

Condensed Consolidated Statement of Comprehensive Income for the Period Ended 31 October 2011

	Note	3 months ended		9 months ended	
		31.10.2011 RM'000	31.10.2010 RM'000	31.10.2011 RM'000	31.10.2010 RM'000
Revenue	4	31,236	45,722	103,321	117,113
Direct operating expenses		(20,487)	(31,297)	(71,009)	(80,709)
Gross profit		10,749	14,425	32,312	36,404
Other operating income		886	659	3,147	1,910
Operating expenses		(6,294)	(4,573)	(18,297)	(17,282)
Profit from operations		5,341	10,511	17,162	21,032
Finance costs		(663)	(322)	(1,426)	(983)
Share of profits of associates		241	463	1,340	1,237
Profit before tax		4,919	10,652	17,076	21,286
Income tax expense	19	(1,333)	(2,444)	(4,772)	(5,236)
Profit for the period attributable to owners of the parent		3,586	8,208	12,304	16,050
Other comprehensive income, net of tax:					
Net gain from translation of foreign operations		3,726	409	8,292	(2,097)
Total comprehensive income for the period attributable to owners of the parent		7,312	8,617	20,596	13,953
Earnings per share attributable to owners of the parent (sen):					
Basic/diluted, for profit for the period	28	1.6	3.6	5.5	7.1

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position As At 31 October 2011

	Note	As at 31.10.2011 RM'000	(Audited) As at 31.01.2011 RM'000
ASSETS			
Non-current assets			
Property, plant & equipment		61,570	56,064
Intangible assets		427	496
Investments in unquoted shares of associates		27,413	18,069
Investments in unquoted debentures of associate		7,790	6,404
Deferred tax asset		1,821	1,722
		<u>99,021</u>	<u>82,755</u>
Current assets			
Inventories		46,863	39,814
Trade and other receivables		28,995	41,604
Marketable securities	22	4,968	4,547
Cash and bank balances		60,722	61,714
Tax Recoverable		2,273	-
		<u>143,821</u>	<u>147,679</u>
TOTAL ASSETS		<u>242,842</u>	<u>230,434</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	8	112,652	112,650
Share premium		2,092	2,091
Other reserves		17,015	8,723
Retained earnings		43,900	40,046
Total equity		<u>175,659</u>	<u>163,510</u>
Non-current liabilities			
Borrowings	24	19,586	11,570
Deferred tax liabilities		1,815	1,845
		<u>21,401</u>	<u>13,415</u>
Current Liabilities			
Borrowings	24	15,473	16,674
Trade and other payables		27,827	36,009
Current tax payable		2,482	826
		<u>45,782</u>	<u>53,509</u>
Total liabilities		<u>67,183</u>	<u>66,924</u>
TOTAL EQUITY AND LIABILITIES		<u>242,842</u>	<u>230,434</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity for the Period Ended 31 October 2011

	Attributable to owners of the Prent						
	Non-Distributable		Distributable	Non-Distributable			
	Equity, total RM'000	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Other reserves, total RM'000	Asset Revaluation Reserve - Freehold Land RM'000	Foreign Currency Translation Reserves RM'000
At 1 February 2010	148,116	112,610	2,065	22,004	11,437	11,508	(71)
Total comprehensive income	22,085	-	-	24,799	(2,714)	-	(2,714)
Transactions with owners							
Dividends	(6,757)	-	-	(6,757)	-	-	-
Issue of ordinary shares pursuant to employee share option scheme	66	40	26	-	-	-	-
At 31 January 2011	163,510	112,650	2,091	40,046	8,723	11,508	(2,785)
At 1 February 2011	163,510	112,650	2,091	40,046	8,723	11,508	(2,785)
Total comprehensive income	20,596	-	-	12,304	8,292	-	8,292
Transactions with owners							
Dividends	(8,450)	-	-	(8,450)	-	-	-
Issue of ordinary shares pursuant to employee share option scheme	3	2	1	-	-	-	-
At 31 October 2011	175,659	112,652	2,092	43,900	17,015	11,508	5,507

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows for the Period Ended 31 October 2011

	9 months ended	
	31.10.2011 RM' 000	31.10.2010 RM' 000
Net cash generated from/(used in) operating activities	5,514	(3,613)
Net cash used in investing activities	(5,931)	(943)
Net cash used in financing activities	<u>(2,752)</u>	<u>(9,493)</u>
Net decrease in cash & cash equivalents	(3,169)	(14,049)
Effect of exchange rate changes	1,053	954
Cash & cash equivalents at beginning of the year	59,345	62,206
Cash & cash equivalents at end of the period *	<u>57,229</u>	<u>49,111</u>

