



DRB-HICOM BERHAD

(203430-W)

(Incorporated in Malaysia)

Interim Financial Report for the Financial Year
Ended 31 March 2017

INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

The Board of Directors hereby announce the unaudited consolidated financial results of DRB-HICOM Group (“the Group”) for the financial quarter/financial year ended 31 March 2017.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 (Restated) RM'000
Revenue		3,481,596	2,632,776	12,058,334	12,172,941
Cost of sales and operating expenses		(3,533,916)	(3,220,109)	(12,304,880)	(12,981,808)
Other income		115,208	71,060	837,518	469,483
Other expenses		(269,942)	(125,292)	(691,733)	(327,717)
Loss from operations		(207,054)	(641,565)	(100,761)	(667,101)
Finance costs		(87,312)	(94,032)	(370,905)	(382,094)
Share of results of joint ventures (net of tax)		(14,436)	3,199	9,575	22,059
Share of results of associated companies (net of tax)		53,174	(11,934)	239,907	205,006
LOSS BEFORE TAXATION	15	(255,628)	(744,332)	(222,184)	(822,130)
Taxation	20	(6,639)	(18,762)	(38,218)	(49,491)
NET LOSS FOR THE QUARTER/FINANCIAL YEAR		(262,267)	(763,094)	(260,402)	(871,621)
OTHER COMPREHENSIVE (LOSS)/INCOME					
<u>Items that will not be reclassified to profit or loss:</u>					
Net gain/(loss) on valuation of post-employment benefit obligations		4,376	(5,478)	4,376	(5,478)
Fair value adjustment on investment properties		-	528	-	528
<u>Items that will be subsequently reclassified to profit or loss:</u>					
Net gain/(loss) on fair value changes of investment securities: available-for-sale		31,686	55,822	(11,560)	10,804
Currency translation differences of foreign subsidiaries		11,608	(47,313)	(3,644)	54,857

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 (Restated) RM'000
<u>Reclassification adjustments:</u>					
Transfer of reserve of a foreign subsidiary company to profit or loss upon disposal		-	-	(37,387)	-
Transfer of reserve of an associated company to profit or loss upon disposal		-	-	-	(4,604)
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE QUARTER/FINANCIAL YEAR (NET OF TAX)		47,670	3,559	(48,215)	56,107
TOTAL COMPREHENSIVE LOSS FOR THE QUARTER/FINANCIAL YEAR		(214,597)	(759,535)	(308,617)	(815,514)
Net (loss)/profit for the quarter/financial year attributable to:					
Owners of the Company		(328,451)	(790,760)	(454,401)	(992,763)
Holder of Perpetual Sukuk		19,794	19,809	79,655	76,865
Non-controlling interest		46,390	7,857	114,344	44,277
		(262,267)	(763,094)	(260,402)	(871,621)
Total comprehensive (loss)/income for the quarter/financial year attributable to:					
Owners of the Company		(288,346)	(802,297)	(500,127)	(941,273)
Holder of Perpetual Sukuk		19,794	19,809	79,655	76,865
Non-controlling interest		53,955	22,953	111,855	48,894
		(214,597)	(759,535)	(308,617)	(815,514)
Basic and diluted loss per share (sen):	26	(16.99)	(40.90)	(23.50)	(51.35)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As at 31.03.2017 RM'000	Audited As at 31.03.2016 (Restated) RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		6,352,474	5,708,050
Concession assets		217,152	227,051
Prepaid lease properties		50,813	52,024
Investment properties		246,889	617,955
Land held for property development		1,182,226	985,141
Joint ventures		413,826	451,023
Associated companies		756,543	1,364,616
Intangible assets		1,812,523	1,680,322
Deferred tax assets		147,192	91,719
Investment securities: financial assets at fair value through profit or loss			
- Banking		197,208	186,355
Investment securities: available-for-sale			
- Banking		5,040,929	5,058,434
- Non-banking		46,153	46,203
Investment securities: held-to-maturity			
- Banking		142,168	140,607
Trade and other receivables		264,144	104,589
Other assets		516	441
Banking related assets			
- Financing of customers		10,772,103	10,600,485
- Statutory deposits with Bank Negara Malaysia		698,636	703,261
		28,341,495	28,018,276
CURRENT ASSETS			
Assets held for sale		4,500	10,819
Inventories		2,285,452	1,760,627
Property development costs		140,186	284,145
Trade and other receivables		4,057,560	4,517,409
Investment securities: financial assets at fair value through profit or loss			
- Non-banking		175	-
Investment securities: available-for-sale			
- Banking		1,090,487	641,732
Banking related assets			
- Cash and short-term funds		1,049,925	1,069,101
- Financing of customers		3,939,713	3,726,891
Bank balances and cash deposits		2,860,515	1,971,552
Derivative assets	23(a)	61,494	40,951
		15,490,007	14,023,227
TOTAL ASSETS		43,831,502	42,041,503

