

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Income Statement**  
**For the Second Quarter Ended 30 June 2012**

The figures have not been audited

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR PERIOD TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD TO-DATE
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	276,382	252,279	548,612	485,836
Cost of sales	(220,560)	(200,379)	(433,020)	(389,948)
<b>Gross Profit</b>	<hr/> 55,822	<hr/> 51,900	<hr/> 115,592	<hr/> 95,888
Other operating income	1,318	3,289	2,328	5,398
Selling & administrative expenses	(38,514)	(38,165)	(75,163)	(76,797)
Finance costs	(4,098)	(3,107)	(7,660)	(6,540)
Net gain/(loss) on financial instruments at fair value	(900)	(13)	(1,246)	(65)
Share of profit/(loss) of associates	141	287	194	611
<b>Profit Before Tax</b>	<hr/> 13,769	<hr/> 14,191	<hr/> 34,045	<hr/> 18,495
Taxation - company & subsidiary	(1,811)	(2,106)	(4,004)	(1,836)
<b>Net Profit For The Period</b>	<hr/> <b>11,958</b>	<hr/> <b>12,085</b>	<hr/> <b>30,041</b>	<hr/> <b>16,659</b>
Net profit/(loss) attributable to:				
Owners of the parent	12,312	12,532	31,978	18,283
Non-controlling interests	(354)	(447)	(1,937)	(1,624)
	<hr/> 11,958	<hr/> 12,085	<hr/> 30,041	<hr/> 16,659
Earnings per share (Note B 13 )				
- Basic (Sen)	2.40	2.44	6.23	3.56
- Diluted	2.40	2.44	6.23	3.56

**The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2011 and the accompanying explanatory notes attached to the interim financial statements.**

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Comprehensive Income****For the Second Quarter Ended 30 June 2012**

The figures have not been audited

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 6 MONTHS ENDED	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	CORRESPONDING	PERIOD	CORRESPONDING
	30 June 2012 RM'000	30 June 2011 RM'000	TO-DATE 30 June 2012 RM'000	PERIOD TO-DATE 30 June 2011 RM'000
<b>Net Profit For The Period</b>	11,958	12,085	30,041	16,659
<b>Other comprehensive income</b>				
Currency translation differences	1,996	(3,968)	(1,499)	(8,842)
Changes in fair value of cash flow hedges	(227)	(9)	588	244
<b>Other comprehensive income net of tax</b>	1,769	(3,977)	(911)	(8,598)
Total comprehensive income/(loss) for the period	13,727	8,108	29,130	8,061
Total comprehensive income/(loss) attributable to:				
Owners of the parent	14,081	8,555	31,067	9,685
Non-controlling interests	(354)	(447)	(1,937)	(1,624)
	13,727	8,108	29,130	8,061

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

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Financial Position****As at 30 June 2012****The figures have not been audited**

	<b>As at 30 June 2012 RM'000 (Unaudited)</b>	<b>As at 31 December 2011 RM'000 (Audited)</b>	<b>As at 1 January 2011 RM'000 (Audited)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	841,679	865,133	847,890
Other intangible asset	190	202	
Land use rights	52,239	17,459	16,048
Investments in associates	10,254	10,140	10,290
Goodwill	19,927	19,591	18,458
Plantation development expenditure	2,530	-	-
Derivatives	-	21	544
	926,819	912,546	893,230
<b>Current assets</b>			
Inventories	168,595	157,126	130,173
Trade receivables	74,660	75,927	69,090
Other receivables, deposits & prepayments	127,009	41,741	57,865
Derivatives	50	754	459
Investments in unit trust	442	436	381
Cash and cash equivalents	118,805	118,497	118,539
	489,561	394,481	376,507
<b>TOTAL ASSETS</b>	<b>1,416,380</b>	<b>1,307,027</b>	<b>1,269,737</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital	128,250	128,250	128,250
Share premium	113,129	113,129	113,129
Treasury shares	(2)	(2)	-
Retained earnings	604,166	579,883	516,281
Other reserve	(3,461)	(2,550)	2,633
	842,082	818,710	760,293
Non-controlling interests	9,834	11,771	9,601
<b>Total equity</b>	851,916	830,481	769,894
<b>Non-current liabilities</b>			
Deferred tax liabilities	10,543	9,942	8,759
Long-term borrowings	179,769	200,001	236,452
Derivatives	-	7	17
Other payables	907	908	440
	191,219	210,858	245,668
<b>Current liabilities</b>			
Trade payables	61,681	61,021	47,457
Other payables and accruals	95,221	85,861	78,962
Short-term borrowings	212,951	117,468	126,631
Provision for taxation	2,341	19	837
Derivatives	1,051	1,319	289
	373,245	265,688	254,175
<b>Total liabilities</b>	564,464	476,546	499,843
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,416,380</b>	<b>1,307,027</b>	<b>1,269,737</b>

