

ELSOFT RESEARCH BERHAD

(Company No. 617504-K)

(Incorporated in Malaysia)

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

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current	Preceding	Current	Preceding
		Year	Year	Year	Year
		Quarter	Corresponding	To Date	Corresponding
		30 Sept 2014	30 Sept 2013	30 Sept 2014	30 Sept 2013
		RM'000	RM'000	RM'000	RM'000
1	Revenue	16,009	3,631	35,380	21,159
2	Profit before tax	7,506	1,461	16,321	9,012
3	Profit for the period	7,346	1,451	15,534	8,974
4	Profit attributable to ordinary equity holders of the parent	7,346	1,451	15,534	8,974
5	Earnings per share (sen) :				
	-Basic	4.06	0.80	8.58	4.95
	-Diluted	4.06	0.80	8.58	4.95
6	Proposed / Declared dividend per share (sen)	-	-	2	1
		<hr/>	<hr/>	<hr/>	<hr/>
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
		30 Sept 2014		31 Dec 2013	
		RM		RM	
7	Net assets per share attributable to ordinary equity holders of the parent	<hr/>		<hr/>	
		0.38		0.34	

Note: For full text of the above announcement, please access the Bursa Malaysia website at www.bursamalaysia.com

ELSOFT RESEARCH BERHAD
 (Company No. 617504-K)
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year 30 Sept 2014 RM'000	Preceding Year Corresponding Quarter 30 Sept 2013 RM'000	Current Year To Date 30 Sept 2014 RM'000	Preceding Year Corresponding Period 30 Sept 2013 RM'000
Revenue		16,009	3,631	35,380	21,159
Cost of sales		(8,734)	(1,872)	(18,080)	(10,791)
Gross profit		<u>7,275</u>	<u>1,759</u>	<u>17,300</u>	<u>10,368</u>
Other income		806	216	1,391	954
Administrative expenses		(927)	(752)	(3,221)	(2,861)
Share of profit in associate		352	238	851	551
Profit before tax	B13	<u>7,506</u>	<u>1,461</u>	<u>16,321</u>	<u>9,012</u>
Income tax expense	B5	(160)	(10)	(787)	(38)
Profit for the period		<u>7,346</u>	<u>1,451</u>	<u>15,534</u>	<u>8,974</u>
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive income for the period		<u><u>7,346</u></u>	<u><u>1,451</u></u>	<u><u>15,534</u></u>	<u><u>8,974</u></u>

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

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
NOTE	30 Sept 2014 RM'000	30 Sept 2013 RM'000	30 Sept 2014 RM'000	30 Sept 2013 RM'000
Attributable to :				
Equity holders of the parent	7,346	1,451	15,534	8,974
Non-controlling interest	-	-	-	-
	<u>7,346</u>	<u>1,451</u>	<u>15,534</u>	<u>8,974</u>
Total comprehensive income attributable to :				
Equity holders of the parent	7,346	1,451	15,534	8,974
Non-controlling interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings per share attributable to equity holders of the parent :				
Basic, for profit for the period (sen)	B12 <u>4.06</u>	<u>0.80</u>	<u>8.58</u>	<u>4.95</u>
Diluted, for profit for the period (sen)	B12 <u>4.06</u>	<u>0.80</u>	<u>8.58</u>	<u>4.95</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)

(Incorporated in Malaysia)

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

	NOTE	(Unaudited) 30 Sept 2014 RM'000	(Audited) 31 Dec 2013 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A9	16,678	16,606
Prepaid lease payments		3,160	3,208
Investment properties		3,210	3,262
Investment in associate		5,344	4,493
		<u>28,392</u>	<u>27,569</u>
Current assets			
Inventories		3,441	2,029
Other investment	B8	17,936	23,870
Trade receivables		17,378	6,704
Other receivables, deposits and prepayments		415	326
Current tax assets		-	138
Cash and cash equivalents		10,753	4,442
		<u>49,923</u>	<u>37,509</u>
TOTAL ASSETS		<u>78,315</u>	<u>65,078</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		18,113	18,113
Treasury shares		(74)	(38)
Share premium		15,166	15,166
Retained profits		35,780	27,487
Total equity		<u>68,985</u>	<u>60,728</u>
Non-current liability			
Deferred tax liability		530	530
		<u>530</u>	<u>530</u>
Current liabilities			
Trade payables		4,044	610
Other payables and accruals		4,338	3,210
Current tax liabilities		418	-
		<u>8,800</u>	<u>3,820</u>
Total liabilities		9,330	4,350
TOTAL EQUITY AND LIABILITIES		<u>78,315</u>	<u>65,078</u>
Net assets per share (RM)		<u>0.38</u>	<u>0.34</u>

