

**FOCUS POINT HOLDINGS BERHAD** (Company No. : 884238-U)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

	Individual quarter		Cumulative quarter		
	Note	Current year	Preceding year	Current year-	Preceding year-to-
		quarter ended	corresponding	to-date	date
	31/3/2012	quarter ended	31/3/2012	31/3/2011	
	RM'000	31/3/2011	RM'000	RM'000	
		(Restated)		(Restated)	
<b>Revenue</b>		<b>32,821</b>	<b>28,493</b>	<b>32,821</b>	<b>28,493</b>
Cost of sales		(13,890)	(12,455)	(13,890)	(12,455)
<b>Gross profit</b>		<b>18,931</b>	<b>16,038</b>	<b>18,931</b>	<b>16,038</b>
Other income		993	1,092	993	1,092
Selling and distribution costs		(7,155)	(6,272)	(7,155)	(6,272)
Administrative expenses		(9,716)	(9,009)	(9,716)	(9,009)
Finance costs		(204)	(230)	(204)	(230)
Share of profits in associates		33	23	33	23
<b>Profit before tax</b>	<b>B5</b>	<b>2,882</b>	<b>1,642</b>	<b>2,882</b>	<b>1,642</b>
Income tax expense	<b>B6</b>	(911)	(424)	(911)	(424)
<b>Profit for the financial period</b>		<b>1,971</b>	<b>1,218</b>	<b>1,971</b>	<b>1,218</b>
<b>Profit attributable to:</b>					
Owners of the Parent		1,968	1,218	1,968	1,218
Non-controlling Interests		3	-	3	-
		<b>1,971</b>	<b>1,218</b>	<b>1,971</b>	<b>1,218</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Parent		1,968	1,218	1,968	1,218
Non-controlling Interests		3	-	3	-
		<b>1,971</b>	<b>1,218</b>	<b>1,971</b>	<b>1,218</b>
<b>Earnings per share attributable to owners of the Parent:</b>					
Basic (sen)		1.19	0.74	1.19	0.74
Diluted (sen)		N/A	N/A	N/A	N/A

**Notes:**

N/A Not applicable.

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statement for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

**FOCUS POINT HOLDINGS BERHAD** (Company No. : 884238-U)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2012**

(The figures have not been audited)

	Unaudited As at 31/3/2012 RM'000	Audited As at 31/12/2011 RM'000 (Restated)	Audited As at 1/1/2011 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	24,810	25,132	23,586
Investments in associates	400	472	379
Held-to-maturity investment	-	-	500
Goodwill on consolidation	-	-	410
Deferred tax assets	278	296	283
Trade and other receivables	1,543	1,328	1,665
	<b>27,031</b>	<b>27,228</b>	<b>26,823</b>
<b>Current Assets</b>			
Inventories	33,797	34,064	25,400
Trade and other receivables	16,571	16,845	16,931
Current tax assets	355	345	162
Cash and cash equivalents	11,469	13,980	19,803
	<b>62,192</b>	<b>65,234</b>	<b>62,296</b>
<b>TOTAL ASSETS</b>	<b>89,223</b>	<b>92,462</b>	<b>89,119</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital	33,000	33,000	33,000
Reserves	19,812	17,844	14,131
	<b>52,812</b>	<b>50,844</b>	<b>47,131</b>
<b>Non-controlling Interests</b>	73	(9)	102
<b>TOTAL EQUITY</b>	<b>52,885</b>	<b>50,835</b>	<b>47,233</b>
<b>Non Current Liabilities</b>			
Borrowings	2,159	2,733	4,883
Deferred income	726	837	998
Deferred tax liabilities	1,171	1,171	1,104
	<b>4,056</b>	<b>4,741</b>	<b>6,985</b>
<b>Current Liabilities</b>			
Borrowings	12,515	12,480	16,398
Trade and other payables	19,339	23,932	16,543
Deferred income	416	464	388
Current tax liabilities	12	10	1,572
	<b>32,282</b>	<b>36,886</b>	<b>34,901</b>
<b>TOTAL LIABILITIES</b>	<b>36,338</b>	<b>41,627</b>	<b>41,886</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>89,223</b>	<b>92,462</b>	<b>89,119</b>
<b>Net assets per share attributable to ordinary equity holders of the Parent (sen)</b>	<b>32.01</b>	<b>30.81</b>	<b>28.56</b>

