

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2014 RM '000	PRECEDING YEAR QUARTER 30/09/2013 RM '000	CURRENT YEAR TO DATE 30/09/2014 RM '000	PRECEDING YEAR TO DATE 30/09/2013 RM '000
Revenue	70,926	75,910	218,987	216,406
Operating expenses	(66,998)	(69,754)	(207,388)	(196,823)
Other operating income	2,936	1,038	6,117	4,081
Finance costs	(1)	(2)	(4)	(5)
Share of profit of associate	1,570	1,484	5,080	5,032
Profit before tax (Note 16)	8,433	8,676	22,792	28,691
Tax expense (Note 17)	(7,149)	(2,288)	(10,247)	(6,403)
Profit for the period	1,284	6,388	12,545	22,288
Profit for the period attributable to:				
Owners of the Company	1,284	6,211	12,545	21,837
Non-controlling interests	-	177	-	451
	1,284	6,388	12,545	22,288
Earnings per share (sen):				
(a) Basic	0.49	2.35	4.73	8.26
(b) Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

GUH HOLDINGS BERHAD (Company No. 4104-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2014

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 30/09/2014 RM '000	PRECEDING YEAR QUARTER 30/09/2013 RM '000	CUMULATIVE QUARTER CURRENT YEAR TO DATE 30/09/2014 RM '000	PRECEDING YEAR TO DATE 30/09/2013 RM '000
Profit for the period	1,284	6,388	12,545	22,288
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
(Loss)/Gain on available-for-sale financial assets	(41)	328	327	1,467
Reclassification adjustment on derecognition of available-for-sale financial assets	(1,687)	-	(1,970)	(720)
Currency translation differences for foreign operations	5,710	2,622	(2,965)	11,004
Other comprehensive income for the period	3,982	2,950	(4,608)	11,751
Total comprehensive income for the period	5,266	9,338	7,937	34,039
Total comprehensive income for the period attributable to:				
Owners of the Company	5,266	9,161	7,937	33,588
Non-controlling interests	-	177	-	451
	5,266	9,338	7,937	34,039

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

GUH HOLDINGS BERHAD (Company No. 4104-W)

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

	AS AT 30/09/2014 RM '000	AS AT 31/12/2013 RM '000
Non-Current Assets		
Property, Plant and Equipment	153,726	157,127
Investment Properties	7,035	7,035
Goodwill	3,348	3,348
Investment in Associate	5,332	11,791
Available-for-sale Financial Assets	369	17,094
Investments in Club Memberships	-	151
Land Held for Property Development	55,323	49,157
	<hr/>	<hr/>
	225,133	245,703
Current Assets		
Property Development Costs	8,159	18,398
Accrued Billings	1,423	9,390
Asset Held for Sale	-	470
Amounts Due from Customers for Contract Work	1,994	5,330
Inventories	43,195	34,536
Trade and Other Receivables	68,565	63,813
Prepayments	9,538	1,973
Current Tax Assets	2,542	823
Cash and Cash Equivalents	188,937	183,262
	<hr/>	<hr/>
	324,353	317,995
Current Liabilities		
Trade and Other Payables	52,690	57,817
Amounts Due to Customers for Contract Work	2,890	59
Hire Purchase Payables	-	66
Current Tax Liabilities	2,598	2,895
	<hr/>	<hr/>
	58,178	60,837
Net Current Assets	266,175	257,158
Non-Current Liabilities		
Hire Purchase Payables	-	70
Deferred Tax Liabilities	12,144	12,712
	<hr/>	<hr/>
	12,144	12,782
Net Assets	<hr/> <hr/>	<hr/> <hr/>
	479,164	490,079
Equity		
Share Capital	277,905	277,905
Treasury Shares	(17,777)	(12,131)
Reserves	219,036	224,305
	<hr/>	<hr/>
Total Equity	479,164	490,079
Net Assets per Share (RM)	<hr/> <hr/>	<hr/> <hr/>
	1.81	1.82

