

FCW HOLDINGS BERHAD (Company No. : 3116 K)
 Summary of Key Financial Information for the period ended 31 DECEMBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000 (restated)	RM'000	RM'000 (restated)
1 Revenue	6,121	7,649	13,020	15,517
2 Profit before tax	940	1,063	2,017	2,109
3 Profit for the period	1,368	2,046	3,164	4,346
4 Profit attributable to the ordinary equity holders of the parent	1,339	1,988	3,070	4,217
5 Basic earnings per share (sen)	0.53	0.88	1.23	2.02
6 Diluted earnings per share (sen)	0.53	0.82	1.23	1.89
7 Proposed/Declared dividend per share (sen)	0.00	0.00	1.50	0.00

	As At End Of Current Quarter	As At Preceding Financial Year End
8 Net assets per share attributable to ordinary equity holders of the parent (RM)	0.71	0.75

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	43	100	92	140
2 Gross interest expense	(55)	(59)	(111)	(121)

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2013
(Unaudited)

	FY 2013/14 Current Quarter Ended 31-Dec RM000	FY 2012/13 Comparative Quarter Ended 31-Dec RM000 (restated)	FY 2013/14 Current 6 Months Cumulative To Date RM000	FY 2012/13 Comparative 6 Months Cumulative To Date RM000 (restated)
CONTINUING OPERATIONS				
Revenue	6,121	7,649	13,020	15,517
Cost of Sales	<u>(5,022)</u>	<u>(6,233)</u>	<u>(10,590)</u>	<u>(12,661)</u>
Gross Profit	1,099	1,416	2,430	2,856
Other Income	165	103	236	145
Other Items of Expenses				
Staff Costs	(667)	(676)	(1,297)	(1,254)
Depreciation and amortization	(104)	(93)	(199)	(192)
Other Operating Cost	(182)	(325)	(513)	(701)
Share of Results in an Associate	684	696	1,475	1,376
Share of Results in a Jointly Controlled Entity	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>-</u>
Profit From Operations	995	1,121	2,128	2,230
Finance Costs	<u>(55)</u>	<u>(58)</u>	<u>(111)</u>	<u>(121)</u>
Profit Before Tax	940	1,063	2,017	2,109
Taxation	<u>(65)</u>	<u>(100)</u>	<u>(165)</u>	<u>(225)</u>
Profit from Continuing Operations	875	963	1,852	1,884
DISCONTINUED OPERATION				
Profit from discontinued operation net of tax	<u>493</u>	<u>1,083</u>	<u>1,312</u>	<u>2,462</u>
Profit for the Period	1,368	2,046	3,164	4,346
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income for the period	<u>1,368</u>	<u>2,046</u>	<u>3,164</u>	<u>4,346</u>
Total Comprehensive Income Attributable to:				
Owner of the Company	1,339	1,988	3,070	4,217
Minority Interest	<u>29</u>	<u>59</u>	<u>94</u>	<u>130</u>
	<u>1,368</u>	<u>2,046</u>	<u>3,164</u>	<u>4,346</u>
Earnings per share Attributable to Owners of the Parent (sen per share)				
- Basic	0.53	0.88	1.23	2.02
- Diluted	0.53	0.82	1.23	1.89

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013
(Unaudited)

	As At 31-Dec FY2013 RM000	As At 30-Jun FY2013 RM000
Property, plant and equipment	6,431	6,545
Investment properties	3,100	3,100
Investment in an associate	28,961	27,486
Interests in a jointly controlled entity	250	-
Investments in securities	380	377
Deferred tax assets	897	897
Goodwill on consolidation	1,726	1,726
Current Assets		
Inventories	3,929	4,260
Receivables	14,821	8,745
Tax recoverable	103	7
Derivatives	79	78
Cash and cash equivalents	37,109	17,009
	<u>56,041</u>	<u>30,099</u>
Assets classified as held for sale	<u>90,082</u>	<u>90,082</u>
	<u>146,123</u>	<u>120,181</u>
Current Liabilities		
Payables	3,979	5,897
Loans and borrowings	405	704
Taxation	-	34
	<u>4,384</u>	<u>6,635</u>
Net Current Assets	51,657	23,464
Total Assets Less Current Liabilities	<u>183,484</u>	<u>153,677</u>
Share Capital	124,997	98,141
Reserves	<u>52,747</u>	<u>49,677</u>
Shareholders' Equity	177,744	147,818
Minority Interest	<u>2,577</u>	<u>2,485</u>
Total equity	<u>180,321</u>	<u>150,303</u>
Non Current Liabilities		
Loans and borrowings	2,212	2,423
Deferred tax liabilities	951	951
	<u>3,163</u>	<u>3,374</u>
Total Equity And Long Term Liabilities	<u>183,484</u>	<u>153,677</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.71</u>	<u>0.75</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 DECEMBER 2013
(Unaudited)

