



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

QUARTERLY REPORT

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

CONDENSED CONSOLIDATED INCOME STATEMENT
For the three months ended 31 October 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.10.2011 RM'000	Preceding year corresponding quarter 31.10.2010 RM'000	Current year to date 31.10.2011 RM'000	Preceding year corresponding period 31.10.2010 RM'000
Revenue	213,762	186,625	213,762	186,625
Operating profit	26,540	20,984	26,540	20,984
Interest expense	(192)	(452)	(192)	(452)
Investing results	(63)	509	(63)	509
Profit before tax	26,285	21,041	26,285	21,041
Taxation	(4,895)	(3,584)	(4,895)	(3,584)
Profit for the period	21,390	17,457	21,390	17,457
Profit attributable to:				
Owners of the parent	20,633	17,005	20,633	17,005
Non-controlling interests	757	452	757	452
Profit for the period	21,390	17,457	21,390	17,457
Earnings per share attributable to owners of the parent (sen per share)	9.59	7.89	9.59	7.89

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2011)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For the three months ended 31 October 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.10.2011 RM'000	31.10.2010 RM'000	31.10.2011 RM'000	31.10.2010 RM'000
Profit for the period	21,390	17,457	21,390	17,457
Other comprehensive income :				
Foreign currency translation	1,151	-	1,151	-
Total comprehensive income for the period, net of tax	22,541	17,457	22,541	17,457
Total comprehensive income attributable to:				
Owners of the parent	21,629	17,005	21,629	17,005
Non-controlling interests	912	452	912	452
Total comprehensive income for the period, net of tax	22,541	17,457	22,541	17,457

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2011)



SCIENTEX BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 October 2011

	AS AT CURRENT FINANCIAL QUARTER ENDED 31.10.2011 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31.07.2011 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	213,370	192,954
Investment properties	4,674	4,692
Land held for property development	208,855	209,274
Investment in jointly controlled entity	22,476	22,499
Investment in associate	9,574	9,614
Other investments	5,037	5,037
	463,986	444,070
Current assets		
Property development costs	62,481	64,912
Inventories	54,390	67,763
Trade and other receivables	122,684	107,377
Cash and bank balances	76,966	40,953
	316,521	281,005
TOTAL ASSETS	780,507	725,075
EQUITY AND LIABILITIES		
Current liabilities		
Loans and borrowings	76,355	37,510
Retirement benefit obligations	361	361
Trade and other payables	130,539	136,720
Income tax payable	8,864	7,583
	216,119	182,174
Net current assets	100,402	98,831
Non-current liabilities		
Loans and borrowings	8,750	10,000
Retirement benefit obligations	7,292	7,097
Deferred tax liabilities	19,683	19,682
	35,725	36,779
Total liabilities	251,844	218,953
Net assets	528,663	506,122
Equity attributable to owners of the parent		
Share capital	115,000	115,000
Reserves	373,973	352,344
	488,973	467,344
Non-controlling interests	39,690	38,778
Total equity	528,663	506,122
TOTAL EQUITY AND LIABILITIES	780,507	725,075
Net assets per share attributable to ordinary owners of the parent (RM)	2.27	2.17

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2011)

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTHS ENDED 31 OCTOBER 2011**

	Attributable to owners of the parent									Non-controlling interests RM'000	Total equity RM'000
				Reserves			Distributable				
	Share capital RM'000	Share premium RM'000	Property revaluation surplus RM'000	Foreign currency translation reserves RM'000	Treasury shares RM'000	Other reserves RM'000	Capital redemption reserves RM'000	Retained earnings RM'000	Equity attributable to owners of the parent, total RM'000		
At 1 August 2011	115,000	19,233	29,132	(2,664)	(21,810)	461	17,467	310,525	467,344	38,778	506,122
Total comprehensive income for the period	-	-	-	996	-	-	-	20,633	21,629	912	22,541
At 31 October 2011	115,000	19,233	29,132	(1,668)	(21,810)	461	17,467	331,158	488,973	39,690	528,663
At 1 August 2010	115,000	19,233	31,613	(1,372)	(21,081)	2,578	17,467	252,349	415,787	36,552	452,339
Total comprehensive income for the period	-	-	-	-	-	-	-	17,005	17,005	452	17,457
Transactions with owners:											
Acquisition of additional interest in existing subsidiary	-	-	-	-	-	-	-	-	-	(350)	(350)
At 31 October 2010	115,000	19,233	31,613	(1,372)	(21,081)	2,578	17,467	269,354	432,792	36,654	469,446

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 July 2011)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the three months ended 31 October 2011

	3 MONTHS ENDED 31.10.2011 RM'000	3 MONTHS ENDED 31.10.2010 RM'000
Net cash flows from operating activities	24,380	23,227
Net cash flows used in investing activities	(25,618)	(4,436)
Net cash flows from/(used in) financing activities	37,239	(13,284)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>36,001</u>	<u>5,507</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>40,765</u>	<u>23,173</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u><u>76,766</u></u>	<u><u>28,680</u></u>

Cash and cash equivalents in the cash flow statement comprise :

Cash and bank balances	33,778	27,199
Short term deposits	43,188	1,661
Bank overdrafts	(200)	(180)
	<u>76,766</u>	<u>28,680</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 2011)

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

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

A1. Changes in 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 2011. 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 2011, except for the following:

(i) Adoption of Amendments to FRSs and Issues Committee ("IC") Interpretations

On 1 August 2011, the Group adopted the following Amendments to FRSs and IC Interpretations which are mandatory for annual financial period beginning on or after 1 January 2011 and 1 July 2011 and which are relevant to its operations:

Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments Improvements to FRSs (2010)
Amendments to FRSs	[Improvement to FRSs (2010)]
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement

Except for the changes in accounting policies arising from the adoption of the new disclosures required under the Amendments to FRS 7, the Group expect that the adoption of the other standards and interpretations above will have no material impact on the current year financial statements.

