

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

Condensed Consolidated Statement of Financial Position as at 30 September 2013
 (unaudited)

	Note	As at 30 September 2013 RM'000	As at 31 December 2012 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		30,807	29,730
Investment properties		483	500
Other investments		4,784	2,693
Intangible assets		1,322	1,322
Deferred tax assets		943	961
Total non current assets		38,339	35,206
Current assets			
Inventories		15,236	13,651
Trade and other receivables		39,336	37,067
Current tax assets		518	223
Cash and cash equivalents		22,756	23,792
Total current assets		77,846	74,733
TOTAL ASSETS		116,185	109,939
Equity			
Share capital		44,800	44,800
Reserves		32,523	29,154
Less: 2,600,100 treasury shares, at cost		(1,166)	(1,156)
Total equity attributable to the shareholders of the Company		76,157	72,798
Non-controlling interests		5,036	4,373
Total equity		81,193	77,171
Non-current liabilities			
Other financial liabilities		707	707
Loans and borrowings	B8	3,410	2,510
Deferred tax liabilities		282	253
Total non current liabilities		4,399	3,470
Current liabilities			
Loans and borrowings	B8	3,739	5,081
Trade and other payables		24,746	23,047
Provision for warranties		815	815
Current tax liabilities		1,293	355
Total current liabilities		30,593	29,298
TOTAL EQUITY AND LIABILITIES		116,185	109,939
Net assets per share (RM)		1.70	1.62
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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 2012 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 9 months period ended 30 September 2013
(unaudited)

	3 months period ended 30 September		9 months period ended 30 September	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	34,341	28,570	97,472	87,822
Cost of sales	(27,761)	(23,820)	(78,133)	(72,327)
Gross profit	6,580	4,750	19,339	15,495
Operating expenses	(3,988)	(4,677)	(11,949)	(12,199)
Other operating income	222	(1)	628	539
Operating profit	2,814	72	8,018	3,835
Financing costs	(141)	(113)	(446)	(256)
Interest income	33	33	143	148
(Loss) / Profit before taxation	2,706	(8)	7,715	3,727
Tax expense	(962)	(398)	(2,815)	(1,759)
(Loss) / Profit after taxation	1,744	(406)	4,900	1,968
Other comprehensive income, net of tax				
Fair value reserve	19	20	55	(133)
Foreign currency translation differences for foreign operations	63	(138)	206	(199)
Other comprehensive (expense) / income for the period, net of tax	82	(118)	261	(332)
Total comprehensive (expense) / income for the period	1,826	(524)	5,161	1,636
Profit attributable to:				
Owners of the Company	1,555	(373)	4,172	1,890
Non-controlling interests	189	(33)	728	78
(Loss) / Profit for the period	1,744	(406)	4,900	1,968
Total comprehensive (expense) / income attributable to :				
Owners of the Company	1,636	(485)	4,427	1,564
Non-controlling interests	190	(37)	734	72
Total comprehensive (expense) / income for the period	1,826	(522)	5,161	1,636
Basic earnings per ordinary share (sen)	3.68	(0.88)	9.88	4.48
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 2012 and the accompanying explanatory notes attached to the interim financial statements.