	FY2012/13 6 Months ended 31-Dec-13 RM 000	FY2011/12 6 Months ended 31-Dec-12 RM 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax		
- continuing operations	2,017	2,109
- discontinued operations	1,312	2,469
Adjustments for:		
Non-cash items	100	394
Share of results in an associate	(1,475)	(1,376)
Non-operating items	(121)	4
Operating profit before working capital changes	<u>1,833</u>	<u>3,600</u>
Net changes in current assets	(5,431)	1,317
Net changes in current liabilities	(2,155)	(1,016)
Cash generated from / (used in) operations	<u>(5,753)</u>	<u>3,901</u>
Interest income received	92	140
Interest expense paid	(111)	(121)
Tax paid	(303)	(96)
Net cash generated from / (used in) operating activities	<u>(6,075)</u>	<u>3,824</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	75	31
Acquisition of interests in a jointly controlled entity	(250)	0
Purchase of property, plant and equipment	(281)	(19)
Net cash generated from / (used in) investing activities	<u>(456)</u>	<u>12</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from exercise of warrants	26,856	0
Proceeds from short-term borrowings	93	0
Repayment of short term borrowings	(225)	(225)
Repayment of HP creditors	(93)	(175)
Net cash generated from / (used in) financing activities	<u>26,631</u>	<u>(400)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	20,100	3,436
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,009	12,824
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>37,109</u>	<u>16,260</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2013
(Unaudited)

	Attributable to Shareholders of the Company				Sub-Total	Minority Interest	Grand-Total Equity
	Non-Distributable		Distributable				
	Share Capital	Capital Reserve	Reserves Premium paid on acquisition of MI	Accumulated Profit			
	RM000	RM000	RM000	RM000	RM000	RM000	RM000
Period ended 31 December 2013	<hr/>						
At 1st July 2013	98,141	2,704	(233)	47,206	147,818	2,485	150,303
Exercise of warrants	26,856	-	-	-	26,856	-	26,856
Total comprehensive income for the period	-	-	-	3,070	3,070	94	3,163
At 31 December 2013	<u>124,997</u>	<u>2,704</u>	<u>(233)</u>	<u>50,276</u>	<u>177,744</u>	<u>2,577</u>	<u>180,321</u>
Period ended 31 December 2012	<hr/>						
At 1st July 2012	97,534	2,704	(233)	38,930	138,935	2,136	141,071
Total comprehensive income for the period	-	-	-	4,217	4,217	130	4,346
At 31 December 2012	<u>97,534</u>	<u>2,704</u>	<u>(233)</u>	<u>43,147</u>	<u>143,152</u>	<u>2,266</u>	<u>145,417</u>

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The Second Quarter Ended 31 December 2013**

PART A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. This interim financial statement also complies with International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”). For the periods up to and including the year ended 30 June 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”).

2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the Company’s financial statements for the year ended 30 June 2013 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The operations of the Group are not subject to any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

5. Material Changes in Estimates of Amount Reported Previously Affecting Current Interim Period

There were no changes in estimates of amount reported in prior financial years which have a material effect in the current interim period.

6. Dividend Paid

There were no dividends paid during the current interim financial period.

FCW HOLDINGS BERHAD (3116-K)

PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

7. Segmental Information

RM'000	31-12-13 2nd Qtr	31-12-12 2nd Qtr	31-12-13 6 Mths Cum	31-12-12 6 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	6,121	7,649	13,020	15,517
Total	6,121	7,649	13,020	15,517
<u>Segment Result</u>				
Contract Manufacturing	234	413	683	916
Share of Results in an Associate	684	696	1,475	1,376
Share of Results in a Jointly Controlled Entity	0	0	(4)	0
Others	22	(46)	(137)	(183)
Total	940	1,063	2,017	2,109

8. Subsequent Events

There were no material events subsequent to the end of the financial quarter ended 31 December 2013.

9. Changes in the Composition of the Group

The Group acquired interests in a jointly controlled company (details as per Item 11) in which the Group has a 50% interest during the quarter ended 30 September 2013.

10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 30 September 2013.

PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

11. Significant Event

On 19th September 2013, the Company has announced that it has entered into a Shareholders Agreement with IJM Land Berhad (“IJM Land”) and 368 Segambut Sdn Bhd (“the JV”) to regulate the relationship between the Company and IJM Land as shareholders of the JV to undertake a mixed development of residential and commercial properties project on 4 pieces of land to be acquired by the JV (“Proposed Joint-Venture”).

The Company has also announced on the same date on the proposed disposal by its two wholly-owned subsidiaries, namely Federal Telecommunications Sdn Bhd and FCW Industries Sdn Bhd, of the 4 pieces of land held under Geran Mukim 335 Lot 32661, Geran Mukim 2415 Lot 4719, Geran Mukim 1452 Lot 4722 and Geran Mukim 6242 Lot 54833, all under Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan for an aggregate cash consideration of RM187,973,520.00 to the JV.

The above transactions are subject to the Company’s shareholders’ approval at a general meeting to be convened on a later date.

On 9th January 2014, the Company announced that, upon obtaining the shareholders’ approval at an extraordinary general meeting to be convened at a later date and the successful implementation of the Proposed Joint-Venture, the Company will be diversifying its businesses to include property development (Proposed Diversification); and that the Company will be seeking the approval of its shareholders for the Proposed Diversification at the above extraordinary general meeting to be convened on a later date.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Continuing Operations

Contract manufacturing segment

Current quarter

The contract manufacturing segment posted a 20.0% decrease in revenue from RM7.65 million for the quarter ended December 2012 to RM6.12 million in the current quarter, mainly due to general downturn in the consumables market.

The segment reported a profit before tax of RM234,000 in the current quarter as compared with RM413,000 in the corresponding quarter of the preceding year, which corresponded with the decrease in revenue.

Year to date

The contract manufacturing segment posted a decrease of 16.1% in revenue from RM15.52 million for the 6 months ended 31st December 2012 to RM13.02 million for the 6 months ended 31st December 2013, mainly due to slight decrease in selling prices to penetrate the market and also due to generally slower demand in the consumables market.

The segment reported a slight decrease in profit before tax from RM916,000 million for the year to date December 2012 to RM683,000 in the current year which corresponded with the decrease in revenue.

Power & Telecommunication Cables Manufacturing segment (associate company)

Current quarter

Our associate company, Fujikura Federal Cables Sdn Bhd contributed a share of a profit in the current quarter of RM0.68 million as compared with the share of profit of RM0.70 million in the corresponding quarter of the preceding year. The slight decline in share of profit was mainly due to higher taxation as compared with the preceding year.

Year to date

Our associate company's profit before tax for the current year to date of 2013 has improved slightly from the preceding year from RM1.38 million to RM1.47 million. The improvement was mainly due to higher foreign exchange gain in the current year.

Discontinued Operation (Property Rental segment)

Current quarter

The discontinued operation consists of rental income from properties which have been reclassified as assets classified as held for sale. Rental revenue for the current quarter declined by 20.3% from RM1.37 million in the corresponding quarter of the preceding year to RM1.10 million for the current quarter and profit after tax declined by 45.5% from RM1.08 million in the corresponding quarter of the preceding year to RM0.49 million for the current quarter. The lower revenue and profit were due to the expiry and non-renewal of the en-bloc lease of warehouse properties by a main tenant. The Group has taken over the business of leasing of individual warehouse units to multiple tenants with effect from November 2012 and the decline in revenue and profit were due to vacant units and lower average rental rate per square feet as compared with the previous lease agreement.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

1. Performance review (cont'd)

Discontinued Operation (Property Rental segment) (cont'd)

Year to date

Rental revenue declined by 29.2% from RM3.04 million in the preceding year to RM2.16 million for the current year to date and profit after tax declined by 53.3% from RM2.46 million in the preceding year to date to RM1.31 million for the current year. The lower revenue and profit were due to the expiry and non-renewal of the en-bloc lease of warehouse properties to a main tenant. The Group has taken over the business of leasing of individual warehouse units to multiple tenants with effect from November 2012 and the decline in revenue and profit were due to vacant units and overall lower rental rate per square feet as compared with the previous lease agreement.

2. Comparison with preceding quarter's result

The Group registered a profit before tax of RM0.94 million in the current quarter as compared with RM1.08 million in the immediate preceding quarter.

The lower profit registered in the current quarter was mainly due to the slight decrease in product selling prices which affected the profit in our contract manufacturing segment and also due to a lower share of profit from our associate company.

