

**ELSOFT RESEARCH BERHAD**

(Company No. 617504-K)

(Incorporated in Malaysia)

**SUMMARY OF KEY FINANCIAL INFORMATION****30 JUNE 2014**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To Date	Corresponding
		30 June 2014	30 June 2013	30 June 2014	30 June 2013
		RM'000	RM'000	RM'000	RM'000
1	Revenue	15,164	10,996	19,371	17,528
2	Profit before tax	7,583	5,277	8,815	7,551
3	Profit for the period	6,961	5,261	8,188	7,523
4	Profit attributable to ordinary equity holders of the parent	6,961	5,261	8,188	7,523
5	Earnings per share (sen) :				
	-Basic	3.84	2.90	4.52	4.15
	-Diluted	3.84	2.90	4.52	4.15
6	Proposed / Declared dividend per share (sen)	2	1	2	1
		<hr/>	<hr/>	<hr/>	<hr/>
		<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
		<b>30 June 2014</b>		<b>31 Dec 2013</b>	
		<b>RM</b>		<b>RM</b>	
7	Net assets per share attributable to ordinary equity holders of the parent	<hr/>		<hr/>	
		0.36		0.34	

Note: For full text of the above announcement, please access the Bursa Malaysia website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

**ELSOFT RESEARCH BERHAD**  
(Company No. 617504-K)  
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2014**  
(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
		30 June 2014 RM'000	30 June 2013 RM'000	30 June 2014 RM'000	30 June 2013 RM'000
Revenue		15,164	10,996	19,371	17,528
Cost of sales		(6,540)	(5,095)	(9,346)	(8,919)
<b>Gross profit</b>		<u>8,624</u>	<u>5,901</u>	<u>10,025</u>	<u>8,609</u>
Other income		291	389	585	738
Administrative expenses		(1,476)	(1,259)	(2,294)	(2,109)
Share of (loss)/profit in associate		144	246	499	313
<b>Profit before tax</b>	B14	<u>7,583</u>	<u>5,277</u>	<u>8,815</u>	<u>7,551</u>
Income tax expense	B5	(622)	(16)	(627)	(28)
<b>Profit for the period</b>		<u>6,961</u>	<u>5,261</u>	<u>8,188</u>	<u>7,523</u>
<b>Other comprehensive income for the period, net of tax</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<u><u>6,961</u></u>	<u><u>5,261</u></u>	<u><u>8,188</u></u>	<u><u>7,523</u></u>

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
NOTE	30 June 2014 RM'000	30 June 2013 RM'000	30 June 2014 RM'000	30 June 2013 RM'000
Attributable to :				
Equity holders of the parent	6,961	5,261	8,188	7,523
Non-controlling interest	-	-	-	-
	<u>6,961</u>	<u>5,261</u>	<u>8,188</u>	<u>7,523</u>
Total comprehensive income attributable to :				
Equity holders of the parent	6,961	5,261	8,188	7,523
Non-controlling interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Earnings per share attributable to equity holders of the parent :</b>				
Basic, for profit for the period (sen)	B13 <u>3.84</u>	<u>2.90</u>	<u>4.52</u>	<u>4.15</u>
Diluted, for profit for the period (sen)	B13 <u>3.84</u>	<u>2.90</u>	<u>4.52</u>	<u>4.15</u>

The unaudited condensed consolidated statement of profit or loss and comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**ELSOFT RESEARCH BERHAD**

(Company No. 617504-K)

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2014**

	NOTE	(Unaudited) 30 June 2014 RM'000	(Audited) 31 Dec 2013 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A9	16,752	16,606
Prepaid lease payments		3,176	3,208
Investment properties		3,227	3,262
Investment in associate		4,992	4,493
		<u>28,147</u>	<u>27,569</u>
<b>Current assets</b>			
Inventories		4,692	2,029
Other investment	B8	17,895	23,870
Trade receivables		18,560	6,704
Other receivables, deposits and prepayments		302	326
Current tax assets		-	138
Cash and cash equivalents		6,430	4,442
		<u>47,879</u>	<u>37,509</u>
<b>TOTAL ASSETS</b>		<u>76,026</u>	<u>65,078</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		18,113	18,113
Treasury shares		(60)	(38)
Share premium		15,166	15,166
Retained profits		32,054	27,487
<b>Total equity</b>		<u>65,273</u>	<u>60,728</u>
<b>Non-current liability</b>			
Deferred tax liability		530	530
		<u>530</u>	<u>530</u>
<b>Current liabilities</b>			
Trade payables		5,550	610
Other payables and accruals		4,215	3,210
Current tax liabilities		458	-
		<u>10,223</u>	<u>3,820</u>
<b>Total liabilities</b>		10,753	4,350
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>76,026</u>	<u>65,078</u>
Net assets per share (RM)		<u>0.36</u>	<u>0.34</u>

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The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**Note:-**

Net assets per share is calculated by dividing net assets of RM 65,273,000 over the number of ordinary shares of 181,132,000 at RM0.10 each.