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SMIS Corporation Berhad
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Condensed Consolidated Statement of Changes in Equity for the 9 months period ended 30 September 2013
(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 2013	44,800	4,891	(1,156)	(180)	88	24,355	4,373	77,171
Fair value of available-for-sale financial assets	-	-	-	-	55	-	-	55
Foreign currency translation differences for foreign operations	-	-	-	199	-	-	6	205
Total other comprehensive income for the year	-	-	-	199	55	-	6	260
Profit for the year	-	-	-	-	-	4,172	728	4,900
Dividend paid	-	-	-	-	-	(1,057)	-	(1,057)
Total comprehensive income for the period	-	-	-	199	55	3,115	734	4,103
Purchase of treasury share at cost	-	-	(10)	-	-	-	-	(10)
Disposal of investment in subsidiary	-	-	-	-	-	-	(71)	(71)
At 30 September 2013	<u>44,800</u>	<u>4,891</u>	<u>(1,166)</u>	<u>19</u>	<u>143</u>	<u>27,470</u>	<u>5,036</u>	<u>81,193</u>
At 1 January 2012	44,800	4,891	(1,151)	(75)	252	23,501	3,999	76,217
Fair value of available-for-sale financial assets	-	-	-	-	(164)	-	-	(164)
Foreign exchange translation differences	-	-	-	(105)	-	-	(4)	(109)
Total other comprehensive income for the year	-	-	-	(105)	(164)	-	(4)	(273)
Profit for the year	-	-	-	-	-	854	378	1,232
Total comprehensive income for the period	-	-	-	(105)	(164)	854	374	959
Purchase of treasury share at cost	-	-	(5)	-	-	-	-	(5)
Loss of dilution of shares arising from	-	-	-	-	-	-	-	-
At 31 December 2012	<u>44,800</u>	<u>4,891</u>	<u>(1,156)</u>	<u>(180)</u>	<u>88</u>	<u>24,355</u>	<u>4,373</u>	<u>77,171</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 2012 and the accompanying explanatory notes attached to the interim financial statements.

Interim Report
SMIS Corporation Berhad
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Condensed Consolidated Cash Flow Statement for the 9 months period ended 30 September 2013
(unaudited)

	For the 9 months period ended 30 September 2013 RM'000	For the 9 months period ended 30 September 2012 RM'000
Cash flows from operating activities		
Profit before taxation from operations	7,715	3,727
Adjustment for non-cash items:		
Amortisation of intangible assets	-	147
Bad debts written off	-	932
Depreciation of investment properties	17	22
Depreciation of plant and equipment	3,519	3,008
Gain on disposal of the investment in subsidiary	(71)	-
Gain on disposal of other investments	-	(77)
Gain on disposal of plant and equipment	(61)	-
Fixed asset written off	2	-
Disposal of other investment	(2,036)	2,239
Interest paid	420	242
Interest income	(143)	(148)
Unrealised foreign exchange (gain) / loss	83	129
Operating profit before changes in working capital	9,445	10,221
Changes in working capital:		
Inventories	(1,584)	894
Trade and other receivables	(2,351)	(5,869)
Trade and other payables	1,110	1,543
Cash (used in) / generated from operations	6,620	6,789
Income taxed paid	(2,125)	(2,352)
Income taxes refunded	-	132
Interest paid	(420)	(242)
Net cash (used in) / generated from operating activities	4,075	4,327
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,011)	(5,527)
Interest received	143	148
Proceed from disposal of property, plant and equipment	61	-
Net cash used in investing activities	(3,807)	(5,379)
Cash flows from financing activities		
Purchase of treasury shares	(10)	(5)
Repayment of hire-Purchase	(109)	-
Term loan	-	4,050
Repayment of BA	(1,573)	-
Drawdown of other borrowing	2,027	-
Repayment of term loan	(691)	(37)
Dividend paid	(1,057)	-
Net cash used in financing activities	(1,413)	4,008
Net (decrease) / increase in cash and cash equivalents	(1,145)	2,956
Exchnage rate fluctuaction reserve	206	(120)
Cash and cash equivalents at 1 January	20,677	15,905
Cash and cash equivalents at 30 September	19,738	18,741

@ Cash and cash equivalents comprise the following balance sheet amounts:

Deposits placed with licensed banks	17,372	5,227
Cash and bank balances	5,384	15,588
Bank overdrafts	(3,018)	(1,869)
Banker's acceptances	-	(205)
	19,738	18,741

(i)

For the 9 months period ended 30 September 2013, the Group acquired property, plant and equipment amounting to RM 4,519,673 of which RM 588,452 was accrued for. There was payment for assets capitalised in year ended 31 December 2012 amounting to RM 408,923.

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.