



SCIENTEX BERHAD
(Company No: 7867-P)
(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial year ended 31 July 2011
The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT
For the financial year ended 31 July 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year
	31.7.2011 RM'000	31.7.2010 RM'000	31.7.2011 RM'000	31.7.2010 RM'000
				(Audited)
Revenue	205,200	191,686	804,023	694,816
Operating profit	26,383	21,846	97,438	70,047
Interest expense	(399)	(460)	(1,573)	(1,260)
Investing results	(34)	324	776	1,967
Profit before tax	25,950	21,710	96,641	70,754
Taxation	(4,162)	(3,491)	(16,522)	(8,614)
Profit for the quarter / year	21,788	18,219	80,119	62,140
Profit attributable to:				
Equity holders of the Company	20,777	17,829	77,246	60,318
Minority interests	1,011	390	2,873	1,822
Profit for the quarter / year	21,788	18,219	80,119	62,140
Earnings per share attributable to equity holders of the Company (sen)	9.66	8.28	35.90	28.00

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2010)



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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 July 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year
	31.7.2011 RM'000	31.7.2010 RM'000	31.7.2011 RM'000	31.7.2010 RM'000
Profit for the quarter / year	21,788	18,219	80,119	62,140
Other comprehensive loss :				
Foreign currency translation differences	(773)	(1,155)	(1,590)	(2,794)
Impairment of land and building	-	(1,428)	-	(1,428)
Total comprehensive income for the quarter / year	21,015	15,636	78,529	57,918
Total comprehensive income attributable to:				
Equity holders of the Company	20,157	15,511	75,953	56,588
Minority interests	858	125	2,576	1,330
Total comprehensive income for the quarter / year	21,015	15,636	78,529	57,918

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2010)



SCIENTEX BERHAD
(Company No.7867-P)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 July 2011

	AS AT END OF FINANCIAL YEAR ENDED 31.7.2011 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31.07.2010 RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	192,954	205,083
Land held for property development	209,275	216,675
Investment property	4,692	-
Investment in jointly controlled entity	22,499	-
Investment in associates	9,614	8,882
Other investments	5,037	5,037
	444,071	435,677
Current assets		
Property development costs	64,912	54,404
Inventories	67,763	63,375
Trade and other receivables	107,377	98,254
Cash and bank balances	40,953	23,353
	281,005	239,386
TOTAL ASSETS	725,076	675,063
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	115,000	115,000
Reserves	352,343	299,348
	467,343	414,348
Minority interests	38,778	36,449
Total equity	506,121	450,797
Non-current liabilities		
Borrowings	10,000	26,169
Retirement benefit obligations	7,097	6,313
Deferred tax liabilities	19,682	20,639
	36,779	53,121
Current liabilities		
Borrowings	37,510	42,019
Retirement benefit obligations	361	659
Trade and other payables	136,722	125,184
Income tax payable	7,583	3,283
	182,176	171,145
Total liabilities	218,955	224,266
TOTAL EQUITY AND LIABILITIES	725,076	675,063
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.17	1.92

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2010)



SCIENTEX BERHAD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JULY 2011**

	Attributable to Equity Holders of the Company										
	Reserves							Total RM'000	Minority interests RM'000	Total equity RM'000	
	Issued capital RM'000	Share premium RM'000	Property revaluation surplus RM'000	Non-distributable			Distributable				
Foreign exchange reserve RM'000				Treasury shares RM'000	Warrant and other reserves RM'000	Capital redemption reserve RM'000	Retained earnings RM'000				
At 1 August 2010	115,000	21,350	31,613	(1,371)	(21,082)	461	17,467	250,910	414,348	36,449	450,797
Effect of adopting FRS 139	-	-	-	-	-	-	-	1,439	1,439	103	1,542
At 1 August 2010, as restated	115,000	21,350	31,613	(1,371)	(21,082)	461	17,467	252,349	415,787	36,552	452,339
Total comprehensive income for the year	-	-	-	(1,293)	-	-	-	77,246	75,953	2,576	78,529
Realisation of share premium	-	(1,557)	-	-	-	-	-	1,557	-	-	-
Realisation of revaluation reserves	-	-	(2,479)	-	-	-	-	2,479	-	-	-
Acquisition of treasury shares	-	-	-	-	(729)	-	-	-	(729)	-	(729)
Acquisition of additional interest in an existing subsidiary	-	-	-	-	-	-	-	-	-	(350)	(350)
Dividends	-	-	-	-	-	-	-	(23,668)	(23,668)	-	(23,668)
At 31 July 2011	115,000	19,793	29,134	(2,664)	(21,811)	461	17,467	309,963	467,343	38,778	506,121
At 1 August 2009	115,000	21,350	35,877	985	(21,082)	461	17,467	205,034	375,092	36,137	411,229
Total comprehensive income for the year	-	-	(1,374)	(2,356)	-	-	-	60,318	56,588	1,330	57,918
Acquisition of additional interest in existing subsidiaries	-	-	-	-	-	-	-	-	-	(755)	(755)
Realisation of revaluation reserves	-	-	(2,890)	-	-	-	-	2,890	-	-	-
Shorfall of Section 108 for dividend paid	-	-	-	-	-	-	-	(100)	(100)	-	(100)
Dividends	-	-	-	-	-	-	-	(17,232)	(17,232)	-	(17,232)
Dividends for minority interests	-	-	-	-	-	-	-	-	-	(263)	(263)
At 31 July 2010	115,000	21,350	31,613	(1,371)	(21,082)	461	17,467	250,910	414,348	36,449	450,797