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

	Note	Unaudited As at 31.03.2017 RM'000	Audited As at 31.03.2016 (Restated) RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,740,302	1,719,601
Reserves		4,333,727	4,822,624
Equity attributable to Owners of the Company		6,074,029	6,542,225
Perpetual Sukuk		1,051,839	1,051,859
Non-controlling interest		3,012,647	908,359
TOTAL EQUITY		10,138,515	8,502,443
NON-CURRENT LIABILITIES			
Deferred income		151,621	119,690
Long term borrowings	22(c)	4,105,407	4,303,493
Provision for liabilities and charges		18,025	2,606
Provision for concession assets		138,809	103,841
Post-employment benefit obligations		37,741	44,033
Deferred tax liabilities		129,375	66,335
Banking related liabilities – Deposits from customers		418,615	66,987
		4,999,593	4,706,985
CURRENT LIABILITIES			
Deferred income		48,410	64,570
Trade and other payables		6,661,786	6,422,756
Provision for liabilities and charges		168,662	154,675
Provision for concession assets		6,146	25,214
Post-employment benefit obligations		495	477
Bank borrowings			
- Bank overdrafts	22(a)	6,511	21,462
- Others	22(b)	2,186,391	2,546,305
Banking related liabilities			
- Deposits from customers		18,979,279	19,026,668
- Deposits and placements of banks and other financial institutions		561,654	442,252
- Bills and acceptances payable		9,196	29,350
Derivative liabilities	23(a)	64,864	98,346
		28,693,394	28,832,075
TOTAL LIABILITIES		33,692,987	33,539,060
TOTAL EQUITY AND LIABILITIES		43,831,502	42,041,503
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY * (RM)		3.14	3.38

* Based on 1,933,237,051 ordinary shares in issue.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital		Non-distributable					Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000					
At 1 April 2016	1,933,237	1,719,601	20,701	1,000,039	(43,631)	6,749	367,638	3,471,991	6,543,088	1,051,859	908,342	8,503,289
Prior year's adjustments (Note 3)	-	-	-	-	-	-	-	(863)	(863)	-	17	(846)
As restated	1,933,237	1,719,601	20,701	1,000,039	(43,631)	6,749	367,638	3,471,128	6,542,225	1,051,859	908,359	8,502,443
Transfers on 31 January 2017 *	-	20,701	(20,701)	-	-	-	-	-	-	-	-	-
Net (loss)/profit for the financial year	-	-	-	-	-	-	-	(454,401)	(454,401)	79,655	114,344	(260,402)
Other comprehensive (loss)/profit for the financial year	-	-	-	-	(42,291)	(8,107)	4,672	-	(45,726)	-	(2,489)	(48,215)
Total comprehensive (loss)/income for the financial year	-	-	-	-	(42,291)	(8,107)	4,672	(454,401)	(500,127)	79,655	111,855	(308,617)
Transactions with owners												
Net issuance of RCCPS (Note 7)	-	-	-	-	-	-	-	-	-	-	1,248,865	1,248,865
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(79,675)	-	(79,675)
Disposals of subsidiary companies	-	-	-	(1,965)	-	-	-	1,965	-	-	(27,185)	(27,185)

* With the Companies Act 2016 ("the New Act") coming into effect on 31 January 2017, the credit standing in the share premium has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Company may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the New Act.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Share Capital		Non-distributable					Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000					
Effect on deconsolidation of subsidiary companies under creditors' voluntary winding up	-	-	-	214,201	-	-	660	(215,456)	(595)	-	(13,849)	(14,444)
Effect of changes in shareholding/assets in subsidiary companies	-	-	-	-	1,591	-	81,072	(11,472)	71,191	-	299,820	371,011
Effect of change of an associated company to a subsidiary company	-	-	-	-	-	-	(368)	368	-	-	507,426	507,426
Transfer of subsidiary companies' reserves	-	-	-	-	-	-	46,457	(46,457)	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(22,644)	(22,644)
First and final dividend in respect of financial year ended 31 March 2016	-	-	-	-	-	-	-	(38,665)	(38,665)	-	-	(38,665)
At 31 March 2017	1,933,237	1,740,302	-	1,212,275	(84,331)	(1,358)	500,131	2,707,010	6,074,029	1,051,839	3,012,647	10,138,515

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Issued and fully paid ordinary shares		Non-distributable					Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Nominal value RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000					
At 1 April 2015	1,933,237	1,719,601	20,701	1,000,039	(92,529)	(814)	324,688	4,598,900	7,570,586	822,291	959,290	9,352,167
Prior years' adjustments	-	-	-	-	-	-	-	(92)	(92)	-	-	(92)
As restated	1,933,237	1,719,601	20,701	1,000,039	(92,529)	(814)	324,688	4,598,808	7,570,494	822,291	959,290	9,352,075
Net (loss)/profit for the financial year	-	-	-	-	-	-	-	(992,763)	(992,763)	76,865	44,277	(871,621)
Other comprehensive (loss)/profit for the financial year	-	-	-	-	48,898	7,563	(4,971)	-	51,490	-	4,617	56,107
Total comprehensive income/(loss) for the financial year	-	-	-	-	48,898	7,563	(4,971)	(992,763)	(941,273)	76,865	48,894	(815,514)
<u>Transactions with owners</u>												
Net issuance of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	223,841	-	223,841
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(71,138)	-	(71,138)
Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(3,031)	(3,031)
Capital repayment to non-controlling interest of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(86,460)	(86,460)
Transfer of a subsidiary company's reserves	-	-	-	-	-	-	47,921	(47,921)	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(10,334)	(10,334)
Final dividend in respect of financial year ended 31 March 2015	-	-	-	-	-	-	-	(86,996)	(86,996)	-	-	(86,996)
At 31 March 2016	1,933,237	1,719,601	20,701	1,000,039	(43,631)	6,749	367,638	3,471,128	6,542,225	1,051,859	908,359	8,502,443