**Notes:**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statement for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

**FOCUS POINT HOLDINGS BERHAD** (Company No. : 884238-U)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

	← Attributable to Owners of the Parent →		Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-distributable	Distributable			
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000		
<b>At 1 January 2012, as restated</b>	33,000	7,096	9,903	(9)	49,990
- Effects of the adoption of MFRSs	-	-	845	-	845
<b>Balance as at 1 January 2012, as restated</b>	33,000	7,096	10,748	(9)	50,835
Profit for the period	-	-	1,968	3	1,971
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	1,968	3	1,971
<b>Transactions with owners</b>					
Ordinary shares contributed by non-controlling interests of a subsidiary	-	-	-	79	79
Total transactions with owners	-	-	-	79	79
<b>At 31 March 2012</b>	33,000	7,096	12,716	73	52,885

	← Attributable to Owners of the Parent →		Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-distributable	Distributable			
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000		
<b>At 1 January 2011</b>	33,000	7,096	6,228	102	46,426
- Effects of the adoption of MFRSs	-	-	807	-	807
<b>Balance as at 1 January 2011, as restated</b>	33,000	7,096	7,035	102	47,233
Profit for the period	-	-	1,218	-	1,218
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	1,218	-	1,218
<b>Transactions with owners</b>					
Dividend paid	-	-	(2,475)	-	(2,475)
Total transactions with owners	-	-	(2,475)	-	(2,475)
<b>At 31 March 2011, as restated</b>	33,000	7,096	5,778	102	45,976

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statement for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.

**FOCUS POINT HOLDINGS BERHAD** (Company No. : 884238-U)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2012**

(The figures have not been audited)

	<b>3 months ended 31/3/2012 RM'000</b>	<b>3 months ended 31/3/2011 RM'000 (Restated)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,882	1,642
Adjustments for :		
Depreciation of property, plant and equipment	968	948
Interest expenses	204	230
Interest income	(54)	(116)
Impairment losses on :		
- trade and other receivables	82	50
- property, plant and equipment	4	-
Inventories written down	-	63
Loss on disposal of property, plant and equipment	1	2
Property, plant and equipment written off	7	69
Unrealised gain on foreign exchange	(75)	(16)
Unrealised profit of closing stocks	21	1
Loss on fraudulent sales	-	42
Loss on realisation of foreign exchange	9	37
Share of profits in associates	(33)	(23)
Operating profit before working capital changes	<u>4,016</u>	<u>2,929</u>
Increase / (decrease) in inventories	246	(1,839)
Decrease in trade and other receivables	42	147
Decrease in trade and other payables	<u>(4,752)</u>	<u>(161)</u>
Cash generated from operations	(448)	1,076
Tax paid	(900)	(833)
<b>Net cash (used in) /generated from operating activities</b>	<b><u>(1,348)</u></b>	<b><u>243</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(670)	(1,367)
Proceeds from disposal of property, plant and equipment	12	-
Interest received	54	116
Increase in share capital in a subsidiary	80	-
Dividend received from an associate	105	-
<b>Net cash used in from investing activities</b>	<b><u>(419)</u></b>	<b><u>(1,251)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(204)	(230)
Net repayment of term loans	(137)	(1,923)
Drawdown of bank overdrafts	-	275
Increase in placement of fixed deposits pledged to licensed banks	(167)	(248)
Net repayment of bankers' acceptances	(121)	(525)
Repayment of hire purchase liabilities	(282)	(373)
Dividend paid	-	(2,475)
<b>Net cash used in financing activities</b>	<b><u>(911)</u></b>	<b><u>(5,499)</u></b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,678)</b>	<b>(6,507)</b>
<b>Cash and cash equivalents at the beginning of financial period</b>	<b>7,488</b>	<b>13,178</b>
<b>Cash and cash equivalents at the end of financial period</b>	<b><u>4,810</u></b>	<b><u>6,671</u></b>
<b>Cash and cash equivalents comprise :</b>		
<b>Cash and bank balances</b>	4,809	3,843
<b>Fixed deposits with licensed banks</b>	<u>6,660</u>	<u>9,701</u>
	11,469	13,544
Bank overdrafts included in borrowings	-	(1,343)
<b>Less : Fixed deposits pledged to licensed banks</b>	<u>(6,659)</u>	<u>(5,530)</u>
	<b><u>4,810</u></b>	<b><u>6,671</u></b>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statement for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**Notes to the Interim Financial Statements for the First Quarter ended 31 March 2012**
**Part A - Explanatory notes pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 : *Interim Financial Reporting***
**A1. Basis of Preparation**