ELSOFT RESEARCH BERHAD

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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 68,985,000 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 THIRD QUARTER ENDED 30 SEPTEMBER 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
Total comprehensive income	-	-	-	15,534	15,534
Transaction with owners					
Purchase of treasury shares	-	-	(36)	-	(36)
Interim dividend paid	-	-	-	(7,241)	(7,241)
	-	-	(36)	(7,241)	(7,277)
At 30 September 2014	<u>18,113</u>	<u>15,166</u>	<u>(74)</u>	<u>35,780</u>	<u>68,985</u>
At 1 January 2013	18,113	15,166	(24)	22,097	55,352
Total comprehensive income	-	-	-	8,974	8,974
Transaction with owners					
Purchase of treasury shares	-	-	(14)	-	(14)
Interim dividend paid	-	-	-	(5,432)	(5,432)
	-	-	(14)	(5,432)	(5,446)
At 30 September 2013	<u>18,113</u>	<u>15,166</u>	<u>(38)</u>	<u>25,639</u>	<u>58,880</u>

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.

ELSOFT RESEARCH BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

(The figures have not been audited)

	Note	(Unaudited) 30 Sept 2014 RM'000	(Unaudited) 30 Sept 2013 RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		16,321	9,012
Adjustment for:			
Amortisation of prepaid lease payment		48	48
Depreciation of property, plant and equipment		381	207
Depreciation of investment properties		52	52
Dividend income from other investments	B8	(577)	(476)
Loss/(Gain) on disposal of other investments		230	(56)
(Gain)/Loss on fair value adjustment of other investments	B8	(166)	4
Interest income		(2)	(1)
Unrealised gain on foreign exchange		(259)	-
Share of profit in associate		(851)	(551)
Operating profit before working capital changes		<u>15,177</u>	<u>8,239</u>
(Increase)/Decrease in inventories		(1,412)	142
(Increase)/Decrease in trade and other receivables		(10,504)	679
Increase/(Decrease) in trade and other payables		<u>4,562</u>	<u>(1,559)</u>
		7,823	7,501
Tax paid		(231)	(65)
Net cash flow from operating activities		<u>7,592</u>	<u>7,436</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	A9	(453)	(4,304)
Purchase of other investments	B8	(22,602)	(4,661)
Proceeds from disposal of other investment		29,049	9,268
Dividend received from an associate		-	92
Interest received		2	1
Net cash flow from investing activities		<u>5,996</u>	<u>396</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Purchase of treasury shares	A6	(36)	(14)
Interim dividend paid		(7,241)	(5,432)
Net cash flow used in financing activities		<u>(7,277)</u>	<u>(5,446)</u>

ELSOFT RESEARCH BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

(The figures have not been audited)

	(Unaudited) 30 Sept 2014 RM'000	(Unaudited) 30 Sept 2013 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	6,311	2,386
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	4,442	3,530
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>10,753</u>	<u>5,916</u>

Represented by :

Short term funds	-	296
Cash and bank balances	10,753	5,620
	<u>10,753</u>	<u>5,916</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 THIRD QUARTER ENDED
30 SEPTEMBER 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 THIRD QUARTER ENDED
30 SEPTEMBER 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	

Effective for annual periods commencing on or after 1 January 2016

MFRS 14	Regulatory Deferral Accounts
Amendment to MFRS 11	Accounting for Acquisition of Interests in Joint Operations
Amendment to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendment to MFRS 116 and MFRS 141	Agriculture: Bearer Plants

Effective for annual periods commencing on or after 1 January 2017

MFRS 15	Revenue from Contracts with Customers
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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>

* On 24 July 2014, the IASB issued the final version of IFRS 9 *Financial Instrument*. This standard will come into effect on 1 January 2018, with early application permitted.

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.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014**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.

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 September 2014.

A5 Material changes in estimates

There were no changes in estimates that have had any material effect on the quarter ended 30 September 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 September 2014 were as follows:

	RM'000
Balance as at 1 January 2014	38
Add: Purchase of treasury shares	36
Balance as at 30 September 2014	<u>74</u>

A7 Dividends paid

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

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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.

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000
Segment Revenue				
(1) Test, Burn-in and Embedded Peripherals	5,293	3,043	15,201	14,387
(2) Automation Equipment/Systems	10,971	934	21,335	11,620
	<u>16,264</u>	<u>3,977</u>	<u>36,536</u>	<u>26,007</u>
Less : Intercompany transactions	(255)	(346)	(1,156)	(4,848)
Total	<u>16,009</u>	<u>3,631</u>	<u>35,380</u>	<u>21,159</u>

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000
Segment Result				
(1) Test, Burn-in and Embedded Peripherals	1,646	896	5,255	5,001
(2) Automation Equipment/Systems	4,702	111	8,824	2,506
	<u>6,348</u>	<u>1,007</u>	<u>14,079</u>	<u>7,507</u>
Other income	806	216	1,391	954
Share of profit in associate	352	238	851	551
Total	<u>7,506</u>	<u>1,461</u>	<u>16,321</u>	<u>9,012</u>

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 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 RM453,000 were acquired during the financial period ended 30 September 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 September 2014.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 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 16.01 million and RM 7.51 million respectively. Compared to the preceding year corresponding quarter revenue and profit before tax of approximately RM 3.63 million and RM 1.46 million respectively, revenue has increased by approximately 341% and profit before tax has increased by approximately 414% 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.