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	← Non-Distributable →					Distributable *					
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Capital redemption reserve RM '000	Revaluation surplus RM '000	Fair value reserve RM '000	Currency translation reserve RM '000	Retained profits RM '000	Equity attributable to owners of the Company RM '000	Non-controlling interests RM '000	Total equity RM '000
At 01/01/2014	277,905	(12,131)	87	-	38,852	1,609	14,898	168,859	490,079	-	490,079
Gain on available-for-sale financial assets	-	-	-	-	-	327	-	-	327	-	327
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	-	(1,970)	-	-	(1,970)	-	(1,970)
Currency translation differences for foreign operations	-	-	-	-	-	-	(2,965)	-	(2,965)	-	(2,965)
Other comprehensive income for the period	-	-	-	-	-	(1,643)	(2,965)	-	(4,608)	-	(4,608)
Profit for the period	-	-	-	-	-	-	-	12,545	12,545	-	12,545
Total comprehensive income for the period	-	-	-	-	-	(1,643)	(2,965)	12,545	7,937	-	7,937
Purchase of own shares	-	(5,646)	-	-	-	-	-	-	(5,646)	-	(5,646)
Interim single tier dividend of 5.0 sen per share	-	-	-	-	-	-	-	(13,206)	(13,206)	-	(13,206)
Total transactions with owners	-	(5,646)	-	-	-	-	-	(13,206)	(18,852)	-	(18,852)
At 30/09/2014	277,905	(17,777)	87	-	38,852	(34)	11,933	168,198	479,164	-	479,164
At 01/01/2013	185,414	(12,058)	-	65,288	12,152	1,012	(309)	171,209	422,708	2,510	425,218
Gain on available-for-sale financial assets	-	-	-	-	-	1,467	-	-	1,467	-	1,467
Reclassification adjustment on derecognition of available-for-sale financial assets	-	-	-	-	-	(720)	-	-	(720)	-	(720)
Currency translation differences for foreign operations	-	-	-	-	-	-	11,004	-	11,004	-	11,004
Other comprehensive income for the period	-	-	-	-	-	747	11,004	-	11,751	-	11,751
Profit for the period	-	-	-	-	-	-	-	21,837	21,837	451	22,288
Total comprehensive income for the period	-	-	-	-	-	747	11,004	21,837	33,588	451	34,039
Purchase of own shares	-	(73)	-	-	-	-	-	-	(73)	-	(73)
Interim dividend of 6.0 sen per share (less tax at 25%)	-	-	-	-	-	-	-	(7,930)	(7,930)	-	(7,930)
Total transactions with owners	-	(73)	-	-	-	-	-	(7,930)	(8,003)	-	(8,003)
At 30/09/2013	185,414	(12,131)	-	65,288	12,152	1,759	10,695	185,116	448,293	2,961	451,254

* Retained profits as at 30 September 2014 amounting to RM17,690,000 (30 September 2013: RM12,131,000), being the excess of treasury shares over share premium, were considered as non-distributable.