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

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements. These explanatory notes attached to the 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 financial year ended 31 December 2011.

For the periods up to and including the financial year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS"). This interim financial statements are the Group's first MFRS compliant interim financial statements whereby MFRS 1 : *First-Time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied. The MFRS framework was introduced by the MASB in order to converge with the International Financial Reporting Standards issued by the IASB.

In preparing its opening MFRS Statement of Financial Position as at 1 January 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in the audited financial statements prepared in accordance with FRS. An explanation of how the effects of transition from FRS to MFRS on the Group's financial position is set out in Note A2 below. These notes include the reconciliations of equity for comparative periods and of equity as at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS. The transition from FRS to MFRS has no material impact on the statement of cash flows.

**A2. Summary of Significant Accounting Policies**

This interim financial statements are the Group's first MFRS compliant interim financial statements whereby MFRS 1: *First-Time Adoption of Malaysian Financial Reporting Standards* has been applied. The adoption of MFRS has no significant impact on the interim financial statements except as discussed below:

**(a) Business Combination**

MFRS 1 provides the option to apply MFRS 3 : *Business Combination* prospectively from the date of transition or from a specific date prior to the date of transition or from a specific date prior to the 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

**(b) Property, Plant and Equipment**

The Group has elected to apply the optional exemption provided in MFRS 1 and use the fair value of freehold properties as deemed cost on date of transition.

**(a) Reconciliation of statements of financial position**

	As previously reported RM'000	Effects of Transition to MFRS RM'000	As Restated RM'000
<b>As at 1 January 2011</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	22,779	807	23,586
<b>Equity</b>			
Retained Earnings	6,228	807	7,035

**FOCUS POINT HOLDINGS BERHAD** (Company No.: 884238-U)

**A2. Summary of Significant Accounting Policies (cont'd)**

(a) Reconciliation of statements of financial position (cont'd)

	As previously reported RM'000	Effects of Transition to MFRS RM'000	As Restated RM'000
<b>As at 31 December 2011</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	24,287	845	25,132
<b>Equity</b>			
Retained Earnings	9,903	845	10,748

	As previously reported RM'000	Effects of Transition to MFRS RM'000	As Restated RM'000
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(b) Reconciliation of statements of comprehensive income

**Statement of comprehensive income for First Quarter ended 31 March 2011**

Administrative expenses	(7,155)	9	(7,146)
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**A3. Auditors' Reports**

The auditors' reports on the audited financial statement of the Company and its subsidiaries for the financial year ended 31 December 2011 were not subject to any qualification.

**A4. Seasonal or Cyclical Factors**

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

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items because of its nature, size or incidence that has affected the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6. Material Changes in Estimates**

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

**A7. Changes in Debts and Equity Securities**

There were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buy-back, share cancellation, shares held as treasury shares and/or resale of treasury shares for the current financial quarter under review.

**A8. Dividends paid**

There was no dividend paid during the current quarter and financial period ended 31 March 2012.