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Financial Year 12 Months Ended 31.03.2017 RM'000	Financial Year 12 Months Ended 31.03.2016 (Restated) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the financial year	(260,402)	(871,621)
Adjustments:		
- Depreciation and amortisation of property, plant and equipment/prepaid lease properties	669,033	546,130
- Finance costs	370,905	382,094
- Taxation	38,218	49,491
- Share of results of joint ventures (net of tax)	(9,575)	(22,059)
- Share of results of associated companies (net of tax)	(239,907)	(205,006)
- Others	87,622	516,430
Operating profit before working capital changes	655,894	395,459
Changes in working capital:		
Net increase in banking related assets	(457,283)	(1,106,098)
Net increase in banking related liabilities	403,487	166,674
Net decrease in current assets	212,140	334,188
Net (decrease)/increase in current liabilities	(408,770)	393,680
Net cash generated from operations	405,468	183,903
Interest received	57,102	51,024
Dividends received from joint ventures	39,281	18,556
Dividends received from associated companies	134,557	167,061
Dividends received from other investment	1,328	-
Tax refunds/(paid), net	49,133	(42,512)
Finance costs paid	(355,518)	(378,804)
Provision for liabilities and charges paid	(79,867)	(83,927)
Post-employment benefit obligations paid	(14,880)	(12,502)
Provision for concession assets paid	(20,987)	(3,599)
Net cash inflow/(outflow) from operating activities	215,617	(100,800)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional shares in a subsidiary company	(46)	-
Acquisition of investment securities by a banking subsidiary company (net of proceeds from disposal)	(987,380)	238,823
Additional cost incurred for land held for property development	-	(657)
Additional/new investment in an associated company/a joint venture	(32,252)	(70,752)
Capital repayment to non-controlling interest of a subsidiary company	-	(86,460)
Capital repayment received from an associated company	7,200	-
Maturity from investment securities	84,206	-
Movement in fixed deposits placement with maturity profile more than 3 months	25,154	(11,091)
Net cash inflow/(outflow) from acquisition of subsidiary companies	607,037	(102,627)
Net cash inflow from disposal of subsidiary companies	496,623	-
Net cash outflow from deconsolidation of subsidiary companies	(53)	-
Proceeds from disposal of property, plant and equipment/other assets/assets held for sale	91,728	91,821
Redemption of investment securities by a banking subsidiary company	578,718	473,000

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	Financial Year 12 Months Ended 31.03.2017 RM'000	Financial Year 12 Months Ended 31.03.2016 (Restated) RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (Continued)		
Purchase of property, plant and equipment/prepaid lease properties/intangible assets/investment properties	(818,735)	(1,108,504)
Redemption of preference shares by a joint venture	5,000	5,000
Net cash inflow/(outflow) from investing activities	57,200	(571,447)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to holders of Perpetual Sukuk	(79,675)	(71,138)
Dividends paid to non-controlling interest	(22,644)	(10,334)
Dividends paid to shareholders	(38,665)	(115,995)
Movement in fixed deposits held as security/maintained as sinking fund	187,893	39,646
Movement in bank balances in Escrow account arising from RCCPS	(3,019)	-
Net proceeds from issuance of RCCPS	1,248,865	-
Net proceeds from issuance of Perpetual Sukuk	-	223,841
Proceeds from bank borrowings	5,229,103	4,799,928
Repayment of bank borrowing/hire purchase and finance leases	(5,732,849)	(4,833,443)
Net cash inflow from financing activities	789,009	32,505
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,061,826	(639,742)
Effects of foreign currency translation	(270)	19,838
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL YEAR	1,945,062	2,564,966
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL YEAR	3,006,618	1,945,062
Cash and cash equivalents as at end of the financial year comprise the followings:		
Bank balances and cash deposits	2,860,515	1,971,552
Banking related assets – cash and short-term funds	1,049,925	1,069,101
Bank overdrafts	(6,511)	(21,462)
	3,903,929	3,019,191
Less: Fixed deposits held as security/sinking fund	(830,665)	(1,018,558)
Less: Fixed deposits with maturity profile more than 3 months	(11,242)	(36,396)
Less: Bank balance in respect of Automotive Development Fund liabilities	(19,817)	(19,175)
Less: Bank balances in Escrow account arising from RCCPS	(3,019)	-
Less: Collections held by a postal subsidiary company on behalf of third parties	(32,568)	-
	3,006,618	1,945,062

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2016 and the explanatory notes attached to the interim financial report.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial report is prepared in accordance with Financial Reporting Standard (“FRS”) 134 on “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 31 March 2016.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2016 except for the adoption of the following new/amended standards which are applicable to the Group with effect from 1 April 2016:

FRS 14	Regulatory Deferral Accounts
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 101	Disclosure Initiative
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 127	Equity Method in Separate Financial Statements
Annual Improvements to FRSs 2012 – 2014 Cycle	

The adoption and application of the above standards did not have any material impact to the financial statements of the Group.

3. COMPLETION OF PURCHASE PRICE ALLOCATION

During the current financial year, the Group has completed the purchase price allocation (“PPA”) exercise to determine the fair values of the net assets of Northern Gateway Infrastructure Sdn. Bhd. (“NGISB”), an indirect wholly-owned subsidiary company and Media City Ventures Sdn. Bhd. (“MCVSB”), a direct 51% owned subsidiary company, within the stipulated time period, i.e. twelve (12) months from the respective acquisition dates of 20 November 2015 and 18 December 2015, in accordance with FRS 3 ‘*Business Combinations*’. Based on the fair values of the net assets of NGISB and MCVSB, the intangible assets have slightly reduced from RM104.93 million to RM104.09 million. The adjusted fair values of the above subsidiary companies have been reflected in the Group’s Consolidated Statement of Financial Position as at previous financial year ended 31 March 2016. Below are the effects of the final PPA adjustments in accordance with FRS 3:

3. COMPLETION OF PURCHASE PRICE ALLOCATION (Continued)

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
As at 31 March 2016			
Consolidated Statement of Financial Position			
<u>Non-current assets</u>			
Intangible assets	1,681,168	(846)	1,680,322
Consolidated Statement of Changes in Equity			
Retained earnings	3,471,991	(863)	3,471,128
Non-controlling interest	908,342	17	908,359
For the financial year ended 31 March 2016			
Consolidated Statement of Comprehensive Income			
Cost of sales and operating expenses	(12,980,945)	(863)	(12,981,808)
Net loss for the financial year attributable to Owners of the Company	(991,900)	(863)	(992,763)
Total comprehensive loss for the financial year attributable to Owners of the Company	(940,410)	(863)	(941,273)

4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial year ended 31 March 2017.