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	CURRENT YEAR TO DATE 30/09/2014 RM '000	PRECEDING YEAR TO DATE 30/09/2013 RM '000
Cash flows from operating activities		
Profit before tax	22,792	28,691
Adjustments for:		
Allowance for slow moving inventories	92	83
Investments in club memberships written off	28	-
Depreciation	11,066	10,030
Dividend income	(252)	(386)
Gain on derecognition of available-for-sale financial assets	(1,970)	(720)
Gain on disposal of asset held for sale	(380)	-
Loss on disposal of investments in club memberships	9	-
Loss/(Gain) on disposal of property, plant and equipment	82	(188)
Unrealised gain on foreign exchange	(419)	(52)
Impairment loss on loans and receivables	-	8
Interest expense	4	5
Interest income	(3,384)	(3,607)
Inventories written down	39	-
Property, plant and equipment written off	3	15
Reversal of allowance for slow moving inventories	(143)	(52)
Share of profit of associate	(5,080)	(5,032)
	<hr/>	<hr/>
Operating profit before working capital changes	22,487	28,795
Changes in:		
Property development costs	4,073	2,265
Progress billings	7,967	(9,251)
Amounts due from/to customers for contract work	6,167	(3,519)
Inventories	(8,647)	(2,394)
Receivables and prepayments	(11,715)	(13,264)
Payables	(5,549)	650
Cash generated from operations	<hr/> 14,783	<hr/> 3,282
Interest paid	(4)	(5)
Tax paid	(12,831)	(6,490)
Tax refunded	-	189
	<hr/> (12,835)	<hr/> (6,306)
	<hr/>	<hr/>
Net cash from/(used in) operating activities	1,948	(3,024)
Cash flows from investing activities		
Dividend received	11,810	12,742
Interest received	3,384	3,607
Proceeds from disposal of available-for-sale financial assets	21,073	6,824
Proceeds from disposal of property, plant and equipment	263	372
Proceeds from disposal of asset held for sale	850	-
Proceeds from disposal of investments in club memberships	110	-
Purchase of available-for-sale financial assets	(4,021)	(1,350)
Purchase of property, plant and equipment	(8,967)	(2,789)
	<hr/> 24,502	<hr/> 19,406
Cash flows from financing activities		
Dividend paid	(13,206)	(7,930)
Purchase of own shares	(5,646)	(73)
Repayment of hire purchase obligations	(136)	(48)
	<hr/> (18,988)	<hr/> (8,051)
Net cash used in financing activities	(18,988)	(8,051)
Currency translation differences	(1,787)	7,066
	<hr/>	<hr/>
Net increase in cash and cash equivalents	5,675	15,397
Cash and cash equivalents at beginning of the period	183,262	160,286
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	188,937	175,683
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(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

1. **Basis of Preparation**

The interim financial report has been prepared in accordance with requirements of FRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2013.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the year ended 31 December 2013 except for the adoption of the following Financial Reporting Standards ("FRSs"):

	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 10, FRS 12 and FRS 127 <i>Investment Entities</i>	1 January 2014
Amendments to FRS 132 <i>Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
Amendments to FRS 139 <i>Novation of Derivatives and Continuation of Hedge Accounting</i>	1 January 2014
IC Interpretation 21 <i>Leases</i>	1 January 2014

The adoption of the above FRSs did not have any significant impacts on the financial statements of the Group.

In November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") Framework. The issuance was made in conjunction with the MASB's plan to converge with International Financial Reporting Standards ("IFRS") in 2012. The MFRS Framework is a fully IFRS-compliant framework and equivalent to IFRSs.

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for Construction of Real Estate, including their parents, significant investors and venturers ("Transitioning Entities"). Transitioning Entities are allowed to continue applying the FRS Framework for annual periods beginning on or after 1 January 2014.

On 2 September 2014, MASB announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017.

Being a Transitioning Entity as defined above, the Group has elected to continue preparing its financial statements in accordance with the FRS Framework for the financial years ending 31 December 2014 to 2016 and will present its first MFRS financial statements for the financial year ending 31 December 2017.

2. **Audit Report**

The preceding annual financial statements of the Group were reported on without any qualification.

3. **Seasonal or Cyclical Factors**

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

4. **Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current year quarter and period ended 30 September 2014.

5. **Changes in Estimates**

There were no changes in the estimates that have a material effect in the current year quarter and period ended 30 September 2014.

6. **Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

During the current year quarter, the Company purchased 10,000 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 0.02 million at an average cost of RM 1.53 per share. During the period ended 30 September 2014, the Company purchased 4,613,600 ordinary shares of its issued share capital from the open market for a total consideration of approximately RM 5.6 million at an average cost of RM 1.22 per share. The shares purchased were financed by internally generated funds and are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014

7. **Dividend Paid**

On 18 August 2014, the Board of Directors proposed for an interim single tier dividend of 5.0 sen per share for the financial year ending 31 December 2014. The dividend was paid on 18 September 2014 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 3 September 2014.

