaysian Transnational Trading Corporation Berhad	
Rental income receivable	(71)
<b>Related by virtue of having common director/(s)/shareholder/(s) :</b>	
Nationwide Express Courier Services Berhad	
Purchases made - Delivery services	135
Rental income receivable	(78)
Nationwide Freight Forwarders Sdn Bhd	
Purchases made - Forwarding services	340

**A17. Inventories**

During the quarter, inventories were written down by RM4.3 million.

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

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

Revenue todate for the Group closed at RM177.7 million, an increase of RM46.2 million or 35.1% over the corresponding period of last year. The increase was mainly attributed to higher revenue generated from oil palm production and processing.

On the back of higher revenue, the Group recorded a profit before taxation of RM46.6 million, representing an increase of RM16.3 million or 53.6% over the corresponding period of last year.

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

The Group's revenue for the quarter under review at RM54.8 million was RM4.2 million or 7.1% lower than the preceding quarter. The decrease in revenue was mainly due to 50% decrease in the average selling price of crude palm oil. A pretax profit of RM12.6 million was registered, an increase of RM200,000 compared to preceding quarter.

### **B3. Prospects**

Barring unforeseen circumstances, the Directors are of the view that the Group's overall performance will be satisfactory in the final quarter 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 31/12/08 RM'000</b>	<b>Current Year Todate 31/12/08 RM'000</b>
Current year's charge	2,778	12,358

The effective tax rate on Group's profit todate is higher than the statutory tax rate mainly due to a higher tax rate of 30% applicable to a subsidiary in Indonesia and 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

**Current  
Year To date  
31/12/08**  

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**RM'000**

### Short term borrowings

Secured

35,000

## 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 is set aside. The Defendant is given unconditional leave to defend the claim and the matter is now fixed for Case Management on 9 March 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 21 November 2008, the Company had filed its Notice of Appeal to the Court of Appeal to appeal against the decision. The High Court had granted the Company an extension of time to file its Record of Appeal pending the issuance of the notes and grounds of judgment. 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.

**B13. Earnings per share**

	<i>Individual Quarter</i>		<i>Cumulative Quarter</i>	
	<i>Current Year Quarter <u>31/12/08</u></i>	<i>Preceding Year Corresponding Quarter <u>31/12/07</u></i>	<i>Current Year To Date <u>31/12/08</u></i>	<i>Preceding Year Corresponding Period <u>31/12/07</u></i>
<b><i>Earnings</i></b>				
Profit attributable to ordinary equity holders of the parent (RM'000)	9,162	6,622	31,120	22,301
<b>Basic Earning per Share</b>				
Weighted average number of ordinary shares	80,968,859	81,462,160	80,968,859	81,462,160
Basic Earnings per Share (sen)	11.32	8.13	38.43	27.38

**BY ORDER OF THE BOARD**

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

Kuala Lumpur  
 Date : 25 February 2009