**ELSOFT RESEARCH BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	<-----Non-distributable ----->			Distributable	
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Retained profits RM'000	Total equity RM'000
At 1 January 2014	18,113	15,166	(38)	27,487	60,728
<b>Total comprehensive income</b>	-	-	-	8,188	8,188
<b>Transaction with owners</b>					
Purchase of treasury shares	-	-	(22)	-	(22)
Interim dividend paid	-	-	-	(3,621)	(3,621)
	-	-	(22)	(3,621)	(3,643)
At 30 June 2014	18,113	15,166	(60)	32,054	65,273
At 1 January 2013	18,113	15,166	(24)	22,097	55,352
<b>Total comprehensive income</b>	-	-	-	7,523	7,523
<b>Transaction with owners</b>					
Interim dividend paid	-	-	-	(3,622)	(3,622)
	-	-	-	(3,622)	(3,622)
At 30 June 2013	18,113	15,166	(24)	25,998	59,253

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	<b>(Unaudited)</b> <b>30 June 2014</b> <b>RM'000</b>	<b>(Unaudited)</b> <b>30 June 2013</b> <b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,815	7,551
Adjustment for:		
Amortisation of prepaid lease payment	32	32
Depreciation of property, plant and equipment	252	140
Depreciation of investment properties	35	35
Dividend income from other investments	(163)	(14)
Gain on disposal of other investments	(5)	(8)
(Gain)/Loss on fair value adjustment of other investments	(166)	(268)
Interest income	(2)	(73)
Unrealised loss on foreign exchange	12	-
Share of profit in associate	(499)	(313)
Operating profit before working capital changes	<u>8,311</u>	<u>7,082</u>
(Increase)/Decrease in inventories	(2,663)	213
(Increase)/Decrease in trade and other receivables	(11,844)	(4,567)
Increase/(Decrease) in trade and other payables	<u>5,945</u>	<u>(545)</u>
	(251)	2,183
Tax paid	(31)	(125)
Net cash flow (used in)/from operating activities	<u>(282)</u>	<u>2,058</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(398)	(4,111)
Purchase of other investments	(7,372)	(2,589)
Proceeds from disposal of other investment	13,681	7,283
Dividend received from an associate	-	14
Interest received	2	73
Net cash flow from/(used in) investing activities	<u>5,913</u>	<u>670</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(22)	-
Interim dividend paid	(3,621)	(3,622)
Net cash flow used in financing activities	<u>(3,643)</u>	<u>(3,622)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

(The figures have not been audited)

	<b>(Unaudited)</b> <b>30 June 2014</b> <b>RM'000</b>	<b>(Unaudited)</b> <b>30 June 2013</b> <b>RM'000</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	1,988	(894)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	4,442	3,530
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>6,430</u>	<u>2,636</u>

Represented by :

Short term funds	300	294
Cash and bank balances	6,130	2,342
	<u>6,430</u>	<u>2,636</u>

Short term funds represents highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting in Malaysia and Chapter 9, Part K, 9.22 and Appendix 9B of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013. These explanatory notes attached to the financial statements provide an explanation of the 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 2013.

The financial statements of the Group and the Company for the financial year ended 31 December 2013 were prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) in Malaysia.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the year 31 December 2013, except for the adoption of the Amendments to Standards and IC Interpretations effective as of 1 January 2014.

**Effective for annual periods commencing on or after 1 January 2014**

MFRS 10	<i>Consolidated Financial Statements: Investment Entities</i>
MFRS 12	<i>Disclosure of Interests in Other Entities: Investment Entities</i>
MFRS 127	<i>Separate Financial Statements: Investment Entities</i>
MFRS 132	<i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>
MFRS 136	<i>Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets</i>
MFRS 139	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 - INTERIM FINANCIAL REPORTING**

(Continued)

**A1 Basis of preparation (Continued)**

The followings MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective by the Group

Effective for annual periods commencing on or after 1 July 2014

Amendments to MFRS 119	<i>Defined Benefit Plans: Employee Contributions</i>
Annual Improvement to MFRSs 2010 - 2012 Cycle	
Annual Improvement to MFRSs 2011 - 2013 Cycle	

To be announced by Malaysian Accounting Standards Board (MASB)

MFRS 9	<i>Financial Instruments (IFRS 9 issued by International Accounting Standards Board (IASB) in November 2009)</i>
MFRS 9	<i>Financial Instruments (IFRS 9 issued by IASB in October 2010)</i>
MFRS 9	<i>Financial Instruments: Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 and MFRS 7)</i>
MFRS 9	<i>Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139)</i>

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

**A2 Audit report of preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not subject to any qualification.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014****A3 Seasonal or cyclical factors**

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 30 June 2014.