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2010)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the financial year ended 31 July 2011

	12 MONTHS ENDED 31.7.2011 RM'000	12 MONTHS ENDED 31.7.2010 RM'000
Net cash generated from operating activities	110,534	78,137
Net cash used in investing activities	(39,275)	(90,000)
Net cash (used in)/generated from financing activities	(53,667)	19,597
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>17,592</u>	<u>7,734</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>23,173</u>	<u>15,439</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>40,765</u>	<u>23,173</u>

Cash and cash equivalents in the cash flow statement comprise :

Cash and bank balances	8,761	21,095
Short term deposits	32,192	2,258
Bank overdrafts	(188)	(180)
	<u>40,765</u>	<u>23,173</u>

(The Condensed Consolidated Statement of Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2010)

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011

A. Compliance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2010. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 July 2010, except for the following:

(i) Adoption of New and Revised FRSs, Issues Committee ("IC") Interpretations and Amendments

In the current financial year beginning 1 August 2010, the Group adopted the following new and revised FRSs, IC Interpretations and Amendments to FRSs and IC Interpretations which are applicable to its financial statements and are relevant to its operations:

FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 132	Financial Instruments: Presentations
Amendment to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Improvements to FRSs 2009	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above pronouncements did not result in any significant changes in the accounting policies and presentation of the financial results of the Group, other than as set out below:

(a) FRS 101 (revised), Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

The Group has elected to show other comprehensive income in a separate statement from the income statement and hence, the consolidated statement of changes in equity will include only details of transactions with owners. All non-owner changes in equity are presented in the consolidated statement of comprehensive income.

This standard does not have any impact on the financial position and results of the Group.

(b) FRS 7, Financial Instruments Disclosures

With the adoption of FRS 7, financial assets and financial liabilities are disclosed in the statement of financial position based on their respective classifications. This standard requires additional disclosures, both quantitative and qualitative of the Group's exposures to risks, enhanced disclosures regarding components of the Group's financial position and performance, and possible changes to the way presenting certain items in the financial statements. However, FRS 7 disclosures are not required in the interim financial statements, and hence, no further disclosures have been made in these interim financial statements.

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A1. (i) Adoption of New and Revised FRSs, Issues Committee ("IC") Interpretations and Amendments (Contd.)

(c) FRS 139, Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are initially recorded at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 August 2010. The effects of the remeasurement on 1 August 2010 of the financial instruments brought forward from the previous financial year are adjusted to the opening retained profits as disclosed in the statement of changes in equity.

Prior to the adoption of FRS 139, financial derivatives of the Group were recognised on their settlement dates. Outstanding derivatives at the balance sheet date were not recognised. With the adoption of FRS 139, the financial derivatives are stated at fair value which is equivalent to the marking of the financial derivatives to market, using prevailing market rates. Financial derivatives with positive market values (unrealised gains) are included under current assets and financial derivatives with negative market values (unrealised losses) are included under current liabilities in the statement of financial position. Any gains or losses arising from changes in fair value on financial derivatives during the financial period that do not qualify for hedge accounting and the ineffective portion of an effective hedge, are taken directly to the income statement.

(d) Amendments to FRS 117, Leases

The amendments to FRS 117 requires entities with existing leases of lands and buildings (combined) to reassess the classification of lands as a finance or operating lease. The Group has reclassified the existing leasehold lands to property, plant and equipment following this reassessment, with no effect on the reported profit or equity. However, as a result of the adoption of the Amendments to FRS 117, comparatives balances have been restated as follows:

31 July 2010	As previously reported RM'000	Effects of changes in FRS 117 RM'000	As restated RM'000
Property, plant and equipment	170,906	34,177	205,083
Prepaid land lease payments	34,177	(34,177)	-

A2 Audit report

The Group's preceding annual financial statements for the financial year ended 31 July 2010 was not qualified.

