

Quarterly report on consolidated results for the second financial quarter ended 31st December 2012.
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.12.2012 RM'000	Quarter Ended 31.12.2011 RM'000	Year To Date Ended 31.12.2012 RM'000	Year To Date Ended 31.12.2011 RM'000
Revenue	9,789	11,348	19,576	20,428
Cost of Sales	<u>(7,026)</u>	<u>(6,530)</u>	<u>(13,989)</u>	<u>(13,196)</u>
Gross Profit	2,763	4,818	5,587	7,232
Other Operating Income	43	688,593	104	688,623
Selling and Distribution Costs	(185)	(406)	(427)	(780)
Administrative Expenses	(2,287)	(2,018)	(4,428)	(3,840)
Other Expenses	(185)	(180)	(703)	(180)
Finance Costs	<u>(50)</u>	<u>(62)</u>	<u>(98)</u>	<u>(118)</u>
Profit Before Tax	99	690,745	35	690,937
Tax Expense	<u>(146)</u>	<u>(290)</u>	<u>(381)</u>	<u>(789)</u>
(Loss)/Profit for the Period from Continuing Operations	(47)	690,455	(346)	690,148
Discontinued operations				
Profit for the Period from Discontinued Operations, net of tax	<u>-</u>	<u>(40,060)</u>	<u>-</u>	<u>(32,422)</u>
(Loss)/Profit for the Period	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,726</u>
Other Comprehensive Income, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income for the Period	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,726</u>
Profit/(Loss) Attributable to :				
Equity holders of the Company				
- From Continuing Operations	(47)	690,455	(346)	690,161
- From Discontinued Operations	<u>-</u>	<u>(40,060)</u>	<u>-</u>	<u>(32,422)</u>
	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,739</u>
Non-Controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13)</u>
	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,726</u>
Basic earnings per share attributable to equity holders of the Company (sen)				
- From Continuing Operations	(0.03)	486.24	(0.24)	486.03
- From Discontinued Operations	<u>-</u>	<u>(28.21)</u>	<u>-</u>	<u>(22.83)</u>
	<u>(0.03)</u>	<u>458.02</u>	<u>(0.24)</u>	<u>463.20</u>
Total Comprehensive Income Attributable to:				
Equity holders of the Company				
- From Continuing Operations	(47)	690,455	(346)	690,161
- From Discontinued Operations	<u>-</u>	<u>(40,060)</u>	<u>-</u>	<u>(32,422)</u>
	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,739</u>
Non-Controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13)</u>
	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,726</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31.12.2012 RM'000	Audited as at 30.06.2012 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	8,965	9,148
Intangible Assets	19	-
Other Investments	3,000	10
Deferred Tax Assets	446	446
	<u>12,430</u>	<u>9,604</u>
Current Assets		
Inventories	15,546	14,508
Trade Receivables	10,208	9,927
Other Receivables	1,440	1,713
Current Tax Assets	707	664
Short Term Funds	71,965	-
Deposits Placed with Financial Institutions	9,619	86,123
Cash and Bank Balances	3,112	2,639
	<u>112,597</u>	<u>115,574</u>
TOTAL ASSETS	<u>125,027</u>	<u>125,178</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	71,000	71,000
Reserves	44,785	45,131
	<u>115,785</u>	<u>116,131</u>
Non-Controlling Interests	989	989
Total Equity	<u>116,774</u>	<u>117,120</u>
Non-Current Liabilities		
Bank Borrowings	281	281
Hire Purchase and Lease Creditors	56	92
Retirement Benefit Obligations	686	620
Deferred Tax Liabilities	1	1
	<u>1,024</u>	<u>994</u>
Current Liabilities		
Trade Payables	2,389	2,224
Other Payables	2,066	2,606
Hire Purchase and Lease Creditors	47	31
Bank Borrowings	2,709	2,200
Current Tax Liabilities	18	3
	<u>7,229</u>	<u>7,064</u>
Total Liabilities	<u>8,253</u>	<u>8,058</u>
TOTAL EQUITY AND LIABILITIES	<u>125,027</u>	<u>125,178</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.82	0.82

