

ORNAPAPER BERHAD
 (Company No.: 573695 W)
 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE 9-MONTH PERIOD ENDED 30 SEP 2012**

	Note	Current quarter 3 months ended		Cumulative quarter 9 months ended	
		30-Sep-2012 RM'000	30-Sep-2011 RM'000	30-Sep-2012 RM'000	30-Sep-2011 RM'000
Continuing operations					
Revenue		57,328	56,337	170,364	170,464
Cost of sales		(46,784)	(46,472)	(139,142)	(141,026)
Gross profit		10,544	9,865	31,222	29,438
Other items of income					
- Interest income		16	22	27	24
- Other income		136	155	505	463
Other items of expense					
- Administrative and other expenses		(7,532)	(7,508)	(21,436)	(21,651)
- Interest expense		(877)	(871)	(2,590)	(2,429)
Profit from continuing operations, before tax	8	2,287	1,663	7,728	5,845
Income tax expense	9	(118)	(100)	(673)	(700)
Profit from continuing operations, net of tax		2,169	1,563	7,055	5,145
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		2,169	1,563	7,055	5,145
Profit from continuing operation, net of tax, attributable to:					
Owners of the parent		2,146	1,560	6,929	5,074
Non-controlling interests		23	3	126	71
		2,169	1,563	7,055	5,145
Earnings per share attributable to owners of the parent (sen per share):					
- Basic	10	2.86	2.07	9.23	6.74
- Diluted	10	2.86	2.07	9.23	6.74

These condensed consolidated statements of comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEP 2012

	Note	As At 30-Sep-2012 RM'000	As At 31-Dec-2011 RM'000	As At 1-Jan-2011 RM'000
ASSETS				
Non-current assets				
Property, plant and equipment		98,377	97,597	86,194
Land use rights		4,447	4,553	3,726
Investment securities		-	-	244
Goodwill		1,633	1,633	1,633
		<u>104,457</u>	<u>103,783</u>	<u>91,797</u>
Current assets				
Inventories		22,725	22,027	23,655
Trade receivables		52,847	52,257	54,019
Other receivables		2,590	2,580	4,655
Fixed deposit		807	798	266
Cash and bank balances		8,049	5,697	12,279
Tax recoverable		598	655	597
Other current assets		7,253	5,323	3,725
Derivatives asset		-	-	-
		<u>94,869</u>	<u>89,337</u>	<u>99,196</u>
Assets held for sale		-	-	440
		<u>94,869</u>	<u>89,337</u>	<u>99,636</u>
TOTAL ASSETS		<u>199,326</u>	<u>193,120</u>	<u>191,433</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	16	75,251	75,251	75,251
Share premium	16	11,156	11,156	11,156
Treasury shares	16	(461)	-	-
Retained earnings		28,086	21,157	15,356
		<u>114,032</u>	<u>107,564</u>	<u>101,763</u>
Non-controlling interests		723	597	605
TOTAL EQUITY		<u>114,755</u>	<u>108,161</u>	<u>102,368</u>
Non-current liabilities				
Loans and borrowings	17	10,712	5,362	6,103
Deferred tax liabilities		3,305	3,305	2,946
		<u>14,017</u>	<u>8,667</u>	<u>9,049</u>
Current liabilities				
Loans and borrowings	17	49,315	57,220	53,837
Trade payables		15,460	12,876	17,932
Other payables		5,569	6,086	7,934
Income tax payable		195	110	313
Derivatives liabilities		15	-	-
		<u>70,554</u>	<u>76,292</u>	<u>80,016</u>
TOTAL LIABILITIES		<u>84,571</u>	<u>84,959</u>	<u>89,065</u>
TOTAL EQUITY AND LIABILITIES		<u>199,326</u>	<u>193,120</u>	<u>191,433</u>
NET ASSETS PER SHARE				
Attributable to owners of the parent (RM)		<u>1.52</u>	<u>1.43</u>	<u>1.35</u>

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

ORNAPAPER BERHAD
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 9-MONTH PERIOD ENDED 30 SEP 2012**