A2 Audit report

The Group's preceding annual financial statements for the financial year ended 31 July 2011 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 for the current financial quarter under review.

A7 Dividends paid

No dividend has been paid in the current financial quarter under review.

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A8 Segment information

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

Current financial quarter and current year to date ended 31 October 2011

<u>Revenue</u>	RM'000
Manufacturing	154,110
Property development	59,652
Total revenue	213,762
 <u>Results</u>	RM'000
Manufacturing	9,473
Property development	17,067
Profit from operations	26,540
 <u>Reconciliation of profit before taxation</u>	RM'000
Profit from operations	26,540
Investing results	(63)
Finance cost	(192)
Profit before taxation	26,285

A9 Valuation of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the audited financial statements for the year ended 31 July 2011

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.

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, except for the followings:

The Companies Commission of Malaysia ("CCM") had issued notices dated 27 October 2011 for dormant subsidiaries of the Group, Scientex Resources Sdn Bhd and Scientex Containers Sdn Bhd to be struck off from the register under Section 308 of the Companies Act, 1965, upon expiration of the 3 months from the date of the CCM's notices, unless cause is shown to the contrary.

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 October 2011 are as follows:

	RM'000
Approved and contracted for purchase of plant and machinery	2,215

A14 Related party transactions

The Group's related party transactions in the current financial quarter ended 31 October 2011 are as follows:

	3 months ended	
	31.10.2011	31.10.2010
	RM'000	RM'000
Purchase of goods from associated company	9,589	7,072
Rental income from jointly controlled entity	(232)	-
	9,357	7,072

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

B1 Review of performance

The Group recorded a revenue of RM213.8 million for the current financial quarter ended 31 October 2011, an increase of 14.5% as compared to RM186.6 million recorded in the preceding financial year corresponding quarter. 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 October 2011 was RM26.3 million, an increase of 24.9% as compared to RM21.0 million recorded in the preceding financial year corresponding quarter. 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 RM213.8 million, marginally higher as compared to RM205.2 million recorded in the preceding financial quarter.

Profit before taxation for the current financial quarter under review was RM26.3 million, marginally higher as compared to RM26.0 million recorded in the preceding financial quarter.

B3 Current financial year prospects

The Malaysian economy registered a higher growth of 5.8% for the third quarter of 2011 which was attributable to stronger domestic demand (Source: Bank Negara Malaysia Press Release). However, the current Eurozone sovereign debt crisis continue to pose a serious risk to the prospect of a global economic recovery. Against this backdrop, the Group would be shifting its focus more on the resilient Asia Pacific region and to explore the strong demand from the emerging regional markets to ensure that the Group's products continue to enjoy sustainable growth. The implementation of the Economic Transformation Programme ("ETP") and the 10th Malaysian Plan should also serve to boost domestic demand for the Group's products. Barring unforeseen circumstances of another global financial crisis, the prospects of the Group should remain intact.

The Board has taken cognizance of the market uncertainties and challenging business environment and will continue to adopt a prudent and cautious approach in its business dealings and management of its cash flow in light of the heightened downside risks. As part of this defensive approach, the Group maintains a healthy cash flow position and is confident that it can withstand any sudden global economic downturn should it occur and at the same time to explore 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	
	31.10.2011	31.10.2010
	RM'000	RM'000
In respect of current quarter :		
- Income tax	4,895	3,584

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.

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B6 Realised and unrealised profits	Current quarter ended 31.10.2011 RM'000	Preceding year corresponding quarter ended 31.10.2010 RM'000
Total retained profit of the Company and its subsidiaries :		
- Realised	424,686	292,913
- Unrealised	(1,052)	1,398
	<u>423,634</u>	<u>294,311</u>
Total share of retained profits from associated company / jointly controlled entity:		
- Realised	6,852	6,594
- Unrealised	(278)	(203)
	<u>430,208</u>	<u>300,702</u>
Less: Consolidation adjustments	(99,050)	(31,348)
Total Group retained earnings	<u><u>331,158</u></u>	<u><u>269,354</u></u>

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 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 October 2011 were as follows :-

(a) Long Term Borrowings	RM'000	RM'000
Term Loan		
-Unsecured	<u>8,750</u>	8,750
(b) Short Term Borrowings		
- Secured		
Other bank borrowings	2,000	
- Unsecured		
Term loan	5,000	
Other bank borrowings	<u>69,355</u>	<u>76,355</u>
		<u><u>85,105</u></u>
		RM'000
Included in total borrowings are borrowings denominated in foreign currencies		Equivalent
- United States Dollars		69,155
- Japanese Yen		200
		<u><u>69,355</u></u>

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B11 Derivative Financial instruments

There are currently no outstanding financial derivatives instruments as at the date of the statement of financial position 31 October 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 quarter ended 31 October 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.

B12 Material litigation

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

B13 Dividends

In respect of the financial year ended 31 July 2011, the Board of Directors recommended a single tier final dividend of 14%. The dividend has been approved by the shareholders at the Annual General Meeting held on 15 December 2011 and is payable on 16 January 2012 to depositors registered in the Record of Depositors on 3 January 2012.

B14 Earnings per share

		3 months ended	
		31.10.2011	31.10.2010
(a) Basic earnings per share			
Profit attributable to equity holders of the Company	(RM'000)	20,633	17,005
Weighted average number of ordinary shares in issue	('000)	215,040	215,404
Basic earnings per share	(sen)	9.59	7.89

(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 October 2011.

By Order of the Board

Ng Boon Ngee (MAICSA 7053979)
Company Secretary

15 December 2011