**A9. Segmental reporting**

The Group has arrived at four (4) reportable segments in the current financial quarter ended 31 March 2012, which was as follows :

- **Optical related products** : Retailing of optical related products;
- **Franchise management** : Franchise management relating to optical and optometrics products;
- **Laser eye surgery treatment** : Providing laser eye surgery treatment to various refractive errors; and
- **Hearing aid solutions and related accessories** : Retailing of hearing aid solutions and related accessories.

Other operating segment that does not constitute reportable segment comprises investment holding.

**FOCUS POINT HOLDINGS BERHAD** (Company No. : 884238-U)

**A9. Segmental reporting (cont'd)**

The segment information for the three months ended 31 March 2012 is as follows :

	Optical related products RM'000	Franchise management RM'000	Laser eye surgery treatment RM'000	Hearing aid solutions and related accessories RM'000	Others RM'000	Total RM'000
<b>Revenue</b>						
Total revenue	31,493	1,095	284	-	-	32,872
Inter-segment revenue	-	(51)	-	-	-	(51)
<b>External sales</b>	<b>31,493</b>	<b>1,044</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>32,821</b>
<b>Segment results</b>						
Segment results	2,100	1,032	11	(1)	(144)	2,998
Interest income	47	1	-	-	6	54
Finance costs	(204)	-	-	-	-	(204)
Share of profit of associates	34	-	-	-	-	34
<b>Profit before tax</b>	<b>1,977</b>	<b>1,033</b>	<b>11</b>	<b>(1)</b>	<b>(138)</b>	<b>2,882</b>
Income tax expense	(807)	(98)	(6)	-	-	(911)
<b>Profit after tax</b>	<b>1,170</b>	<b>935</b>	<b>5</b>	<b>(1)</b>	<b>(138)</b>	<b>1,971</b>
<b>Assets</b>						
Segment assets	84,154	2,456	618	256	706	88,190
Investments in associates	400	-	-	-	-	400
Unallocated assets	260	330	-	-	43	633
<b>Total assets</b>	<b>84,814</b>	<b>2,786</b>	<b>618</b>	<b>256</b>	<b>749</b>	<b>89,223</b>
<b>Liabilities</b>						
Segment liabilities	32,809	2,001	133	5	207	35,155
Unallocated liabilities	1,138	-	45	-	-	1,183
<b>Total liabilities</b>	<b>33,947</b>	<b>2,001</b>	<b>178</b>	<b>5</b>	<b>207</b>	<b>36,338</b>

The segment information for the three months ended 31 March 2011 is as follows :

	Optical related products RM'000	Franchise management RM'000	Laser eye surgery treatment RM'000	Hearing aid solutions and related accessories RM'000	Others RM'000	Total RM'000
<b>Revenue</b>						
Total revenue	27,458	1,014	324	1	1,300	30,097
Inter-segment revenue	(254)	(50)	-	-	(1,300)	(1,604)
<b>External sales</b>	<b>27,204</b>	<b>964</b>	<b>324</b>	<b>1</b>	<b>-</b>	<b>28,493</b>
<b>Segment results</b>						
Segment results	1,757	213	9	(25)	(221)	1,733
Interest income	78	-	-	-	38	116
Finance costs	(230)	-	-	-	-	(230)
Share of profit of associates	23	-	-	-	-	23
<b>Profit before tax</b>	<b>1,628</b>	<b>213</b>	<b>9</b>	<b>(25)</b>	<b>(183)</b>	<b>1,642</b>
Income tax expense	(401)	(19)	(4)	-	-	(424)
<b>Profit after tax</b>	<b>1,227</b>	<b>194</b>	<b>5</b>	<b>(25)</b>	<b>(183)</b>	<b>1,218</b>
<b>Assets</b>						
Segment assets	76,228	1,939	577	260	3,228	82,232
Investments in associates	366	-	-	-	-	366
Unallocated assets	463	-	-	-	-	463
<b>Total assets</b>	<b>77,057</b>	<b>1,939</b>	<b>577</b>	<b>260</b>	<b>3,228</b>	<b>83,061</b>
<b>Liabilities</b>						
Segment liabilities	34,309	1,983	63	5	26	36,386
Unallocated liabilities	2,301	-	66	-	-	2,367
<b>Total liabilities</b>	<b>36,610</b>	<b>1,983</b>	<b>129</b>	<b>5</b>	<b>26</b>	<b>38,753</b>

**Geographical information**

The Group operates only in Malaysia.