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2012 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<----- Attributable to owners of the Company ----->				Non-Controlling Interest RM'000	Total Equity RM'000
	<----- Non-Distributable -----> Share Capital RM'000	Share Premium RM'000	Distributable Retained Profits RM'000	Total RM'000		
6 months ended 31st December 2012						
At 1st July 2012	71,000	2,147	42,984	116,131	989	117,120
Total Comprehensive Income for the Period	-	-	(346)	(346)	-	(346)
At 31st December 2012	<u>71,000</u>	<u>2,147</u>	<u>42,638</u>	<u>115,785</u>	<u>989</u>	<u>116,774</u>
6 months ended 31st December 2011						
At 1st July 2011	142,000	2,147	45,238	189,385	1,056	190,441
Total Comprehensive Income for the Period	-	-	7,343	7,343	(13)	7,330
At 31st December 2011	<u>142,000</u>	<u>2,147</u>	<u>52,581</u>	<u>196,728</u>	<u>1,043</u>	<u>197,771</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2012 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date Ended 31.12.2012 RM'000	Corresponding Year To Date Ended 31.12.2011 RM'000
Profit Before Taxation From:		
From Continuing Operations	35	690,937
From Discontinued Operations	-	(30,238)
Profit Before Taxation	<u>35</u>	<u>660,699</u>
Adjustments for :-		
Depreciation	303	7,330
Interest Income	(363)	(652)
Provision for Retirement Benefits	66	102
Allowance for Doubtful Debts	-	1,491
Property, Plant and Equipment Written Off	1	-
Impairment Loss on Investment Properties	-	180
Fair Value Adjustments on Derivative Instruments	-	(56)
Gain on Disposal of Subsidiaries	-	(710,856)
(Gain)/Loss on Disposal of Property, Plant and Equipment	(1)	755
Operating Profit Before Working Capital Changes	<u>41</u>	<u>(41,007)</u>
Changes in Working Capital		
Net Change in Current Assets	(1,046)	(9,149)
Net Change in Current Liabilities	(375)	24,795
Tax Paid	(409)	(3,151)
Cash Generated from Operating Activities	<u>(1,789)</u>	<u>(28,512)</u>
Retirement Benefits Paid	-	(44)
Interest Paid	-	(2,839)
Interest Received	363	652
Net Cash From Operating Activities	<u>(1,426)</u>	<u>(30,743)</u>
Investing Activities		
Equity Investments	-	(304)
Other Investments	(2,990)	-
Purchase of Property, Plant and Equipment	(121)	(12,489)
Purchase of Trademark/Patent	(19)	-
Disposal of Subsidiaries, net of cash and cash equivalents	-	750,118
Dividend Paid	-	(660,655)
Uplift of Fixed Deposits	-	1,966
Proceeds from Sale of Property, Plant and Equipment	1	297
Net Cash Used in Investing Activities	<u>(3,129)</u>	<u>78,933</u>
Financing Activities		
Drawdown of Bank Borrowings	2,730	46,886
Drawdown of Hire Purchase and Lease Creditors	-	750
Repayment of Bank Borrowings	(2,532)	(4,708)
Repayment of Hire Purchase and Lease Creditors	(20)	(1,426)
Net Cash From Financing Activities	<u>178</u>	<u>41,502</u>
Net Change in Cash and Cash Equivalents	(4,377)	89,692
Cash and Cash Equivalents at beginning of financial year	88,762	68,854
Cash and Cash Equivalents at end of financial period	<u>84,385</u>	<u>158,546</u>
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	9,619	13,970
Cash and Bank Balances	3,112	929
Short Term Funds	71,965	144,000
Bank Overdraft	(311)	(353)
	<u>84,385</u>	<u>158,546</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2012 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
A1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30th June 2012.

The Group has adopted the MFRS framework issued by the MASB effective for annual periods commencing on or after 1 January 2012. This MFRS framework was introduced by the MASB in order to converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 30th June 2012 except for the adoption of the new MFRS framework.

The Group has applied MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* in preparing the first MFRS framework interim financial report. In preparing this interim financial report, the Group's opening statement of financial position was prepared as at 1st July 2011 which is the Group's date of transition to MFRSs. The transition to the MFRS Framework did not have any material impact on the financial statements of the Group.

A2 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2012 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's business operations are affected by macroeconomic cycles.