5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

Save as below, there was no material item of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the financial year ended 31 March 2017.

- (a) On 13 September 2016, the Group completed the following disposals to Pos Malaysia Berhad ("Pos Malaysia"):
- (i) 100% equity interest in KL Airport Services Sdn. Bhd. (now known as Pos Aviation Sdn. Bhd.) for a total consideration of RM749.35 million.
 - (ii) Part of a parcel of freehold industrial land measuring 9.912 acres located in Section 28, Shah Alam for a total consideration of RM69.0 million.

5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE (Continued)

(a) (Continued)

The total consideration for both disposals of RM818.35 million was satisfied via the issuance of 245,750,751 new ordinary shares of RM0.50 each in Pos Malaysia (“POSM Shares”) at an issue price of RM3.33 per POSM Share. As a result, Pos Malaysia which was formerly a 32.21% owned associated company became a 53.50% owned subsidiary company of the Group.

The initial accounting for Pos Malaysia’s business combination in the consolidated financial statements of DRB-HICOM Berhad involves identifying and determining the fair values to be assigned to Pos Malaysia’s identifiable assets, liabilities and contingent liabilities and the cost of the combination. As at 30 September 2016, the fair value of Pos Malaysia’s identifiable assets, liabilities and contingent liabilities can only be determined provisionally pending the completion of purchase price allocation (“PPA”) on Pos Malaysia’s identifiable assets, liabilities and contingent liabilities. The Pos Malaysia’s business combination has been accounted for using these provisional values. The Group shall recognise any adjustments to these provisional values upon completion of the PPA exercise within twelve months from the acquisition date.

The initial accounting has resulted in a provisional goodwill on consolidation amounting to RM355.84 million which has been recognised as intangible asset in the consolidated statement of financial position of DRB-HICOM Berhad.

- (b) In accordance with FRS 3 Business Combinations, the Group has re-measured its previously held 32.21% equity interest in Pos Malaysia at its acquisition-date fair value of RM3.26 per share, resulting in a loss on re-measurement of RM130.22 million which has been included under other expenses in the consolidated statement of comprehensive income of DRB-HICOM Berhad for the financial year ended 31 March 2017.
- (c) On 15 November 2016, HICOM Megah Sdn. Bhd., an indirect 100% owned subsidiary company of the Group, completed the disposal of its entire equity interest of 90% in Corwin Holding Pte. Ltd. for a total cash consideration of SGD170.90 million (Refer Note 12(f)). The Group had realised a gain on disposal of RM398.11 million which has been included under other income in the consolidated statement of comprehensive income for the financial year ended 31 March 2017.

6. CHANGES IN ESTIMATES

There was no material change in the estimate of amount reported in prior financial years that has a material effect to this interim financial report.

7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as disclosed below, there was no issuance and repayment of debt securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial year ended 31 March 2017.

Issuance of RCCPS by PROTON Holdings Berhad

- (a) On 6 June 2016, PROTON Holdings Berhad (“PROTON”), a wholly-owned subsidiary company of the Group, entered into a conditional subscription agreement with GOVCO Holdings Berhad (“GOVCO”), a company 99% owned by Minister of Finance Incorporated, for the subscription of 1,250,000,000 new redeemable convertible cumulative preference shares (“RCCPS”) comprising par value of RM0.01 each and premium of RM0.99 each at an issue price of RM1.00 each by GOVCO. The subscription agreement was completed on 7 June 2016. Based on its terms, the RCCPS has been classified as an equity instrument under FRS 132 Financial Instruments: Presentation. In the Group’s Condensed Consolidated Statement of Financial Position as at 31 March 2017, the RCCPS has been included as part of non-controlling interest (page 4).
- (b) On 5 September 2016, PROTON entered into a second conditional subscription agreement with GOVCO for the subscription of 250,000,000 new RCCPS comprising par value of RM0.01 each and premium of RM0.99 each at an issue price of RM1.00 each by GOVCO. The new RCCPS is expected to be issued in the first quarter of the financial year ending 31 March 2018, following the selection of Foreign Strategic Partner for PROTON.

8. DIVIDENDS PAID

The shareholders have approved a single tier first and final dividend of 2.0 sen per share at the last Annual General Meeting held on 29 September 2016 in respect of the financial year ended 31 March 2016. The dividend of RM38,664,741 was paid on 1 November 2016.