**FOCUS POINT HOLDINGS BERHAD (Company No.: 884238-U)**
**A10. Valuation of Property, Plant and Equipment**

There was no valuation of the property, plant and equipment in the current financial quarter under review as the Group has not adopted a revaluation policy on its property, plant and equipment.

**A11. Commitments**
**(a) Operating lease commitments**

The Group has entered into non-cancellable lease agreements for business premises, resulting in future rental commitments. The Group has aggregate future minimum lease commitments as at the end of the current quarter under review as follows :-

	As at 31/3/2012 RM'000	As at 31/12/2011 RM'000
<b>Branches</b>		
Not later than one (1) year	13,959	13,928
Later than one (1) year and not later than five (5) years	8,183	8,954
Later than five (5) years	-	28
	<b>22,142</b>	<b>22,910</b>
<b>Franchisees</b>		
Not later than one (1) year	6,284	5,842
Later than one (1) year and not later than five (5) years	2,721	2,616
	<b>9,005</b>	<b>8,458</b>

The Group has back-to-back arrangements with its franchisees on the rented business premises whereby the Group enters into rental agreements with the respective landlords and thereafter sub-leases these business premises to its franchisees. The rental expenses for these business premises are borne by its franchisees. Furthermore, it should be noted that in the event of any default in any rental payment by the Group's franchisees, the franchisees are bound and the Group's interests are protected by the terms and conditions stated in the respective franchise agreements.

**(b) Capital commitments**

There were no capital commitments as at the end of the current financial quarter and as at 31 March 2011.

**A12. Material Events Subsequent To The End of The Current Financial Quarter**

There were no material events subsequent to the end of the current financial quarter and financial year up to the date of this report that have not been reflected in the interim financial statements.

**A13. Changes in Composition of the Group**

There were no material changes to the composition of the Group for the current financial quarter under review including business combinations, acquisitions, or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations.

**A14. Changes in Contingent Liabilities and Contingent Assets**

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

**A15. Related party transactions**

The Group has entered into the following transactions with related parties during the current financial quarter under review and current financial year-to-date :

	Individual quarter		Cumulative quarter	
	Current year quarter ended 31/3/2012 RM'000	Preceding year corresponding quarter ended 31/3/2011 RM'000	Current year- to-date 31/3/2012 RM'000	Preceding year- to-date 31/3/2011 RM'000
<b>Associates :</b>				
<b>Focus Point Vision Care Group (HP) Sdn Bhd</b>				
Sales of eyewear and eye care products	424	258	424	258
Licensing fee received/receivable	31	26	31	26

The Directors of the Group are of the opinion that, other than the licensing fee received/receivable from Focus Point Vision Care Group (HP) Sdn Bhd that has been established on a negotiated basis, all the transactions above have been entered into in the normal course of business and have been established at arm's length under terms no more favourable than those transacted with third parties.



**Part B - Explanatory notes pursuant to Appendix 9B of the Listing Requirements**

**B1. Review of the Group's Performance**

For the current financial quarter ended 31 March 2012 ("Q1 FY2012"), the Group registered revenue of RM32.821 million, an increase of 15.2% as compared to the revenue for the preceding year corresponding quarter ("Q1 FY2011") of RM28.493 million. Profit Before Tax ("PBT") increased 75.5% to RM2.882 million in Q1 FY2012 from RM1.642 million in Q1 FY2011 on the back of the higher revenue and improved gross profit margin.