A3 Seasonal or cyclical factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current financial quarter under review.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior interim periods that have a material effect in the current financial quarter under review.

A6 Changes in debts and equity securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares except for the following:

Treasury shares

During the current financial year ended 31 July 2011, the Company repurchased 363,200 ordinary shares of RM0.50 each from the open market. The repurchased shares were held as treasury shares. As at 31 July 2011, the number of treasury shares held was 14,959,662 ordinary shares of RM0.50 each.

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A7 Dividends paid

A single tier final dividend of 12% and single tier interim dividend of 10% amounted to RM12,916,346 and RM10,752,017 in respect of the financial year ended 31 July 2010 and 31 July 2011 was paid on 24 January 2011 and 21 July 2011 respectively.

A8 Segment information

Segment information is presented in respect of the Group's business segments.

Current financial quarter ended 31 July 2011

<u>Revenue</u>	RM'000
Manufacturing	145,607
Property development	59,593
Total revenue	205,200
 <u>Results</u>	 RM'000
Manufacturing	12,230
Property development	14,153
Profit from operations	26,383
 <u>Reconciliation of profit before taxation</u>	 RM'000
Profit from operations	26,383
Investing results	(34)
Finance cost	(399)
Profit before taxation	25,950

Current year to date ended 31 July 2011

<u>Revenue</u>	RM'000
Manufacturing	585,461
Property development	218,562
Total revenue	804,023
 <u>Results</u>	 RM'000
Manufacturing	35,441
Property development	61,997
Profit from operations	97,438
 <u>Reconciliation of profit before taxation</u>	 RM'000
Profit from operations	97,438
Investing results	776
Finance cost	(1,573)
Profit before taxation	96,641

A9 Valuation of property, plant and equipment

The land and buildings of the Group were revalued in financial year ended 31 July 2011, based on professional independent valuations using the open market value basis.

A10 Events subsequent to the end of the reporting period

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements for the said period as at the date of this report.

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A11 Changes in the composition of the Group

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

A12 Contingent liabilities

There were no contingent liabilities or assets for the Group as at the end of the current financial quarter under review.

A13 Capital commitments

Authorised capital commitment not recognised in the interim financial statements as at 31 July 2011 are as follows:

	RM'000
Approved and contracted for purchase of land and plant and machinery	<u>21,774</u>

A14 Related party transaction

The Group's related party transaction in the current financial quarter and current financial year ended 31 July 2011 are as follows:

	3 months ended 31.7.2011 RM'000	12 months ended 31.7.2011 RM'000
Purchase of goods from associated company	<u>8,521</u>	<u>30,204</u>

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2011**

B1 Review of performance

The Group recorded a revenue of RM205.2 million for the current financial quarter ended 31 July 2011, an increase of 7.1% as compared to RM191.7 million recorded in the preceding financial year corresponding quarter. Revenue of the Group for the current financial year increased by 15.7% from RM694.8 million to RM804.0 million as compared to the preceding financial year. The higher revenue achieved was contributed by both manufacturing and property division.

Profit before taxation of the Group for the current financial quarter ended 31 July 2011 was RM26.0 million, an increase of 19.5% as compared to RM21.7 million recorded in the preceding financial year corresponding quarter. The Group achieved a profit before taxation of RM96.6 million in the current financial year as compared to RM70.8 million recorded in the preceding financial year, representing an increase of 36.6%. The higher profit before taxation was consistent with the higher revenue achieved by both manufacturing and property division.

B2 Variations of the quarterly results as compared to the results of the preceding quarter

For the current financial quarter under review, the Group recorded a revenue of RM205.2 million, marginally lower as compared to RM217.3 million recorded in the preceding financial quarter

Profit before taxation for the current financial quarter under review was RM26.0 million, marginally higher as compared to RM25.9 million recorded in the preceding financial quarter.

