

Interim Report
SMIS Corporation Berhad
(Company No. 491857-V)
(Incorporated in Malaysia)
and its subsidiaries

Condensed Consolidated Statement of Financial Position as at 30 June 2012
(unaudited)

	Note	As at 30 June 2012 RM'000	As at 31 December 2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		28,571	25,754
Investment properties		507	522
Other investments		2,676	5,005
Intangible assets		2,120	2,217
Deferred tax assets		874	841
Total non current assets		34,748	34,339
Current assets			
Inventories		14,416	14,869
Trade and other receivables		35,952	31,798
Current tax assets		229	362
Cash and cash equivalents		21,167	18,895
Total current assets		71,764	65,924
TOTAL ASSETS		106,512	100,263
Equity			
Share capital		44,800	44,800
Reserves		30,695	28,569
Less: 2,575,100 treasury shares, at cost		(1,153)	(1,151)
Total equity attributable to the shareholders of the Company		74,342	72,218
Non-controlling interests		4,110	3,999
Total equity		78,452	76,217
Non-current liabilities			
Other financial liabilities		707	707
Long Term Loan	B7	2,419	-
Provision for warranty		393	337
Deferred tax liabilities		959	1,117
Total non current liabilities		4,478	2,161
Current liabilities			
Loans and borrowings	B7	3,283	2,990
Trade and other payables		19,486	18,236
Provision for warranties		337	390
Current tax liabilities		476	269
Total current liabilities		23,582	21,885
TOTAL EQUITY AND LIABILITIES		106,512	100,263
Net assets per share (RM)		1.66	1.61
		-	-

Note:-

The Condensed Consolidated Statement of Financial Position (formerly known as Balance Sheet) should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
SMIS Corporation Berhad
 (Company No. 491857-V)
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Condensed Consolidated Statement of Comprehensive Income for the 6 months period ended 30 June 2012
 (unaudited)

	Note	3 months period ended 30 June		6 months period ended 30 June	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revenue		31,354	24,998	59,252	49,512
Cost of sales		(25,614)	(20,065)	(48,507)	(39,520)
Gross profit		5,740	4,933	10,745	9,992
Operating expenses		(3,938)	(3,593)	(7,522)	(7,508)
Other operating income		280	175	540	241
Operating profit		2,082	1,515	3,763	2,725
Financing costs		(84)	(19)	(143)	(40)
Interest income		88	107	115	123
Profit before taxation		2,086	1,603	3,735	2,808
Tax expense	B5	(746)	(664)	(1,361)	(1,283)
Profit after taxation		1,340	939	2,374	1,525
Other comprehensive income, net of tax					
Fair value reserve		(130)	75	(153)	140
Foreign currency translation differences for foreign operations		126	-	(61)	-
Other comprehensive income for the period, net of tax		(4)	75	(214)	140
Total comprehensive income for the period		1,336	1,014	2,160	1,665
Profit attributable to:					
Owners of the Company		1,401	847	2,263	1,100
Non-controlling interests		(61)	92	111	425
Profit for the period		1,340	939	2,374	1,525
Total comprehensive income attributable to :					
Owners of the Company		1,397	922	2,049	1,240
Non-controlling interests		(63)	92	109	425
Total comprehensive income for the period		1,334	1,014	2,158	1,665
Basic earnings per ordinary share (sen)	B12	3.32	2.00	5.36	2.60
Diluted earnings per ordinary share (sen)		N/A	N/A	N/A	N/A

Notes :-

N/A = Not applicable

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed Consolidated Statement of Changes in Equity for the 6 months period ended 30 June 2012
(unaudited)

	Attributable to the owners of the Company							Total Equity RM'000
	Non-distributable				Distributable			
	Share capital RM'000	Share premium RM'000	Treasury share RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained profits RM'000	Non-controlling interests RM'000	
At 1 January 2012	44,800	4,891	(1,151)	(75)	252	23,501	3,999	76,217
Profit for the period	-	-	-	-	-	2,263	111	2,374
Fair value of available for sale financial assets	-	-	-	-	(153)	-	-	(153)
Purchase of treasury share at cost	-	-	(2)	-	-	-	-	(2)
Foreign currency translation differences for foreign operations	-	-	-	16	-	-	-	16
Acquisition of non-controlling interests of a new subsidiary	-	-	-	-	-	-	-	-
At 30 June 2012	<u>44,800</u>	<u>4,891</u>	<u>(1,153)</u>	<u>(59)</u>	<u>99</u>	<u>25,764</u>	<u>4,110</u>	<u>78,452</u>
At 1 January 2011	44,800	4,891	(1,136)	-	169	25,158	2,618	76,500
Profit for the year	-	-	-	-	-	(490)	620	130
Fair value of available for sale financial assets	-	-	-	-	83	-	-	83
Fair value of written put options to non controlling interests	-	-	-	-	-	(707)	-	(707)
Purchase of treasury share at cost	-	-	(15)	-	-	-	-	(15)
Foreign currency translation differences for foreign operations	-	-	-	(75)	-	-	-	(75)
Loss on dilution of shares arising from allotment of shares in a subsidiary	-	-	-	-	-	(460)	460	-
Acquisition of non-controlling interests of a new subsidiary	-	-	-	-	-	-	301	301
At 31 December 2011	<u>44,800</u>	<u>4,891</u>	<u>(1,151)</u>	<u>(75)</u>	<u>252</u>	<u>23,501</u>	<u>3,999</u>	<u>76,217</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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SMIS Corporation Berhad
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Condensed Consolidated Cash Flow Statement for the 6 months period ended 30 June 2012
(unaudited)

	For the 6 months period ended 30 June 2012 RM'000	For the 6 months period ended 30 June 2011 RM'000
Cash flows from operating activities		
Profit before taxation from operations	3,735	2,808
Adjustment for non-cash items:		
Amortisation of intangible assets	98	-
Depreciation of investment properties	15	20
Depreciation of plant and equipment	1,969	1,760
Gain on disposal of other investments	(77)	(14)
Disposal of other investment	2,252	2,015
Interest paid	132	32
Interest income	(115)	(123)
Unrealised foreign exchange (gain) / loss	(19)	(13)
Operating profit before changes in working capital	7,990	6,485
Changes in working capital:		
Inventories	453	(375)
Trade and other receivables	(4,140)	(2,376)
Trade and other payables	(2,115)	(3,208)
Cash (used in) / generated from operations	2,188	526
Income taxed paid	(1,344)	(969)
Income taxes refunded	132	-
Interest paid	(132)	(32)
Net cash (used in) / generated from operating activities	844	(475)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,412)	(2,429)
Acquisition of subsidiary	-	(2,846)
Interest received	115	123
Net cash used in investing activities	(1,297)	(5,152)
Cash flows from financing activities		
Purchase of treasury shares	(2)	(4)
Term loan	2,550	-
Repayment of term loan	(10)	-
Net cash used in financing activities	2,538	(4)
Net (decrease) / increase in cash and cash equivalents	2,085	(5,631)
Cash and cash equivalents at 1 January	15,905	20,609
Exchange rate fluctuations reserve	15	(40)
Cash and cash equivalents at 30 June	@ 18,005	14,938
@ Cash and cash equivalents comprise the following balance sheet amounts:		
Cash and bank balances	21,167	14,938
Bank overdrafts	(2,984)	-
Banker's acceptances	(178)	-
	18,005	14,938

(i)

For the 6 months period ended 30 June 2012, the Group acquired property, plant and equipment amounting to RM 4,785,620 of which RM 3,373,206 was accrued for. There was payment for assets capitalised in year ended 31 December 2011 amounting to RM 1,633,383.

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.