A4 Nature and Amount of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A5 Nature and Amount of Changes in Estimates

There were no significant changes in estimates of amounts reported in prior quarter that have a material impact on the current financial quarter.

A6 Debt and Equity Securities

The Group was not involved in any issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividends Paid

There was no dividend paid in the current quarter ended 31st December 2012.

Dividends paid to-date are tabulated below:-

Financial Year	Description	Payment Date	Gross Dividend (%)	Net Dividend (%)	Amount Paid RM'000
2008	First & final dividend, less tax at 25%	11.11.2008	4%	3%	3,888
2009	Interim dividend, less tax at 25%	20.02.2009	2%	1.5%	1,944
	Final dividend, less tax at 25%	26.10.2009	5%	3.75%	5,325
2010	Interim dividend, less tax at 25%	02.03.2010	4%	3%	4,260
	Final dividend, less tax at 25%	19.11.2010	7%	5.25%	7,455
2011	Interim dividend, less tax at 25%	08.03.2011	5%	3.75%	5,325
	Final dividend, less tax at 25%	18.11.2011	7%	5.25%	7,455
	Special Dividend, Single Tier	09.12.2011	RM4.60 per share	-	653,200
	Total				688,852

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
A8 Segment Information

For management purposes, the Group is organized into two major business segments, namely tap-ware and sanitary ware and investments holdings/others. Inter-segment transactions are entered into in the normal course of business and are based on negotiated and mutually agreed terms.

	3 months ended 31st December 2012		
	Tap-ware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results			
Revenue	9,119	670	9,789
Operating Profit/(Loss)	556	(407)	149
Profit/(Loss) Before Tax	509	(410)	99
Segments assets			
Total Assets	38,257	86,770	125,027

	3 months ended 31st December 2011				
	Tap-ware and sanitary ware RM'000	Investment holdings/Others RM'000	Total Continuing Operations RM'000	Discontinued Operations Beverages RM'000	Total RM'000
Segments revenues and results					
Revenue	8,793	2,555	11,348	46,084	57,432
Operating Profit/(Loss)	598	690,209	690,807	(38,973)	651,834
Profit/(Loss) Before Tax	523	690,222	690,745	(39,750)	650,995
Segments assets					
Total Assets	38,933	159,402	198,335	-	198,335

A9 Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2012.

A10 Subsequent Material Events

As at the date of this report, there was no material event subsequent to the balance sheet date that affect the results of the Group for the financial year to-date.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

A12 Discontinued Operations

On 21st July 2011, the Company disposed off its entire equity interest in Permanis Sdn. Bhd. and its subsidiaries, which are engaged in selling, bottling and distribution of beverages, for cash consideration of RM820 million. The disposal was completed on 11th November 2011.

Analysis of the results of the discontinued operations are as follows:

	Preceding Year Quarter for the period from 1.10.2011 to 31.10.2011 RM'000
Revenue	46,084
Cost of Sales	<u>(27,663)</u>
Gross Profit	18,421
Other Operating Income	1,023
Selling and Distribution Costs	(13,794)
Administrative Expenses	(3,023)
Other Expenses	(41,600)
Finance Costs	<u>(777)</u>
Profit Before Tax	(39,750)
Tax Expense	<u>(310)</u>
Profit for the Period	<u><u>(40,060)</u></u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A13 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

	As at 31.12.2012 RM'000
Unsecured :-	
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	<u>2,990</u>
(ii) Hire purchase and lease facilities granted to subsidiaries	<u>-</u>

A14 Capital Commitments

Capital expenditure in respect of purchase of property, plant and equipment:-

	As at 31.12.2012 RM'000
Approved but not contracted for	<u>-</u>
Contracted but not provided	<u>-</u>

ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B1 Review of Performance

The Group performance for the quarter under review against the corresponding quarter of the previous financial year is tabled below:-

Description	2nd Qtr 2013 RM'000	2nd Qtr 2012 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue	9,789	11,348	(1,559)	-14%
Profit before tax	99	690,745	(690,646)	-100%
(Loss)/Profit after tax	(47)	690,455	(690,502)	-100%

For the current quarter, the Group recorded revenue of RM9.79 million and a profit before tax of RM99 thousand, compared to revenue of RM11.35 million and profit before tax of RM691 million recorded in the corresponding quarter last year. The revenue for the previous corresponding quarter was supported by management fees received from Permanis Sdn Bhd and short term investment income received from the placement of sale proceeds prior to the completion of the special dividend and capital reduction exercise. These items excluded, the Group actually posted a slight improvement in revenue relative to the previous corresponding quarter. The previous corresponding quarter's profit before tax was largely driven by the RM688.43 million accounting gain from the disposal of Permanis Sdn Bhd.