The Group recorded revenue and PBT of approximately RM 35.38 million and RM16.32 million respectively for the current year-to-date. Compared to the preceding year corresponding year-to-date revenue and PBT of RM 21.16 million and RM 9.01 million respectively, revenue and PBT have increased by approximately 67% and 81% respectively for the current year-to-date. 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 16.01 million as compared to RM 15.16 million achieved in the previous quarter. PBT for the current quarter slightly decreased from approximately RM 7.58 million in the previous quarter to RM 7.51 million in the current quarter are due to higher cost of sales.

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 THIRD QUARTER ENDED
30 SEPTEMBER 2014****B5 Income tax expense**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 Sept 2014	30 Sept 2013	30 Sept 2014	30 Sept 2013
	RM' 000	RM' 000	RM' 000	RM' 000
Current tax	160	10	787	38

For the current quarter ended 30 September 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 Other investment

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

	RM'000
Other investment	
Balance at 1 January 2014	23,870
Acquisition during the period	22,602
Dividend reinvest	577
Less : Disposal during the period	(29,279)
	<u>17,770</u>
Add : Gain on fair value adjustment	166
Balance at 30 September 2014	<u><u>17,936</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 THIRD QUARTER ENDED
30 SEPTEMBER 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).

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2014****B12 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.

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000	30 Sept 2014 RM' 000	30 Sept 2013 RM' 000
Profit attributable to ordinary equity holders of the parent	7,346	1,451	15,534	8,974
	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 '000	30 Sept 2013 '000	30 Sept 2014 '000	30 Sept 2013 '000
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132
	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 Sen	30 Sept 2013 Sen	30 Sept 2014 Sen	30 Sept 2013 Sen
Basic earnings per share for: Profit for the period	4.06	0.80	8.58	4.95

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014**B12 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.

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 RM '000	30 Sept 2013 RM '000	30 Sept 2014 RM '000	30 Sept 2013 RM '000
Profit attributable to ordinary equity holders of the parent	7,346	1,451	15,534	8,974
	<hr/>		<hr/>	
	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 '000	30 Sept 2013 '000	30 Sept 2014 '000	30 Sept 2013 '000
Weighted average number of ordinary shares in issue	181,132	181,132	181,132	181,132
Effects of dilution :				
Share option	-	-	-	-
	<hr/>		<hr/>	
	181,132	181,132	181,132	181,132
	<hr/>		<hr/>	
	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 Sen	30 Sept 2013 Sen	30 Sept 2014 Sen	30 Sept 2013 Sen
Diluted earnings per share for: Profit for the period	4.06	0.80	8.58	4.95
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2014****B13 Profit Before Tax**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30 Sept 2014 RM '000	30 Sept 2013 RM '000	30 Sept 2014 RM '000	30 Sept 2013 RM '000
Profit before tax is arrived after charging:				
Amortisation of prepaid leasehold land	16	16	48	48
Audit fee	9	10	29	31
Depreciation				
- property, plant and equipment	129	71	381	207
- Investment property	17	17	52	52
Loss on disposal of other investment	235	-	230	-
Loss on fair value adjustment on other investment	-	274	-	4
Realised loss on foreign exchange	-	-	82	-
Unrealised loss on foreign exchange	-	-	-	-
and crediting:				
Dividend income	414	340	577	476
Gain on disposal of other investment	-	44	-	56
Gain on fair value adjustment on other investment	-	-	166	-
Interest income	-	-	2	1
Realised gain on foreign exchange	1	15	-	15
Unrealised gain on foreign exchange	271	-	259	-
Rental received	216	180	560	500

ELSOFT RESEARCH BERHAD

(Company No. 617504-K)

(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2014****B14 Breakdown of Realised and Unrealised Profits or Losses of the Group**

The retained profits may be analysed as follows:

	As at end of current quarter 30.9.2014 RM '000	As at end of previous financial year 31.12.2013 RM '000
Total retained profits of Elsoft Research Berhad and its subsidiaries:		
- Realised profits	42,402	32,741
- Unrealised profits	(530)	(208)
	<u>41,872</u>	<u>32,533</u>
Total share of retained earnings from an associate:		
- Realised profits	2,463	2,657
- Unrealised profits	(90)	(31)
	<u>44,245</u>	<u>35,159</u>
Less : Consolidation adjustments	(8,465)	(7,672)
Total Group retained profits as per consolidated accounts	<u><u>35,780</u></u>	<u><u>27,487</u></u>

B15 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 21 November 2014.

By Order of the Board

Tan Cheik Eaik

Director