**A5 Material changes in estimates**

There were no changes in estimates that have had any material effect on the quarter ended 30 June 2014.

**A6 Changes in debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter-to-date under review, except for the following:

**Treasury shares**

The treasury shares held as at 30 June 2014 were as follows:

	<b>RM'000</b>
Balance as at 1 January 2014	38
Add: Purchase of treasury shares	22
Balance as at 30 June 2014	<u>60</u>

**A7 Dividends paid**

Tax exempt Interim dividend for the financial year	31 December 2013
Approved and declared on	21 February 2014
Amount per share	20%
Date paid	15 April 2014
Entitlement to dividend based on Record of Depositors as at	18 March 2014

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014****A8 Segmental information**

The segment information is presented on the basis of the Group's primary business segments. This segment reporting format is also the basis for the Group's management and internal reporting structure to the chief operating decision maker. There are 2 segments namely the Test, Burn in and Embedded Peripherals Operations and Automation Equipment/Systems Operations.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>
<b>Segment Revenue</b>				
(1) Test, Burn-in and Embedded Peripherals	6,906	6,082	9,908	11,344
(2) Automation Equipment/Systems	8,731	8,338	10,364	10,686
	15,637	14,420	20,272	22,030
Less : Intercompany transactions	(473)	(3,424)	(901)	(4,502)
<b>Total</b>	<b>15,164</b>	<b>10,996</b>	<b>19,371</b>	<b>17,528</b>

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>
<b>Segment Result</b>				
(1) Test, Burn-in and Embedded Peripherals	3,401	2,655	3,609	4,105
(2) Automation Equipment/Systems	3,746	1,987	4,122	2,395
	7,147	4,642	7,731	6,500
Other income	291	389	585	738
Share of profit in associate	145	246	499	313
<b>Total</b>	<b>7,583</b>	<b>5,277</b>	<b>8,815</b>	<b>7,551</b>

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014**

**A9 Property, plant and equipment**

The valuation of the property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2013.

Property, plant and equipment costing approximately RM398,000 were acquired during the financial period ended 30 June 2014.

**A10 Material events subsequent to the end of the quarter**

There were no material events between the end of the reporting quarter and the date of this announcement.

**A11 Changes in the composition of the Group**

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

**A12 Contingent liabilities**

During the current quarter, the directors are of the opinion that the Group has no contingent liabilities which, upon materialisation would have a material impact on the financial position and business of the Group.

**A13 Related party transactions**

During the current quarter under review, the directors are of the opinion that the Group has no related party transactions which would have a material impact on the financial position and business of the Group.

**A14. Capital Commitments**

There is no capital commitments in the interim financial statements as at 30 June 2014.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR ACE MARKET**

**B1 Review of performance**

For the current quarter, the Group registered revenue and profit before tax ("PBT") of approximately RM 15.16 million and RM 7.58 million respectively. Compared to the preceding year corresponding quarter revenue and profit before tax of approximately RM 11.00 million and RM 5.28 million respectively, revenue has increased by approximately 38% and profit before tax has increased by approximately 44% respectively for the current quarter. The higher revenue and PBT recorded was mainly due to strong demand on our new as well as existing products.

**B2 Variation of results against preceding quarter**

For the current quarter, the Group recorded higher revenue of approximately RM 15.16 million as compared to RM 4.21 million achieved in the previous quarter. PBT for the current quarter increased from approximately RM 1.23 million in the previous quarter to RM 7.58 million in the current quarter are in tandem with the strong revenue generated.

**B3 Prospects**

Barring any unforeseen circumstances, the Board is optimistic on the Group's prospects for the financial year ending 31 December 2014.

**B4 Profit estimate, forecast, projection or internal targets and profit guarantee**

The Group did not announce or provide any profit estimate, forecast, projection, internal targets or profit guarantee in any public documents.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014****B5 Income tax expense**

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30.6.2014 RM' 000	30.6.2013 RM' 000	30.6.2014 RM' 000	30.6.2013 RM' 000
Current tax	(622)	(16)	(627)	(28)

For the current quarter ended 30 June 2014, the effective tax rate for the Group is lower than the statutory tax rate due to 100% tax exemption from Pioneer Status of Section 7 Promotion of Investment Act, 1986 for AGS Automation (Malaysia) Sdn. Bhd.