* Cash and cash equivalents comprise the following as at the end of the period:

	As at 31.10.2011 RM'000	As at 31.10.2010 RM'000
Cash and bank balances	60,722	51,710
Bank overdrafts	<u>(3,493)</u>	<u>(2,599)</u>
Total cash and cash equivalents	<u>57,229</u>	<u>49,111</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Part A – Explanatory Notes Pursuant to Financial Reporting Standard 134

1. Basis of Preparation

The interim 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 January 2011. These explanatory notes attached to the interim 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 31 January 2011.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 January 2011 except for the adoption of the following new/revised FRS, Amendments to FRS and Issues Committee (“IC”) interpretations that are effective for financial year beginning 1 February 2011.

On 1 February 2011, the Group adopted the following FRSs:-

FRSs, Amendments to FRSs and Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2	Share based Payment
Amendments to FRS 2	Share based Payment - Group Cash settled Share based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether An Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 31 January 2011 was not qualified.



4. Segmental Information

The Group is organised on a worldwide basis into two major geographical segments, namely Malaysia and Overseas.

	3 months ended		9 months ended	
	31.10.2011 RM'000	31.10.2010 RM'000	31.10.2011 RM'000	31.10.2010 RM'000
Segment Revenue				
Malaysia	27,362	42,281	92,846	107,513
Overseas	3,874	3,441	10,475	9,601
Total revenue	<u>31,236</u>	<u>45,722</u>	<u>103,321</u>	<u>117,113</u>
Segment Results				
Malaysia	1,993	5,611	7,170	11,463
Overseas	1,593	2,597	5,134	4,587
Total results	<u>3,586</u>	<u>8,208</u>	<u>12,304</u>	<u>16,050</u>

5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter.

6. Changes in Estimates

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

7. Seasonality or Cyclical Factors

The Group's performance was not affected by any significant seasonal or cyclical factors.

8. Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter.

9. Changes in Composition of the Group

There are no material changes in the composition of the Group during the current quarter.

10. Discontinued Operations

No major operations were discontinued during the current quarter.

11. Capital Commitments

There were capital commitments of RM4 million for plant and equipment as at the end of the current quarter.

12. Changes in Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities or contingent assets.

13. Subsequent Events

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

14. Related Party Disclosures

The Group had the following transactions with related parties during the period:

	9 months ended	
	31.10.2011	31.10.2010
	RM'000	RM'000
Related companies: *		
Rental income for motor vehicle	11	-
Purchase of tiles	110	-
Purchase of air tickets	97	210
Professional and share registration charges	70	57
Associates:		
Sale of products	13,498	13,634

* Related companies are companies within the Johan Holdings Berhad group.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

15. Performance Review

The Group's revenue for the current quarter of RM31.236 million was 31% lower than the corresponding period. The Group's profit before tax of RM4.919 million was 54% lower than the corresponding period. The results during the current quarter were lower mainly due to deferment in the commencement of certain projects as well as deferment in the award of certain tenders for supply of meters.

16. Variation of Results Against Preceding Quarter

Group Results	Current quarter ended 31.10.2011	Preceding quarter ended 31.07.2011	Difference
	RM'000	RM'000	%
Revenue	31,236	41,350	-24
Profit before tax	4,919	7,315	-33

The Group's revenue for the current quarter of RM31.236 million was 24% lower than the preceding quarter, and the profit before tax for the current quarter of RM4.919 million was 33% lower than the preceding quarter. The lower revenue and profit was mainly due to deferment in the commencement of certain projects as well as deferment in the award of certain tenders for supply of meters.

17. Prospects

The uncertainties of European economies arising from their debt crisis continue unabated, resulting in lower demand for our products and services particularly, our exports. The trading environment in the countries in which the Group operates, remains challenging. The Board is cautious of the Group's prospects for the rest of the financial year.

18. Profit Forecast or Profit Guarantee

Not applicable.

19. Income Tax Expense

	3 months ended		9 months ended	
	31.10.2011 RM'000	31.10.2010 RM'000	31.10.2011 RM'000	31.10.2010 RM'000
Current tax:				
Malaysian income tax	727	1,943	2,499	3,881
Foreign tax	606	501	2,273	1,355
Total income tax expense	1,333	2,444	4,772	5,236

The effective tax rate for the current period was higher than the statutory tax rate principally due to the withholding taxes on dividend declared by a foreign subsidiary.