	9 months ended	
	30-Sep-2012 RM'000	30-Sep-2011 RM'000
Operating activities		
Profit before taxation	7,728	5,845
Adjustments for:		
Depreciation and amortisation :		
- Property, plant & equipment	6,437	5,738
- Land use right	106	91
Property, plant and equipment written off	1,091	542
Allowance for impairment loss on receivable	-	1,550
Reversal of impairment loss on trade receivable	(21)	(29)
Net (gain) / loss on disposal of property, plant and equipment	108	(55)
Bad debts written off	-	-
Net (gain) / loss on unquoted share	-	-
Net fair loss on quoted share	-	13
(Gain) / loss on fair value changes of derivatives	15	-
Interest expense	2,270	2,020
Interest income	(30)	(25)
Operating cash flows before changes in working capital	<u>17,704</u>	<u>15,690</u>
(Increase)/decrease in inventories	(698)	(2,010)
(Increase)/decrease in trade and other receivable	(2,507)	(14,983)
Increase/(decrease) in trade and other payable	<u>2,065</u>	<u>1,015</u>
Cash generated from operation	16,564	(288)
Interest paid	(2,270)	(2,020)
Interest income	30	25
Taxes (paid) / refund	<u>(531)</u>	<u>(1,001)</u>
Net cash flow from/(used in) operating activities	<u>13,793</u>	<u>(3,284)</u>
Investing activities		
Purchase of property, plant and equipment	(8,638)	(8,851)
Proceeds from disposal of investment	-	-
Proceeds from disposal of property, plant and equipment	<u>222</u>	<u>2,632</u>
Net cash flows used in investing activities	<u>(8,416)</u>	<u>(6,219)</u>
Financing activities		
Drawdown of hire purchase	3,681	-
Drawdown / (repayment) of term loan	3,444	1,096
Repayment of hire purchase	(1,819)	(941)
Short term borrowings	(5,514)	2,520
Dividend paid	-	(339)
Purchase of treasury shares	<u>(461)</u>	<u>-</u>
Net cash flows used in financing activities	<u>(669)</u>	<u>2,336</u>
Net increase/(decrease) in cash and cash equivalents	4,708	(7,167)
Cash and cash equivalents at 1 January	14 <u>3,496</u>	9,459
Cash and cash equivalents at 30 Sep	14 <u>8,204</u>	<u>2,292</u>

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial reports.

ORNAPAPER BERHAD
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE 9-MONTH PERIOD ENDED 30 SEP 2012**

<----- Attributable to owners of the parent ----->

	< ----- Non Distributable ----- >			Distributable		Non-	Total
	Share	Share	Treasury	Retained	Total	controlling	Equity
	capital	premium	shares	earnings	RM'000	interests	RM'000
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Period ended 30 Sep 2012							
As at 1 Jan 2012	75,251	11,156	-	21,157	107,564	597	108,161
Dividend paid	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(461)	-	(461)	-	(461)
Total comprehensive income for the period	-	-	-	6,929	6,929	126	7,055
As at 30 Sep 2012	<u>75,251</u>	<u>11,156</u>	<u>(461)</u>	<u>28,086</u>	<u>114,032</u>	<u>723</u>	<u>114,755</u>
Period ended 30 Sep 2011							
As at 1 Jan 2011	75,251	11,156	-	15,356	101,763	605	102,368
Dividend paid	-	-	-	-	-	(68)	(68)
Total comprehensive income for the period	-	-	-	5,074	5,074	71	5,145
As at 30 Sep 2011	<u>75,251</u>	<u>11,156</u>	<u>-</u>	<u>20,430</u>	<u>106,837</u>	<u>608</u>	<u>107,445</u>

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**EXPLANATORY NOTES PURSUANT TO MFRS 134 AND BURSA MALAYSIA LISTING REQUIREMENTS CHAPTER 9,
APPENDIX 9B, PART A**

1 CORPORATE INFORMATION

Ornapaper Berhad is a public listed liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 25 Oct 2012.

2 FIRST-TIME ADOPTION OF MALAYSIA FINANCIAL REPORTING STANDARDS ("MFRS")

These condensed consolidated interim financial statements, for the period ended 30 Sep 2012, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The consolidated financial statements of the Group for the year ended 31 December 2011 which were prepared under FRS are available upon request from the company registered office at Lot 1A, 6th Floor, Menara Pertam, Jalan BBP 2, Taman Batu Berendam Putra, 75350 Batu Berendam, Melaka.