9. SEGMENTAL INFORMATION

The information on each of the Group’s business segments for the financial year ended 31 March 2017 is as follows:

	Automotive RM’000	Services RM’000	Property, Asset & Construction RM’000	Investment Holding RM’000	Group RM’000
Revenue					
Total revenue	8,650,536	3,714,283	535,957	50,016	12,950,792
Inter-segment revenue	(573,026)	(160,771)	(108,645)	(50,016)	(892,458)
External revenue	8,077,510	3,553,512	427,312	-	12,058,334

9. SEGMENTAL INFORMATION (Continued)

	Automotive	Services	Property, Asset & Construction	Investment Holding	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Results					
Segment (loss)/profit	(955,699)	389,853	506,933	(66,726)	(125,639)
Unallocated expenses					(32,497)
Interest income on short term deposits					57,375
Finance costs					(370,905)
Share of results of joint ventures (net of tax)	8,134	-	1,441	-	9,575
Share of results of associated companies (net of tax)	223,863	15,032	1,012	-	239,907
Loss before taxation					(222,184)
Taxation					(38,218)
Net loss for the financial year					(260,402)
Attributable to:					
Owners of the Company					(454,401)
Holder of Perpetual Sukuk					79,655
Non-controlling interest					114,344

10. PROPERTY, PLANT AND EQUIPMENT

There is no revaluation of property, plant and equipment brought forward from the previous annual audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

11. SUBSEQUENT EVENTS

There has not arisen in the interval between the end of this reporting year and the date of this announcement, any item, transaction or event of a material and unusual nature that would likely affect substantially the results of the operations of the Group.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2017

- (a) On 15 June 2016, Composites Technology Research Malaysia Sdn. Bhd. (“CTRM”), an indirect 96.87% owned subsidiary company of the Group, completed the acquisition of an additional 35% equity interest in Unmanned Systems Technology Sdn. Bhd. (“UST”) for a cash consideration of RM35,000. On 9 March 2017, CTRM acquired the remaining 14% equity interest in UST for a cash consideration of RM14,000. As a result, UST became an effective 96.87% owned subsidiary company of the Group.
- (b) On 20 July 2016, the Group announced that Lotus Cars Australia Pty. Limited (“LCA”), an indirect dormant wholly-owned subsidiary company of PROTON Holdings Berhad was voluntarily deregistered and as a result, LCA ceased to be a subsidiary company of the Group.
- (c) On 13 September 2016, following the completion of the corporate proposals set out in Note 5(a), Pos Malaysia Berhad (“Pos Malaysia”) which was formerly a 32.21% associated company became a 53.50% owned subsidiary company of the Group. Consequently, the Group’s effective equity interest in KL Airport Services Sdn. Bhd. (now known as Pos Aviation Sdn. Bhd.) group has reduced from 100% to 53.50%.
- (d) On 17 October 2016, Suzuki Malaysia Automobile Sdn. Bhd. (“SMA”), a 40% owned associated company of the Group has commenced the dissolution exercise via member’s voluntary winding up. Upon the completion of dissolution, SMA will cease to be a 40% owned associated company of the Group.
- (e) On 18 October 2016, Isuzu Service Center Sdn. Bhd. (“ISC”) was incorporated with the issued and paid-up share capital of RM100 divided into 100 ordinary shares of RM1 each. The shareholding in ISC are held by Isuzu Malaysia Sdn. Bhd. and Automotive Corporation (Malaysia) Sdn. Bhd. on basis of 51% and 49% respectively. As a result, ISC became an indirect 73.69% joint venture company of the Group. The principal activities of ISC are provision of after sales services, sale of spare parts and automobile workshop.
- (f) On 15 November 2016, HICOM Megah Sdn. Bhd., an indirect 100% owned subsidiary company of the Group, completed the disposal of its entire equity interest of 90% in Corwin Holding Pte. Ltd. (“Corwin”) for a total cash consideration of SGD170.90 million. As a result, Corwin ceased to be an indirect subsidiary company of the Group.
- (g) On 20 January 2017, the Group announced the dissolution of Proton Motor Pars Co. (Private Joint Stock), an indirect dormant wholly-owned subsidiary company of PROTON and cease to be an indirect subsidiary company of the Group.
- (h) On 31 January 2017, PHN Industry Sdn. Bhd., a wholly-owned subsidiary company of the Group, completed the acquisition of 100% equity interest in Oriental Summit Industries Sdn. Bhd. from HICOM Holdings Berhad, a wholly-owned subsidiary company of the Group for a cash consideration of RM23.96 million, via an internal re-organisation.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2017 (Continued)

- (i) On 31 January 2017, Edaran Otomobil Nasional Berhad (“EON”), an indirect wholly-owned subsidiary company of the Group, completed the disposal of its entire 100% equity interest in Multi Automotive Service and Assist Sdn. Bhd. (“MASA”) for a cash consideration of RM1.00. As a result, MASA ceased to be an indirect wholly-owned subsidiary company of the Group.
- (j) On 17 February 2017, HICOM Berhad, an indirect wholly-owned subsidiary company of the Group, completed the acquisition of the remaining 51% equity interest in Dekad Kaliber Sdn. Bhd. (“DKSB”) for a consideration of RM7 million involving RM3.65 million as cash consideration for the acquisition and RM3.35 million as settlement of outstanding advances owing from DKSB to Malaysian Resources Corporation Berhad group. As a result, DKSB became an indirect wholly-owned subsidiary company of the Group.
- (k) On 7 March 2017, HICOM Holdings Berhad completed the disposal of its entire 70% equity interest in Scott & English Electronics Holdings Sdn. Bhd. (“SEEH”) for a total cash consideration of RM1,540,000. As a result, SEEH ceased to be a subsidiary company of the Group.
- (l) On 30 March 2017, the Company announced the proposed winding-up of its direct and indirect subsidiary companies via members’ voluntary winding up (“MVL”) and creditors’ voluntary winding up (“CVL”) and the companies involved in the exercise are as follows:

<u>Companies under MVL</u>	<u>Companies under CVL</u>
1. Ladang Gadek Development Sdn. Bhd.	1. EONMobil Sdn. Bhd.
2. Ladang Kupang Development Sdn. Bhd.	2. EON Technologies Sdn. Bhd.
3. EON Trading Sdn. Bhd.	3. Comtrac Trading Sdn. Bhd.
4. Comtrac Development Sdn. Bhd.	4. Bukit Kledek Development Sdn. Bhd.
5. Comtrac Premises Sdn. Bhd.	5. NSE Development Sdn. Bhd.
6. Comtrac-Sabkar Development Sdn. Bhd.	6. Euro Truck & Bus (Malaysia) Sdn. Bhd.
7. Jubli Premis Sdn. Bhd.	7. HICOM Premier Malaysia Sdn. Bhd.
8. HICOM Power Sdn. Bhd.	8. Imatex Management Services Sdn. Bhd.
9. Glenmarie Asset Management Sdn. Bhd.	9. Intrakota Komposit Sdn. Bhd.
10. HICOM Megah Sdn. Bhd.	10. S.J. Kenderaan Sdn. Bhd.
11. HICOM United Leasing Sdn. Bhd.	11. Intrakota Consolidated Berhad
12. Gemilang Komposit Auto Sdn. Bhd.	12. S.J. Binateknik Sdn. Bhd.
13. HICOM Technical and Engineering Services Sdn. Bhd.	13. Proton Engineering Research Technology Sdn. Bhd.
14. Syarikat Pengangkutan Malaysia Sendirian Berhad	14. Glenview Management Corporation Sdn. Bhd.
15. DRB-HICOM Export Corporation Sdn. Bhd.	
16. Mega Komposit Auto Sdn. Bhd.	
17. HICOM-Potenza Sports Cars Sdn. Bhd.	
18. CTRM Excelnet Engineering Sdn. Bhd.	

Upon the completion of the liquidation exercise, the above companies will cease to be subsidiary companies of the Group.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2017 (Continued)

- (m) On 31 March 2017, EON completed the disposal of its entire 100% equity interest in DRB-HICOM Leasing Sdn. Bhd. (“DLSB”) to DRB-HICOM EZ-Drive Sdn. Bhd. (“DHEZ”), a wholly-owned subsidiary company of EON via an internal re-organisation. As a result, DLSB became a wholly-owned subsidiary company of DHEZ.

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no material change in contingent liabilities or contingent assets from what was reported in the last annual audited financial statements.

14. COMMITMENTS AND CONTINGENT LIABILITIES OF BANK MUAMALAT MALAYSIA BERHAD

No material loss is anticipated as these amounts arose in the business of Bank Muamalat Malaysia Berhad in which it makes various commitments and incurs certain contingent liabilities with legal recourse to its customers.

Risk Weighted Exposures of Bank Muamalat Malaysia Berhad are as follows:

	As at 31.03.2017		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000
Direct credit substitutes	213,136	213,136	194,548
Trade-related contingencies	22,970	4,594	4,581
Transaction related contingencies	425,973	212,986	212,929
Credit extension commitment:			
- maturity within one year	798,577	159,715	149,866
- maturity exceeding one year	1,019,465	509,732	491,740
Profit rate related contracts	2,000,000	104,111	20,822
Foreign exchange related contracts	2,875,367	88,561	69,605
	7,355,488	1,292,835	1,144,091

15. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting) the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Allowance for doubtful debts (net of write backs):				
- trade and other receivables	18,491	14,133	55	24,006
- project development receivables	-	120,500	-	120,500
Allowance for/write off of investment securities and financing of customers (net)	(8,087)	33,080	59,563	97,582
Amortisation of:				
- intangible assets	76,173	38,553	231,386	178,579
- concession assets	2,836	3,536	11,819	12,182
Depreciation and amortisation of property, plant and equipment/prepaid lease properties	155,915	130,929	669,033	546,130
Finance costs	87,312	94,032	370,905	382,094
Impairment loss of/(reversal of impairment of):				
- property, plant and equipment	8,049	5,046	8,049	4,355
- intangible assets	55,326	66,461	55,593	81,473
- investment securities: available-for-sale	(2,835)	16,137	16,899	22,825
Inventories written off/down (net of write backs)	11,288	32,823	17,730	29,659
Loss on re-measurement of the previously held equity interest in an associated company at its acquisition-date fair value	-	-	130,221	-
Net foreign exchange differences	(37,775)	(32,850)	81,915	(32,996)
Write off of:				
- property, plant and equipment	702	2,015	3,729	2,805
- intangible assets	71,348	-	71,348	-
Dividend income	-	-	(1,328)	-

15. LOSS BEFORE TAXATION (Continued)

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Gain on fair value adjustment of:				
- investment properties	(16,475)	(10,492)	(15,647)	(15,420)
- investment securities	(4,872)	-	(4,812)	-
Interest income on short term deposits	(18,475)	(12,854)	(57,375)	(53,126)
Marked to market (gain)/loss on derivatives (net)	6,849	68,066	(54,025)	75,519
Net gain on disposal of:				
- assets held for sale	(479)	-	(4,213)	(12,267)
- investment securities	(8,925)	(4,322)	(18,890)	(10,867)
- property, plant and equipment	(2,325)	(4,552)	(52,339)	(9,290)
- subsidiary companies	(151)	-	(398,257)	-

16. REVIEW OF PERFORMANCE

16.1 Revenue

	Group Business Sectors	Financial Quarter 3 Months Ended		Variance RM'000	Financial Year 12 Months Ended		Variance RM'000
		31.03.2017 RM'000	31.03.2016 RM'000		31.03.2017 RM'000	31.03.2016 RM'000	
(i)	Automotive	2,110,135	1,901,072	209,063	8,077,510	9,365,903	(1,288,393)
(ii)	Services	1,124,552	620,885	503,667	3,553,512	2,513,220	1,040,292
(iii)	Property, Asset & Construction (PAC)	246,909	110,819	136,090	427,312	293,818	133,494
	Total	3,481,596	2,632,776	848,820	12,058,334	12,172,941	(114,607)

↓ 0.9%

- (a) For the three months ended 31 March 2017, the Group registered a higher revenue of RM3.48 billion compared with RM2.63 billion in the corresponding quarter ended 31 March 2016, arising from higher sales revenue achieved by all business sectors of the Group including recognition of revenue of Pos Malaysia as a subsidiary company.