3. Commentary of Prospects

Management expects the revenue and profitability of the contract manufacturing remain challenging in the export markets and the sluggish economy may dampen demand in the remaining period of the financial year.

As for the associate company, which is in the cables industry, the Management expects the business to remain challenging in view of the keen competition in both the local and export markets and sluggish global economy may dampen demand for metal cable products, although results in the current quarter have improved slightly over the previous year corresponding quarter due to the reasons mentioned in the performance review.

As for the discontinued operation, management expects the revenue and profitability from the property rental segment to be weaker in the remaining quarters of the financial year due to the impact of the expiry and non-renewal of a major lease agreement for our warehouse properties and the proposed sale of investment properties to a joint venture company in which the Group has a 50% interest and which is expected to be completed by September 2014. As a result of the expiry of the lease in November 2012, the Group has been managing the leasing of individual warehouse units instead of en-bloc lease of the property to a single tenant. The lower occupancy and rental rates per square feet have adversely affected our revenue and profitability since we started managing the individual leases.

4. Variance on profit forecast

Not applicable

FCW HOLDINGS BERHAD (3116-K)

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

5. Items included in the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/ (crediting) the following items:

	31-12-13 Current Quarter RM'000	31-12-12 Current Quarter RM'000	31-12-13 6-months Cumulative RM'000	31-12-12 6-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	(75)	0	(75)	0
Interest income	(43)	(100)	(92)	(140)
Other income	(47)	(3)	(69)	(5)
Interest expenses	55	59	111	121
Depreciation and amortisation	202	193	395	395
(Gain)/loss on foreign exchange	(26)	(31)	(59)	4
Provision for and write off of receivables	0	0	0	0
Provision for and write off of inventories	0	0	0	0
(Gain)/loss on disposal of Investment	0	0	0	0
(Gain)/loss on derivatives	0	0	0	0
Exceptional items	0	0	0	0

6. Tax

	Current Quarter RM'000	Year to date RM'000
Income tax :		
- Current year		
Continuing Operation	65	165
Discontinued Operation	-	-
	65	165

Current income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the quarter.

Potential tax benefits to be derived from unused tax losses and unabsorbed capital allowances were recognized as there is strong evidence indicating that it is probable that future taxable profit can be available for utilisation against those unused tax losses and unabsorbed capital allowances.

FCW HOLDINGS BERHAD (3116-K)

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

7. Group Borrowings and Debt Securities

	As at 31-12-13	As at 31-12-12
	RM'000	RM'000
Short term borrowings		
- Bill Payable	0	0
- Term loan payable within a year	283	262
- Hire purchase creditor payable within a year	122	185
Sub Total	405	447
Long Term borrowings		
- Term loan payable > 1 year	2,057	2,340
- Hire purchase creditor payable > 1 year	155	277
Sub Total	2,212	2,617

8. Material Litigation

There is no pending material litigation.

9. Dividend Declared/Recommended

At the Annual General Meeting held on 20 December 2013, a first and final dividend of 3% per ordinary share of RM0.50 each under single tier system amounting to RM3.750 million was approved and paid on 20 January 2014 to the depositors registered in the Company's Record of Depositors as at 31 December 2013.

10. Earnings Per Share

(a) Basic / diluted earnings per share

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

	Individual Quarter		Cumulative Quarter	
	31-12-13	31-12-12	31-12-13	31-12-12
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	1,339	1,988	3,070	4,217
Weighted average number of ordinary shares in issue	249,994	195,067	249,994	195,067
Basic / diluted earnings per share (sen)	0.53	0.88	1.23	2.02

FCW HOLDINGS BERHAD (3116-K)**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)****11. Group Realised and Unrealised (Losses)/Profits**

	As at 31-12-13 (RM'000)	As at 30-06-13 (RM'000)
The accumulated losses of FCW Holdings Bhd and its subsidiaries:		
- Realised	(89,506)	(91,066)
- Unrealised	59	24
	<u>(89,447)</u>	<u>(91,042)</u>
Total share of (accumulated losses) / retained profits from associated company:		
- Realised	(11,318)	(15,299)
- Unrealised	7,076	9,582
	<u>(93,689)</u>	<u>(96,759)</u>
Less: Consolidation adjustments	143,965	143,965
Total group retained profits as per consolidated accounts	<u><u>50,276</u></u>	<u><u>47,206</u></u>

By Order of the Board**Lai Sze Pheng
Executive Director****19 February 2014
Kuala Lumpur**