**B6 Unquoted investments and properties**

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

**B7 Corporate proposals**

There were no corporate proposals announced as at the date of issue of this interim financial report.

**B8 Investment securities**

A summary of the movement of other investments during the period ended 30 June 2014 is as follow:

	RM'000
<b>Investment securities</b>	
Balance at 1 January 2014	23,870
Acquisition during the period	7,372
Dividend reinvest	163
Less : Disposal during the period	(13,676)
	<u>17,729</u>
Add : Gain on fair value adjustment	166
Balance at 30 June 2014	<u><u>17,895</u></u>

**B9 Group's borrowings and debt securities**

There were no borrowings and debt securities outstanding/issued during the current quarter under review.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014**

**B10 Off balance sheet financial instruments**

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B11 Material litigation**

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B12 Proposed dividends**

Tax exempt Interim dividend for the financial year	31 December 2014
Approved and declared on	22 August 2014
Amount per share	20%
Date payable	15 September 2014
Entitlement to dividend based on Record of Depositors as at	29 September 2014



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014****B13 Earnings per share**

## a. Basic

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

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 6 months ended</b>	
	<b>30 June 2014 RM' 000</b>	<b>30 June 2013 RM' 000</b>	<b>30 June 2014 RM' 000</b>	<b>30 June 2013 RM' 000</b>
Profit attributable to ordinary equity holders of the parent	6,961	5,261	8,188	7,523
	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 6 months ended</b>	
	<b>30 June 2014 '000</b>	<b>30 June 2013 '000</b>	<b>30 June 2014 '000</b>	<b>30 June 2013 '000</b>
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132
	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 6 months ended</b>	
	<b>30 June 2014 Sen</b>	<b>30 June 2013 Sen</b>	<b>30 June 2014 Sen</b>	<b>30 June 2013 Sen</b>
Basic earnings per share for: Profit for the period	3.84	2.90	4.52	4.15

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014****B13 Earnings per share (cont'd)**

## b. Diluted

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share option granted to employees.

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 6 months ended</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Profit attributable to ordinary equity holders of the parent	6,961	5,261	8,188	7,523
	<b>Individual Quarter 3 months ended</b>	<b>Cumulative Quarter 6 months ended</b>		
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132
Effects of dilution :				
Share option	-	-	-	-
	<b>Individual Quarter 3 months ended</b>	<b>Cumulative Quarter 6 months ended</b>		
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Diluted earnings per share for:				
Profit for the period	3.84	2.90	4.52	4.15

**ELSOFT RESEARCH BERHAD**

(Company No. 617504-K)

(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED  
30 JUNE 2014****B14 Profit Before Tax**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 June 2014</b>	<b>30 June 2013</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Profit before tax is arrived after charging:				
Amortisation of prepaid leasehold land	16	16	32	32
Audit fee	11	12	20	21
Depreciation				
- property, plant and equipment	126	68	252	136
- Investment property	18	18	35	35
Realised loss on foreign exchange	76	8	83	8
Unrealised loss on foreign exchange	12	-	12	-
	<u>172</u>	<u>160</u>	<u>344</u>	<u>320</u>
and crediting:				
Dividend income	116	130	163	136
Gain on disposal of other investment	2	(1)	5	12
Gain on fair value adjustment on other investment	88	110	166	270
Interest income	1	-	2	1
Realised gain on foreign exchange	-	-	-	8
Rental received	172	160	344	320

**ELSOFT RESEARCH BERHAD**

(Company No. 617504-K)

(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2014****B15 Breakdown of Realised and Unrealised Profits or Losses of the Group**

The retained profits may be analysed as follows:

	<b>As at end of current quarter 30.6.2014 RM '000</b>	<b>As at end of previous financial year 31.12.2013 RM '000</b>
Total retained profits of Elsoft Research Berhad and its subsidiaries:		
- Realised profits	39,027	32,741
- Unrealised profits	<u>(530)</u>	<u>(208)</u>
	38,497	32,533
Total share of retained earnings from an associate:		
- Realised profits	2,125	2,657
- Unrealised profits	<u>(103)</u>	<u>(31)</u>
	40,519	35,159
Less : Consolidation adjustments	<u>(8,465)</u>	<u>(7,672)</u>
Total Group retained profits as per consolidated accounts	<u><u>32,054</u></u>	<u><u>27,487</u></u>

**B16 Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 August 2014.

By Order of the Board

*Tan Cheik Eaik*

Director