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2011.

In preparing its opening MFRS Statement of Financial Position as at 1 January 2011 (which is also the date of transition), no adjustments were required to be made to the amounts previously reported in Group's FRS financial statements. The transition from FRS to MFRS has no impact on the Group's financial position, financial performance and cash flows for the periods so presented.

3 SIGNIFICANT ACCOUNTING POLICIES AND APPLICATION OF MFRS 1

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below :

(a) Business combination

MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

For a acquisition before date of transition, the Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition,

- (i) The classification of former business combinations under FRS is maintained;
- (ii) There is no re-measurement of original fair values determined at the time of business combination (date of acquisition); and
- (iii) The carrying amount of goodwill recognised under FRS is not adjusted.

(b) Property, plant and equipment

Upon transition to MFRS, the Group has elected to measure all its property, plant and equipment using the cost model under MFRS 116 Property, Plant and Equipment. At the date of transition to MFRS, the Group elected to regard the carrying amounts of all property, plant and equipment as at 31 December 2010 as deemed cost at 1 January 2011.

(c) Estimates

The estimates at 1 January 2011 and at 31 December 2011 were consistent with those made for the same dates in accordance with FRS. The estimates used by the Group to present these amounts in accordance with MFRS reflect conditions at 1 January 2011, the date of transition to MFRS and as of 31 December 2011.

The reconciliations of equity and total comprehensive income for comparative periods and of equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are not provided as the transition from FRS to MFRS framework had no impact to the amounts so reported.

4 CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current interim period.

5 CHANGES IN COMPOSITION OF GROUP

There were no changes in the composition of the Group for the current financial period to-date.

6 SEGMENT INFORMATION

There is no segmental information to be disclosed as the Group manufactures one product line, that is corrugated board and carton boxes and operates solely in Malaysia.

7 SEASONALITY OF OPERATIONS

The business operations for the financial period to-date were not affected by seasonal or cyclical factors.

8 PROFIT BEFORE TAX

	Current quarter		Cumulative quarter	
	3 Months Ended 30 Sep		9 Months Ended 30 Sep	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant & equipment	2,195	2,277	6,437	5,738
Amortisation of prepaid lease payments	25	20	106	91
Impairment loss on trade & other receivables	-	411	-	1,550
Reversal of impairment loss on trade receivable	-	-	(21)	(29)
Bad debts written off	-	-	-	-
Inventories written off	-	-	-	-
Loss / (gain) on disposal of quoted and unquoted investments	-	13	-	13
Loss / (gain) on disposal of property, plant and equipment	(22)	48	108	(55)
Loss / (gain) from fair value adjustment of investment properties	-	-	-	-
Net fair value loss / (gain) on held for trading investment securities	-	-	-	-
Provisions	-	-	-	-
Impairment of goodwill	-	-	-	-
Impairment of other assets	-	-	-	-
Property, plant & equipment written off	483	93	1,091	542
Write-down of inventories	-	-	-	-
Loss / (gain) on foreign exchange - realised	(12)	(19)	(13)	(85)
Loss / (gain) on foreign exchange - unrealised	-	-	-	-
Loss / (gain) on fair value changes of derivatives	15	-	15	-
Exceptional items	-	-	-	-

9 INCOME TAX EXPENSE

	3 Months Ended 30 Sep		9 Months Ended 30 Sep	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Current tax	(118)	(100)	(673)	(700)
Deferred tax	-	-	-	-
	<u>(118)</u>	<u>(100)</u>	<u>(673)</u>	<u>(700)</u>

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The effective tax rate for the current interim period was lower than the statutory tax rate principally due to the utilisation of reinvestment allowance.