20. Disclosure of Realised and Unrealised Profit and Loss

	As at 31.10.2011 RM'000	As at 31.01.2011 RM'000
Total accumulated losses of the Company and its subsidiaries		
Realised	(84,762)	(94,115)
Unrealised	322	2,545
	<u>(84,440)</u>	<u>(91,570)</u>
Total share of retained profits from associated companies		
Realised	21,297	15,762
Unrealised	(354)	(263)
	<u>(63,497)</u>	<u>(76,071)</u>
Consolidated adjustments	107,397	116,117
Total group retained earnings as per consolidated accounts	<u>43,900</u>	<u>40,046</u>

21. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties in the current quarter.

22. Marketable Securities

Details of purchases and disposals of quoted securities are as follows:

	3 months ended		9 months ended	
	31.10.2011 RM'000	31.10.2010 RM'000	31.10.2011 RM'000	31.10.2010 RM'000
Purchase consideration	209	1,554	1,096	2,765
Sales proceeds	459	327	1,439	2,813
(Loss)/Gain on disposal	<u>(15)</u>	<u>3</u>	<u>17</u>	<u>59</u>

Details of investments in quoted securities:

	As at 31.10.2011 RM'000	As at 31.01.2011 RM'000
Marketable securities:-		
At cost	5,050	4,225
At book value	4,968	4,547
At market value	<u>4,968</u>	<u>4,547</u>

23. Corporate Proposals

There were no corporate proposals that have not been completed.

24. Borrowings

	As at 31.10.2011 RM'000	As at 31.01.2011 RM'000
Short Term Borrowings:-		
Bank overdrafts	3,493	2,369
Revolving credits	6,000	3,000
Bankers acceptances	3,080	8,679
Term loans	2,400	2,400
Hire purchase and finance lease liabilities	500	226
	15,473	16,674
Long Term Borrowings:-		
Term loans	18,156	11,056
Hire purchase and finance lease liabilities	1,430	514
	19,586	11,570
Total Borrowings	35,059	28,244

All borrowings are denominated in Ringgit Malaysia and secured against a landed property of the Group.

25. Financial Instruments

The Group does not have any outstanding derivative financial instruments.

26. Changes in Material Litigation

There are no changes in material litigation save for the following:

- i) Dura-Mine Sdn Bhd has filed an appeal and stay of execution of the judgement; and
- ii) Premier Amalgamated Sdn Bhd ("Premier") had on 8th August 2011, entered into a settlement agreement with the Company to waive any claim and/or entitlement against the Company in proceedings of the High Court suit. Premier further agreed that the Appeal is to be withdrawn with the consent of both parties.

27. Dividend Paid/ Payable

The final gross dividend of RM0.03 per share less tax at 25% for the financial year ended 31 January 2011 was approved by the shareholders on 7 July 2011 and subsequently paid on 11 August 2011 to shareholders whose name appeared in the Register of Members and/or Record of Depositors on 22 July 2011. The total gross dividend (interim and final) declared and paid for the financial year ended 31 January 2011 was RM0.05 per share. In Ringgit Malaysia term, the total net dividend for the financial year ended 31 January 2011 was RM8.448 million (FY 2010 : RM6.684 million), an increase of 26.4%.

Your board has declared an interim gross dividend of RM0.02 per share less tax at 25% (FY 2011 : RM0.02 less 25% tax) amounting to RM3.4 million (FY 2011 : RM3.4 million) for the financial year ending 31 January 2012 and subsequently paid on 31 October 2011 to shareholders whose names appear in the Register of Members and/or Record of Depositors on 12 October 2011.

No dividend has been declared for the quarter under review.

28. Earnings per Share

Basic earnings per share amount is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

a) Basic.

	3 months ended		9 months ended	
	31.10.2011	31.10.2010	31.10.2011	31.10.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	3,586	8,208	12,304	16,050
Number of ordinary shares in issue ('000)	225,302	225,274	225,300	225,219
Weighted average number of ordinary shares issued pursuant to conversion of Employee Share Option Scheme ('000)	-	1	2	44
Weighted average number of ordinary shares in issue and issuable ('000)	225,302	225,275	225,302	225,263
Earnings per share attributable to equity holders of the Company (sen):				
Basic, for profit for the period	1.6	3.6	5.5	7.1

b) Diluted

	3 months ended		9 months ended	
	31.10.2011	31.10.2010	31.10.2011	31.10.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	3,586	8,208	12,304	16,050
Weighted average number of ordinary shares in issue and issuable ('000)	225,302	225,275	225,302	225,263
Effects of dilution ('000)				
- share options	59	113	81	118
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	225,361	225,388	225,383	225,381
Earnings per share attributable to equity holders of the Company (sen):				
Diluted, for profit for the period	1.6	3.6	5.5	7.1

By Order of the Board
Teh Yong Fah
Company Secretary
8 December 2011