B2 Variation of Results Against Preceding Quarter

Description	2nd Qtr 2013 RM'000	1st Qtr 2013 RM'000	Increase/(Decrease)	
			RM'000	%
Revenue	9,789	9,787	2	0%
Profit/(Loss) before tax	99	(64)	163	-255%
Loss after tax	(47)	(299)	252	-84%

For the current quarter, the Group posted revenue slightly higher than the preceding quarter. It also posted an improvement in its profit before tax relative to the preceding quarter, due largely to the reduction in one-off professional fees incurred as part of the process of searching for new investment opportunities.

B3 Current Year Prospects

The Group has proven its capability to drive successful transformation and extensive growth of its investee companies in the past. It aims to explore opportunities to replicate its successes through new investments.

In addition, the Group will also focus on driving its remaining continuing operations, namely, its Tap and Sanitary Ware Division.

B4 Profit Forecast

Not applicable as no profit forecast was published.

B5 Tax Expense

Taxation for continuing operations comprises:

	Quarter Ended		Year To Date Ended	
	31.12.2012 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	31.12.2011 RM'000
Taxation comprises:-				
- Income Tax	146	290	381	789
- Deferred Tax	-	-	-	-
	<u>146</u>	<u>290</u>	<u>381</u>	<u>789</u>

The Group's effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses not allowed for tax deduction.

B6 Unquoted Investments and Properties

There were no disposals of unquoted investments or properties in the current financial quarter.

B7 Quoted Investments

There were no purchases or disposals of quoted securities for the current financial quarter.

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**
B8 Corporate Proposal

There were no corporate proposals announced from the date of the last quarter report to the date of this announcement.

B9 Bank Borrowings

Details of the Group's bank borrowings as at 31st December 2012 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	2,709	-	2,709
Non-Current	281	-	281
	<u>2,990</u>	<u>-</u>	<u>2,990</u>

B10 Derivative Financial Instruments

There were no recognised financial instruments as at 31st December 2012.

B11 Changes in Material Litigation

There were no changes in the material litigations of the Group since the previous quarterly report date up to the date of this report.

B12 Dividend

The Board of Directors do not recommend any dividend for the period ended 31st December 2012.

B13 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	31.12.2012 RM'000	31.12.2011 RM'000	31.12.2012 RM'000	31.12.2011 RM'000
Profit/(Loss) attributable to equity holders of the Company				
- From Continuing Operations	(47)	690,455	(346)	690,161
- From Discontinued Operations	-	(40,060)	-	(32,422)
	<u>(47)</u>	<u>650,395</u>	<u>(346)</u>	<u>657,739</u>
Weighted average number of ordinary shares in issue ('000)	<u>142,000</u>	<u>142,000</u>	<u>142,000</u>	<u>142,000</u>
	Sen	Sen	Sen	Sen
Basic earnings per share attributable to equity holders of the Company				
- From Continuing Operations	(0.03)	486.24	(0.24)	486.03
- From Discontinued Operations	-	(28.21)	-	(22.83)
	<u>(0.03)</u>	<u>458.02</u>	<u>(0.24)</u>	<u>463.20</u>

PART C - DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

C1 Total retained profits/(accumulated losses) as at 31st December 2012 as at the end of the reporting period may be analysed as follows:

	As at 31.12.2012 RM'000
Total Retained Profits/(Accumulated Losses) of C.I. Holdings Berhad and its subsidiaries:	
- Realised	(120,396)
- Unrealised	<u>465</u>
	<u>(119,931)</u>
Less: Consolidation Adjustments	<u>162,569</u>
Total Group Retained Profits as per Consolidation Accounts	<u><u>42,638</u></u>