16. REVIEW OF PERFORMANCE (Continued)

16.1 Revenue (Continued)

(b) In respect of the financial year ended 31 March 2017, the Group's revenue marginally declined by 0.9% to RM12.06 billion compared with RM12.17 billion in the previous financial year ended 31 March 2016.

(i) Automotive Sector

The decline in revenue was mainly due to reduced sales of motor vehicles and lower percentage of completion of the AV8 project.

(ii) Services Sector

The improved performance was on account of recognition of revenue of Pos Malaysia which became a subsidiary company on 13 September 2016.

(iii) PAC Sector

The increase was mainly attributed to revenue recognised from construction related projects.

16.2 Loss Before Tax

For the three months under review, the Group posted a lower pre-tax loss of RM255.63 million compared with the pre-tax loss of RM744.33 million in the corresponding quarter ended 31 March 2016. For the financial year ended 31 March 2017, the Group recorded a reduction of pre-tax loss by 73% to RM222.18 million compared with RM822.13 million in the previous financial year ended 31 March 2016. The net movement in the financial results were contributed by the following factors:

- (i) Gain on disposal of a subsidiary company, Corwin Holding Ptd. Ltd. (refer Note 5(c));
- (ii) One-off exceptional loss on re-measurement of previously held equity interest in Pos Malaysia (refer Note 5(b));
- (iii) Lower losses incurred by PROTON; and
- (iv) Higher profit contribution from the services sector.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a pre-tax loss of RM255.63 million in the current quarter ended 31 March 2017 compared with pre-tax profit of RM422.33 million in the preceding quarter ended 31 December 2016. The adverse results in the current quarter was mainly due to the poor performance of certain companies in the automotive sector. In the preceding quarter, the Group had realised gain on disposal of a subsidiary company amounting to RM398.11 million.

18. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2018

In the first quarter of 2017, Malaysia's economy recorded a Gross Domestic Product growth at 5.6%. The growth compared to 4.5% in the previous quarter, was a result of strong domestic demand, higher private sector investment, improved net exports and stabilisation of Ringgit Malaysia.

In line with the economic growth, the Group's overall businesses in Automotive, Services and Property are expected to improve as well. Key businesses such as logistics and aviation will be the key growth drivers for the Group. Rapid expansion in e-commerce is expected to chalk an upward trajectory for postal and logistics businesses undertaken by Pos Malaysia group. In addition, on the back of increasing demand for aircrafts, the Group's composite manufacturing business undertaken by Composite Technology Research Malaysia Sdn. Bhd. is expected to strengthen further, supported by strong order book.

The Group on 24 May 2017 signed the Heads of Agreement with Zhejiang Geely Holding Group Co., Ltd. ("Geely") for Geely to acquire 49.90% equity in PROTON Holdings Berhad ("PROTON"). The deal will enable PROTON to tap into Geely's vast range of platforms and powertrains, and will also enable PROTON to have access beyond the domestic market, as well as right-hand drive markets in South-East Asia. In addition, the proposed Joint Venture is expected to create business synergies and opportunities for the Group in the automotive sector. A definitive agreement between both parties is expected to be signed in the third quarter of 2017.

As the national economy continues to gain momentum, the Group's performance for the financial year ending 31 March 2018 is expected to improve accordingly.

19. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the financial year ended 31 March 2017 in a public document.

20. TAXATION

Taxation comprises the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Current taxation	2,291	10,897	63,140	46,005
Deferred taxation	4,348	7,865	(24,922)	3,486
Total	6,639	18,762	38,218	49,491

For the financial year ended 31 March 2017, the taxation arises mainly from certain profit making subsidiary companies.

21. STATUS OF CORPORATE PROPOSALS

- (a) On 10 March 2017 DRB-HICOM Defence Technologies Sdn. Bhd., a wholly-owned subsidiary of the Group, entered into a share sale agreement with its 96.87% owned subsidiary company, Composites Technology Research Malaysia Sdn. Bhd. (“CTRM”) for the proposed acquisitions of the entire equity interests in the 3 wholly-owned subsidiary companies of CTRM namely, CTRM Systems Integration Sdn. Bhd., CTRM Aviation Sdn. Bhd. and Unmanned Systems Technology Sdn. Bhd. via an internal re-organisation for a total cash consideration of RM1,049,001. The transaction is pending fulfilment of the conditions precedent.
- (b) On 24 May 2017, the Company entered into the following heads of agreement with Zhejiang Geely Holding Group Co., Ltd. (“Geely”):
- (i) a binding heads of agreement for the proposed joint venture between the Company and Geely in respect of PROTON Holdings Berhad (“PROTON”), a wholly owned subsidiary company of the Group which involves the subscription of new shares in PROTON, comprising 49.90% of the enlarged paid-up share capital by Geely (“Proposed Joint Venture”). Upon the completion of Proposed Joint Venture, the Company and Geely will respectively hold 50.10% and 49.90% in PROTON, subject to the terms and conditions of the definitive agreements to be entered into; and
- (ii) a binding heads of agreement for the proposed divestment by the Company of its indirect 100% equity interest in Lotus Advance Technologies Sdn. Bhd. (“Lotus Advance”), a wholly owned subsidiary company of PROTON, to Geely and Etika Automotive Sdn. Bhd. (“Etika Automotive”) (“Proposed Divestment”). Upon the completion of Proposed Divestment, Geely and Etika Automotive will respectively hold 51% and 49% equity interest in Lotus Advance, subject to the terms and conditions of the definitive agreements to be entered into.