<i>Net assets per share (RM) **</i>	1.66	1.62	1.50
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\*\* Net assets per share is calculated based on Total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares of RM0.25 each in issue as at 31 December 2011.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2011 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS

**Condensed Consolidated Statements of Changes in Equity  
For the Financial Period Ended 30 June 2012**

The figures have not been audited

	Attributable to Owners of the Parent								Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interests RM'000	
<b>6 months period ended 30 June 2012</b>									
<b>At 1 January 2012</b>	128,250	113,129	(2)	(706)	(1,844)	579,883	818,710	11,771	830,481
Total comprehensive income for the period	-	-	-	588	(1,499)	31,978	31,067	(1,937)	29,130
Dividends	-	-	-	-	-	(7,695)	(7,695)	-	(7,695)
<b>At 30 June 2012</b>	<b>128,250</b>	<b>113,129</b>	<b>(2)</b>	<b>(118)</b>	<b>(3,343)</b>	<b>604,166</b>	<b>842,082</b>	<b>9,834</b>	<b>851,916</b>
<b>6 months period ended 30 June 2011</b>									
<b>At 1 January 2011</b>	128,250	113,129	-	657	1,976	516,281	760,293	9,601	769,894
Repurchase of treasury shares	-	-	(1)	-	-	-	(1)	-	(1)
Total comprehensive income for the period	-	-	-	244	(8,842)	18,283	9,685	(1,624)	8,061
<b>At 30 June 2011</b>	<b>128,250</b>	<b>113,129</b>	<b>(1)</b>	<b>901</b>	<b>(6,866)</b>	<b>534,564</b>	<b>769,977</b>	<b>7,977</b>	<b>777,954</b>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**EVERGREEN FIBREBOARD BERHAD (217120 W)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****Condensed Consolidated Statement of Cash Flows****For the Second Quarter Ended 30 June 2012****The figures have not been audited**

	<b>6 MONTHS ENDED 30 June 2012 RM'000</b>	<b>6 MONTHS ENDED 30 June 2011 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	34,045	18,495
Adjustment for :-		
Non-cash items	37,842	26,113
Non-operating items (which are investing/financing)	(114)	74
Interest income	(904)	(814)
Interest expense	7,660	6,540
Operating profit before changes in working capital	<u>78,529</u>	<u>50,408</u>
<b>Changes in working capital</b>		
Net Change in inventory	(11,469)	(9,532)
Net Change in trade and other receivables	(84,532)	18,298
Net Change in trade and other payables	10,024	(122)
Total changes in working capital	<u>(85,977)</u>	<u>8,643</u>
Interest paid	(7,660)	(6,540)
Income taxes paid	(661)	(4,585)
	<u>(8,321)</u>	<u>(11,125)</u>
Net cash flow generated from/(used in) operating activities	<u>(15,769)</u>	<u>47,927</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
- Acquisition of business/ subsidiaries	(37,951)	-
- Purchase of property, plant and equipment	(14,301)	(32,426)
- Proceeds from disposal of property, plant and equipment	188	162
- Interest received	904	814
Net cash flow generated from/(used in) investing activities	<u>(51,160)</u>	<u>(31,450)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
- Purchase of treasury shares	-	(1)
- Dividend Paid	(7,695)	(7,695)
- Drawdown of borrowings	108,990	30,242
- Repayment of borrowings	(34,052)	(48,187)
Net cash flow generated from/(used in) financing activities	<u>67,243</u>	<u>(25,641)</u>
Net Change in Cash & Cash Equivalents	314	(9,165)
Cash and Cash Equivalents at beginning of period	118,933	118,920
Cash and Cash Equivalents at end of period	<u>119,247</u>	<u>109,755</u>
Cash and cash equivalents at the end of the financial period		
Cash and Cash Equivalents	118,805	104,358
Investments in Unit Trust	442	5,397
	<u>119,247</u>	<u>109,755</u>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010 and the accompanying explanatory notes attached to the interim financial statements.**