10 EARNINGS PER SHARE

Earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period:

	Current quarter		Cumulative quarter	
	3 Months Ended 30 Sep		9 Months Ended 30 Sep	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Issued ordinary sharers at the beginning and end of period	<u>75,251</u>	<u>75,251</u>	<u>75,251</u>	<u>75,251</u>
Weighted average number of shares ('000)	<u>75,049</u>	<u>75,251</u>	<u>75,049</u>	<u>75,251</u>
Net profit attributable to ordinary equity holders of the parent (RM'000)	<u>2,146</u>	<u>1,560</u>	<u>6,929</u>	<u>5,074</u>
Basic earnings per share (Sen)	<u>2.86</u>	<u>2.07</u>	<u>9.23</u>	<u>6.74</u>
Diluted earnings per share (Sen)	<u>2.86</u>	<u>2.07</u>	<u>9.23</u>	<u>6.74</u>

11 PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 Sep 2012, assets with a carrying amount of RM398,970 (2011:RM981,298) were disposed off by the Group resulting in a net loss on disposal of RM108,151 (2011:gain of RM55,000), recognised and included in the statement of comprehensive income.

12 INTANGIBLE ASSETS - GOODWILL

Goodwill is tested for impairment annually (31 December) and when circumstances indicate that the carrying value may be impaired. The group's impairment test for goodwill is based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used to determine the recoverable amount for the different cash generating units were discussed in the annual financial statements for the year ended 31 December 2011.

Management did not identify any impairment for the cash generating unit to which goodwill is allocated.

13 INVENTORIES

During the three months ended 30 Sep 2012, there were no write-down of inventories.

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following amounts:

	30 Sep 2012 RM'000	31 Dec 2011 RM'000	1 Jan 2011 RM'000
Cash at bank and in hand	8,049	5,697	12,279
Short term deposits with licensed bank	807	798	266
Bank overdrafts	(652)	(2,999)	(3,086)
Total cash and cash equivalents	<u>8,204</u>	<u>3,496</u>	<u>9,459</u>

15 FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

As at the reporting date, the Group's investment securities that were measured at fair value are as follows:

	Total	RM'000	RM'000	RM'000
30 Sep				
Quoted shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 Dec 2011				
Quoted shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1 Jan 2011				
Quoted shares	<u>9</u>	<u>9</u>	<u>-</u>	<u>-</u>

No transfers between any levels of the fair value hierarchy took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

The Group does not hold credit enhancements or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

16 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

There were no issuance or re-purchase of ordinary shares during the financial period ended 30 Sep 2012 except for the following:

Treasury shares

976,945 ordinary shares of RM1.00 each were bought back and held as treasury shares.

17 INTEREST-BEARING LOANS AND BORROWINGS

The borrowings of the Company as at the end of the current financial quarter were as follows:-

Type of Borrowing	30 Sep 2012 RM'000	31 Dec 2011 RM'000	1 Jan 2011 RM'000
Short term borrowing (secured)			
Bank overdrafts	652	2,999	3,086
Trade bills	46,245	51,759	48,162
Hire purchase payables	1,323	1,172	1,910
Term loan	1,095	1,290	679
	<u>49,315</u>	<u>57,220</u>	<u>53,837</u>
Long term borrowing (secured)			
Hire purchase payables	2,460	748	3,557
Term loan	8,252	4,614	2,546
	<u>10,712</u>	<u>5,362</u>	<u>6,103</u>
Total borrowing	<u>60,027</u>	<u>62,582</u>	<u>59,940</u>

None of the above borrowings are dominated in foreign currencies.

18 PROVISIONS FOR COST OF RESTRUCTURING

There were no provision for, or reversal of, costs of restructuring during the reporting period.

19 DIVIDENDS

No dividends were paid during the current financial period to-date.

20 CAPITAL COMMITMENTS

	As At		
	30-Sep 2012	31-Dec 2011	01-Jan 2011
	RM'000	RM'000	RM'000
Contracted but not provided for:			
Purchase of property, plant & equipment	1,171	2,507	1,772

21 CONTINGENCIES

There were no contingent assets or liabilities existing at end of the reporting period.