22. BORROWINGS AND DEFERRED LIABILITIES

Total Group borrowings are as follows:

	As at 31.03.2017 RM'000
(a) Short Term Borrowings	
Bank overdrafts – unsecured (Total)	6,511
(b) Others	
<u>Secured</u>	
Bankers acceptances	6,208
Revolving credits	112,286
Short term loans	1,510

22. BORROWINGS AND DEFERRED LIABILITIES (Continued)

Total Group borrowings are as follows: (Continued)

	As at 31.03.2017 RM'000
(b) Short Term Borrowings (Continued)	
Others (Continued)	
<u>Secured</u> (Continued)	
Short term loans under Islamic financing	155,502
Hire purchase and finance lease liabilities - portion repayable within 12 months	13,033
Long term loans - portion repayable within 12 months	548,238
Long term loans under Islamic financing - portion repayable within 12 months	296,858
Sub-total	1,133,635
<u>Unsecured</u>	
Bankers acceptances	637,626
Revolving credits	370,986
Short term loans under Islamic financing	30,000
Long term loans - portion repayable within 12 months	7,521
Long term loans under Islamic financing - portion repayable within 12 months	2,089
Deferred liability	4,534
Sub-total	1,052,756
Total	2,186,391
(c) Long Term Borrowings	
<u>Secured</u>	
Hire purchase and finance lease liabilities	35,237
- portion repayable within 12 months	(13,033)
	22,204
Long term loans	1,421,672
- portion repayable within 12 months	(548,238)
	873,434

22. BORROWINGS AND DEFERRED LIABILITIES (Continued)

Total Group borrowings are as follows: (Continued)

	As at 31.03.2017 RM'000
(c) Long Term Borrowings (Continued)	
<u>Secured</u> (Continued)	
Long term loans under Islamic financing	2,711,249
- portion repayable within 12 months	(296,858)
	2,414,391
<u>Unsecured</u>	
Long term loans	31,643
- portion repayable within 12 months	(7,521)
	24,122
Long term loans under Islamic financing	773,345
- portion repayable within 12 months	(2,089)
	771,256
Total	4,105,407
Grand Total	6,298,309

Note: Apart from the following Ringgit Malaysia equivalent of foreign currency borrowings, the rest of the borrowings and deferred liabilities are denominated in Ringgit Malaysia.

As at	Amount
31.03.2017	RM739.55 million (USD 165.18 million) RM15.61 million (GBP 2.82 million)

23. OUTSTANDING DERIVATIVES

- (a) Derivatives outstanding as at 31 March 2017 consist mainly of foreign exchange contracts and profit rate swap which are measured at their fair value together with their corresponding contract/notional amounts as below:

	Contract/ Notional Value RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Financial instruments at fair value through profit or loss			
Forward foreign exchange contracts	1,762,164	57,227	2,284
Currency swap foreign exchange contracts	1,545,210	3,502	54,090
Islamic profit rate swap	2,000,000	-	8,490
Capped cross currency interest rate swap	579,467	765	-
	5,886,841	61,494	64,864

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 March 2016:

- (i) the credit risk, market risk and liquidity risk associated with these financial derivatives;
 - (ii) the cash requirements of the financial derivatives; and
 - (iii) the policy in place for mitigating or controlling the risks associated with these financial derivatives.
- (b) Disclosure of gain/loss arising from fair value changes of financial derivatives

During the financial year ended 31 March 2017, the Group recognised a total net gain of RM54.03 million arising from the fair value changes on the forward foreign exchange contracts, currency swap foreign exchange contracts, Islamic profit rate swap and capped cross currency interest rate swap which are marked to market as at 31 March 2017.

24. MATERIAL LITIGATION

There is no significant update of material litigation since the last interim report.

25. DIVIDEND

An announcement of the dividend payment for the financial year ended 31 March 2017 will be made upon the finalisation of the audited financial statements in July 2017.

26. LOSS PER SHARE

The basic and diluted loss per share is calculated by dividing the Group's net losses attributable to Owners of the Company by the number of ordinary shares in issue during the financial year.

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016 (Restated)
Net loss attributable to Owners of the Company (RM'000)	(328,451)	(790,760)	(454,401)	(992,763)
Number of ordinary shares in issue ('000)	1,933,237	1,933,237	1,933,237	1,933,237
Basic and diluted loss per share (sen)	(16.99)	(40.90)	(23.50)	(51.35)

27. DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The retained profits of the Group as at 31 March 2017 are analysed as follows:

	As at 31.03.2017 RM'000	As at 31.03.2016 (Restated) RM'000
Total retained profits/(losses) of the Company and subsidiaries:		
- Realised	2,146,503	2,688,359
- Unrealised	(70,349)	136,745
	2,076,154	2,825,104
Total share of retained profits from joint ventures:		
- Realised	109,234	142,643
- Unrealised	5,472	2,225
Total share of retained profits from associated companies:		
- Realised	476,608	479,601
- Unrealised	39,542	21,555
Total Group retained profits as per consolidated financial statements	2,707,010	3,471,128

28. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's preceding audited annual financial statements was not subject to any qualification.

BY ORDER OF THE BOARD

DATO' CHAN CHOY LIN, CAROL
Secretary

Shah Alam
30 May 2017