**Optical Related Segment**

The optical related segment continued to dominate the Group's revenue with a contribution of 96.0% in Q1 FY2012 (Q1 FY2011 : 95.5%) and has achieved robust revenue growth of 15.8% from RM27.204 million in Q1 FY2011 to RM31.493 million in the current quarter under review. The higher revenue was mainly recorded from the additional sales contribution from 11 new wholly-owned outlets and existing outlets. The number of wholly-owned outlets has increased from 77 Outlets as at 31 March 2011 to 88 Outlets as at 31 March 2012. Both selling and distribution and administrative expenses has increased by RM1.590 million in Q1 FY2012 when compared to Q1 FY2011, which was in tandem to higher revenue growth and higher incubation costs for the additional wholly-owned outlets. PBT for the segment improved 21.4% from RM1.628 million in Q1 FY2011 to RM1.977 million in Q1 FY2012 mainly attributable to the revenue growth and the higher rebates from suppliers recorded in the current quarter of RM0.530 million as compared to Q1 FY2011.

**Franchise Management Segment**

The franchise management segment recorded 8.3% growth in revenue, which is in tandem with that of optical related products segment. PBT has increased to RM1.033 million in Q1 FY2012 from RM213,000 in Q1 FY2011. Revenue for franchise management segment improved by 8.3% primarily contributed by higher royalty fee charged to franchisees based on the increased revenue recorded by franchisees in the current quarter as compared to Q1 FY2011.

**Other Segments - Laser eye Surgery Treatment & Hearing Aid Solution and Related Accessories Segments**

The performance of the laser surgery treatment and the hearing aid solutions and related accessories segments are dependent on the industry growth and more professional marketing activities and better education to increase public awareness and acceptance of the laser and hearing aid solutions and surgeries.

**B2. Material Changes in the Quarterly Results as compared to the Results of the Immediate Preceding Quarter**

	Current financial quarter RM'000	Immediate preceding financial quarter RM'000	Variance %
Revenue	32,821	29,021	13.09%
Profit before tax ("PBT")	2,882	3,834	-24.83%

Quarter-on-quarter comparison, the Group's revenue had increased by RM3.80 million or 13.09% to RM32.821 million for the current financial quarter under review as compared to RM29.021 million recorded in the immediate preceding financial quarter. This is mainly attributable to higher sales contribution per outlet in the current quarter as compared to Q1 FY2011.

PBT had decreased 24.8% owing to higher purchase rebates of RM1.872 million from suppliers in Q4 FY2011 as compared to the current financial quarter under review. The group typically receives higher rebates from its suppliers at year end.

**B3. Prospects for the Current Financial Year**

The Group will continue its efforts and initiatives on further improving its retail sales through aggressive marketing campaigns, opening new outlets and expanding its presence in Brunei, as well as increasing profit margins through cost efficiency plans. The performance of the Group is expected to remain satisfactory underscored by these initiatives that are designed to enhance our performance and operational efficiencies and improve profitability.

**B4. Profit Forecast or Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review or in any public documents.

**B5. Profit before tax**

	Individual quarter		Cumulative quarter	
	Current year quarter ended 31/3/2012 RM'000	Preceding year corresponding quarter ended 31/3/2011 RM'000 (Restated)	Current year-to-date 31/3/2012 RM'000	Preceding year-to-date 31/3/2011 RM'000 (Restated)
<b>Profit for the period is arrived at after charging / (crediting) :</b>				
Depreciation of property, plant and equipment	968	948	968	948
Impairment losses on :				
- property, plant and equipment	4	-	4	-
- trade and other receivables	82	50	82	50
Loss on disposal of property, plant and equipment	1	2	1	2
Property, plant and equipment written off	7	69	7	69
Inventories written down	-	63	-	63
Interest income	(54)	(116)	(54)	(116)
Unrealised gain on foreign exchange	(75)	(16)	(75)	(16)
Loss on realisation of foreign exchange	9	37	9	37

There was no loss on realisation of derivative assets for the current quarter under review and the preceding year's corresponding quarter ended 31 March 2011.