22 RELATED PARTY TRANSACTIONS

The following table shows the transactions which had been entered into with related parties during the 9-month period ended 30 Sep 2012 and 30 Sep 2011 as well as the balances with the related parties as at 30 Sep 2012, 31 December 2011 and 1 Jan 2011:

	Sales to related parties 9 months ended		Amounts owed by related parties As At		
	30 Sep 2012	30 Sep 2011	30-Sep 2012	31-Dec 2011	01-Jan 2011
	RM'000	RM'000	RM'000	RM'000	RM'000
Sales of carton boxes					
Perfect Food Manufacturing (M) Sdn. Bhd. *	2,877	2,636	437	1,528	837
Greatbrand Food Industries Sdn. Bhd. *	937	529	131	305	179

* Companies in which Sai Chin Hock, a director and substantial shareholder, has interest

The transactions above were based on negotiated and mutually agreed terms and has been approved by the shareholders in the previous Annual General Meeting.

23 EVENTS AFTER THE REPORTING PERIOD

There were no material events subsequent to the end of interim financial period.

24 PERFORMANCE REVIEW

Revenue of the Group for the current quarter was RM57.33 million which is 1.75% higher than the corresponding quarter last year of RM56.34 contributed by the higher customers' orders.

The Group recorded a higher profit before taxation of RM2.29 million against the profit before taxation of RM1.66 million in the previous corresponding quarter arose from lower materials cost and improvement in operating efficiency.

25 COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

The Group recorded a lower profit before taxation of RM2.29 million in the current quarter against the profit before taxation of RM2.81 million in the preceding quarter mainly due to higher operating costs.

26 COMMENTARY ON PROSPECTS

The Group is expecting to operate under challenging environment with market uncertainty due to the global economy slowdown and rising operating costs.

However, the Board is confident that the Group will still continue to register satisfactory performance with committed effort to achieve efficiency in productivity and strategy to contain cost-overrun.

27 COMMENTARY ON PROGRESS TO ACHIEVE REVENUE OR PROFIT ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGETS

Not applicable

28 STATEMENT BY DIRECTORS ON ACHIEVABILITY OF REVENUE OR PROFIT ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGET

Not applicable

29 VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable

30 CORPORATE PROPOSALS

As of the date of this report, there were no corporate proposals announced but not completed at the latest practicable date (not earlier than 7 days from the date of issue of this Quarterly Report).

31 CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the date of this report.

32 DIVIDEND PAYABLE

Refer to note 19 for details.

33 DISCLOSURE OF NATURE OF OUTSTANDING DERIVATIVES

Type of Derivatives	Contract Value	Fair Value
	RM'000	RM'000
Maybank Fixed forward contract - less than 1 year	1,951	15

34 RATIONALE FOR ENTERING INTO DERIVATIVES

The Group had entered into 3 fixed forward contracts with Maybank on 7 Aug 2012 and 28 Sep 2012. The purpose is to hedge against unfavorable movement in foreign exchange rate in respect of the acquisition of property, plant and equipment and purchase of raw materials from overseas.

35 RISKS AND POLICIES OF DERIVATIVES

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to transactional currency risk primarily respective through sales and purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollars ("USD") and Singapore Dollars ("SGD") and Euro. Such transactions are kept to an acceptable level and the Group only enters into foreign exchange contracts when necessary. The Group policy is not to speculate on such contracts.

36 DISCLOSURE OF GAINS/LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There were loss on fair value changes of derivatives amounting RM15,074. The details as per below:

Contract no.:	FS 375974	FS 421467	FS 421471
Rate contracted:	3.127000	3.085500	3.092500
Balances as at 30 Sep 2012 (In USD):	80,502	250,000	300,000
Fair value rate as at 30 Sep 2012	3.062140	3.067580	3.074590
Loss on fair value changes of derivatives	5,221	4,480	5,373

37 BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

Total retained profits/(accumulated losses) of Ornapaper Berhad and it's subsidiaries:

	As At		
	30-Sep-12	31-Dec-11	01-Jan-11
	RM'000	RM'000	RM'000
- Realised	70,477	63,004	55,367
- Unrealised	(5,788)	(5,618)	(4,965)
	64,689	57,386	50,402
Less : Consolidation adjustments	(36,603)	(36,229)	(35,046)
Total Group retained profits / (accumulated losses) as per consolidated accounts	28,086	21,157	15,356

38 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENT

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

39 AUTHORITY FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25th Oct 2012.