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B3 Current financial year prospects

The Malaysian economy continues to grow albeit at a slower pace of 4.0% being achieved in the second quarter compared with the growth rate of 4.9% achieved in the first quarter of 2011 which the central bank attributed to a weaker external environment due to overall weakness in the advanced economies and the disruptions in the global manufacturing supply chain stemming from the disaster in Japan which affected the manufacturing sector (Source : Bank Negara Malaysia Press Release dated 17 August 2011 entitled "Economic And Financial Developments In Malaysia In the Second Quarter of 2011"). However, the Group continues to target sustained growth in the coming financial year amid heightened uncertainties in the global economy as downside risks to growth have increased. The initiatives undertaken by the Government to attract foreign direct investments in the various designated corridors of growth especially the Iskandar Malaysia region should continue to boost demand for residential and commercial properties in the said Iskandar region where the Group currently has a presence in. In addition, the involvement of the Group in the solar industry through its joint venture with an established solar film producer Mitsui Chemicals Tohcello., Inc. to produce solar film for the global market should also augur well for the prospects of the Group in the future when it becomes operational in mid 2012.

Save for the occurrence of a double dip recession in the United States or a sovereign debt crisis erupting in the Euro zone which would scuttle the global economic recovery, the Board remains cautiously optimistic that the prospects for the coming financial year remains intact. The Group continues to adopt a prudent approach in the management of its cash flow. With minimal borrowings and a healthy cash flow, the Group can withstand any sudden global economic downturn and to take advantage of any opportunities that may arise due to its strong fundamentals.

B4 Variations of actual profit from forecast profit

This note is not applicable as the Group did not issue and publish any profit forecast for the current financial quarter under review.

B5 Taxation

Details of tax expense for the current financial quarter were as follows :-

	3 months ended		12 months ended	
	31.7.2011	31.7.2010	31.7.2011	31.7.2010
	RM'000	RM'000	RM'000	RM'000
In respect of current quarter :				
- Income tax	5,268	4,359	17,628	9,482
- Deferred taxation	(953)	(1,403)	(953)	(1,403)
In respect of prior years :				
- Income tax	(153)	570	(153)	570
- Deferred taxation	-	(35)	-	(35)
	4,162	3,491	16,522	8,614

The Group's effective tax rate for the current financial quarter and current year to date is lower than the statutory income tax rate mainly due to utilisation of tax incentives by some of the subsidiaries.

B6 Realised and unrealised profits

	Current financial year ended 31.7.2011 RM'000
Total retained profit of the Company and its subsidiaries :	
- Realised	399,303
- Unrealised	(353)
	398,950
Total share of retained profits from associated company / jointly controlled entity:	
- Realised	6,891
- Unrealised	(278)
	6,613
Less: Consolidation adjustments	(98,079)
Total Group retained profits as per consolidated accounts	307,484

Comparison amounts are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosure.

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B7 Profit/(loss) on sale of unquoted investments and/or properties

There was no profit or loss on sale of unquoted investment and/or properties outside the ordinary course of the Group's business for the current financial quarter and current year to date under review.

B8 Quoted securities

(a) There were no additions or disposals of quoted securities for the current financial quarter under review.

(b) There were no investments in quoted securities as at the end of the current financial quarter under review.

B9 Status of corporate proposals

There were no material corporate proposals announced and not completed as at the date of this report.

B10 Borrowings and debt securities

The Group's borrowings as at 31 July 2011 were as follows :-

(a) Long Term Borrowings	RM'000	RM'000
Term Loan		
-Unsecured	10,000	10,000
 (b) Short Term Borrowings		
- Unsecured		
Term loan	6,838	
Other bank borrowings	30,672	37,510
		47,510
 Included in total borrowings are borrowings denominated in foreign currencies		RM'000
- United States Dollars		Equivalent
- Japanese Yen		32,322
		188
		32,510

B11 Derivative Financial instruments

With the adoption of FRS 139, financial derivatives are recognised on their respective contract dates. The related accounting policies are disclosed in Note A1 in the section on Notes to the Interim Financial Report.

There are currently no outstanding financial derivatives instruments as at the date of the statement of financial position 31 July 2011.

Derivative financial instruments are viewed as risk management tools by the Company and are not used for trading or speculative purposes.

For the current financial year ended 31 July 2011, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

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B12 Material litigation

There was no material litigation involving any member of the Group as at the date of this report.

B13 Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

B14 Earnings per share

		3 months ended		12 months ended	
		31.7.2011	31.7.2010	31.7.2011	31.7.2010
(a) Basic earnings per share					
Profit attributable to equity holders of the Company	(RM'000)	20,777	17,829	77,246	60,318
Weighted average number of ordinary shares in issue	('000)	215,040	215,404	215,198	215,404
Basic earnings per share	(sen)	<u>9.66</u>	<u>8.28</u>	<u>35.90</u>	<u>28.00</u>

(b) Fully diluted earnings per share

There was no dilution in earnings per share as there was no dilutive potential ordinary shares as at 31 July 2011.

By Order of the Board

Ng Boon Ngee (MAICSA 7053979)
Company Secretary

28 September 2011