**B6. Income Tax Expense**

Major components of income tax expenses include the following :-

	Individual quarter		Cumulative quarter	
	Current year quarter ended 31/3/2012 RM'000	Preceding year corresponding quarter ended 31/3/2011 RM'000	Current year-to-date 31/3/2012 RM'000	Preceding year corresponding period 31/3/2011 RM'000
<b>Current tax:</b>				
Malaysian income tax	911	424	911	424

The effective tax rates of the Group for the current financial quarter and current financial year-to-date of 32% was higher than the Malaysian statutory tax rate of 25% mainly due to certain expenses which are not deductible for tax purposes.

**B7. Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investments and/or properties held by the Group for the current financial quarter under review and current financial year-to-date.

**B8. Purchase or Disposal of Quoted Securities**

There were no purchase or disposal of quoted securities for the current financial quarter under review and current financial year-to-date.

**FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)**

**B9. Status of corporate proposals**

**(a) Corporate proposals**

There are no corporate proposals announced but not completed as at the date of this report.

**B10. Borrowings and debt securities**

	As at 31/3/2012 RM'000	As at 31/12/2011 RM'000
<b>Short term borrowings</b>		
Secured:		
Banker acceptances	10,790	10,911
Term loans	418	368
Hire purchase payables	1,307	1,201
	<u>12,515</u>	<u>12,480</u>
<b>Long term borrowings</b>	-	-
Secured:		
Term loans	1,723	1,911
Hire purchase payables	436	822
	<u>2,159</u>	<u>2,733</u>
<b>Total borrowings</b>	<u><b>14,674</b></u>	<u><b>15,213</b></u>
	-	-

There was no unsecured debt as at the end of the reporting period.

The Group does not have any foreign borrowing or debt securities as at the end of the reporting period.

**B11. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments held by the Group for the current financial quarter under review and current financial year-to-date.

**B11. Material Litigation**

There was no material litigation (including any pending material litigation) as at the date of this interim financial report.

**B12. Dividend Payable**

**In respect of the financial year ended 31 December 2011 :**

The Directors proposed a final single tier tax exempt dividend of 2.0 sen per ordinary share amounting to RM3,300,000 in respect of the financial year ended 31 December 2011, subject to the approval of the members at the forthcoming Annual General Meeting.

**FOCUS POINT HOLDINGS BERHAD (Company No. : 884238-U)**
**B13. Earnings Per Share**
**(a) Basic**

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Individual quarter		Cumulative quarter	
	Current year	Preceding year	Current year-	Preceding year-
	quarter ended	corresponding	to-date	to-date
	31/3/2012	quarter ended	31/3/2012	31/3/2011
	RM'000	31/3/2011	RM'000	RM'000
Profit/(Loss) for the period attributable to ordinary equity holders of the Company (RM'000)	1,968	1,218	1,968	1,218
Weighted average number of ordinary shares in issue ('000)	165,000	165,000	165,000	165,000
Basic earnings/(loss) per share (sen)	1.19	0.74	1.19	0.74

**(b) Diluted**

The Company has not issued any convertible share or convertible financial instrument for the current financial quarter under review and the current financial year-to-date.

**B14. Disclosure of Realised and Unrealised Profits**

The breakdown of the retained profits of the Group as at 31 March 2012, into realised and unrealised profits, pursuant to the directive, is as follows:-

	As at 31/3/2012 RM'000	As at 31/12/2011 RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	29,882	27,908
- Unrealised	(893)	(876)
	28,989	27,032
Total share of retained profits from associates :		
- Realised	24	130
- Unrealised	9	(2)
	33	128
Total	29,022	27,160
Less : Consolidation adjustments	(17,161)	(17,257)
Total retained profits of the Group	<b>11,861</b>	<b>9,903</b>

**B15. Authorisation for issue**

The interim financial report has been authorised for issue by the Board of Directors ("Board") in accordance with a resolution of the Board on 24 May 2012.