8. **Segmental Reporting**

Analysis by activity	Manufacture of Printed Circuit Boards RM '000	Property Development RM '000	Sale of Electrical Appliances RM '000	Cultivation of Oil Palm RM '000	Water and Wastewater Treatment RM '000	Unallocated Non-Operating Segments RM '000	Group RM '000
Revenue							
Total revenue	175,607	15,229	4,738	1,379	20,811	5,255	223,019
Intersegment revenue	-	-	(17)	-	-	(4,015)	(4,032)
External revenue	175,607	15,229	4,721	1,379	20,811	1,240	218,987
Results							
Segment results	8,185	2,386	(31)	642	2,359	791	14,332
Interest income	1,908	401	14	-	83	978	3,384
Interest expense	-	-	-	-	(4)	-	(4)
Share of profit of associate	-	-	-	-	-	5,080	5,080
Profit before tax	10,093	2,787	(17)	642	2,438	6,849	22,792
Tax expense	(8,649)	(802)	(12)	(158)	(622)	(4)	(10,247)
Profit/(Loss) for the period	1,444	1,985	(29)	484	1,816	6,845	12,545
Assets							
Segment assets	274,047	116,945	4,695	707	25,994	119,224	541,612
Associate	-	-	-	-	-	5,332	5,332
Income tax assets	333	1,524	14	-	226	445	2,542
Total assets	274,380	118,469	4,709	707	26,220	125,001	549,486
Liabilities							
Segment liabilities	37,105	7,432	928	134	5,860	4,121	55,580
Income tax liabilities	12,094	1,673	1	143	26	805	14,742
Total liabilities	49,199	9,105	929	277	5,886	4,926	70,322

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014

9. **Subsequent Material Events**

There were no material events subsequent to the end of the reporting period that have not been reflected in the financial statements other than:

On 10 October 2014, the Company announced that its wholly-owned subsidiary, GUH Land Sdn Bhd (formerly known as Notable Empire Sdn Bhd) ("GUH Land") has completed the acquisition of 99.46% of the equity interest in Million Crest (M) Sdn Bhd ("MCSB") from Leader Universal Properties Sdn Bhd ("LUPSB"), consisting of 5,967,691 ordinary shares of RM1.00 each in MCSB ("MCSB share(s)") held by LUPSB to be sold by LUPSB to GUH Land and one (1) MCSB share held by Datin Jessica H'ng Hsieh Ling procured to be sold by LUPSB to GUH Land, for a cash consideration of approximately RM57.53 million ("Acquisition") and the settlement of shareholder's loan of RM12,155,000. As a result of the Acquisition, MCSB is now a subsidiary of GUH Land and an indirect subsidiary of the Company.

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

There were no changes in the composition of the Group during the period ended 30 September 2014 other than:

On 9 May 2014, the Company announced the acquisition of 2 ordinary shares of RM1.00 each representing 100% of the issued and paid-up capital of GUH Land Sdn Bhd (formerly known as Notable Empire Sdn Bhd) ("GUH Land"), at par value of RM1.00 per share in cash. As a result of the acquisition, GUH Land becomes a wholly-owned subsidiary of the Company.

GUH Land is a private limited company incorporated in Malaysia under the Companies Act, 1965 on 5 May 2014, with an authorized share capital of RM400,000.00 comprising 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up. GUH Land is presently dormant. The intended nature of business of GUH Land is property development.

11. **Contingent Liabilities or Contingent Assets**

The Group has no contingent liabilities and contingent assets as at the end of the current year quarter or last annual reporting date.

12. **Review of the Performance**

Operating Segment	Current Year Quarter 30/09/2014	Preceding Year Quarter 30/09/2013	Current Year To Date 30/09/2014	Preceding Year To Date 30/09/2013
	RM '000	RM '000	RM '000	RM '000
Revenue				
Manufacture of printed circuit boards	59,984	57,002	175,607	155,191
Property development	4,074	9,442	15,229	36,888
Sale of electrical appliances	1,665	1,706	4,721	5,356
Cultivation of oil palm	352	586	1,379	1,237
Water and wastewater treatment	4,356	6,690	20,811	16,371
Unallocated non-operating segments	495	484	1,240	1,363
Total	70,926	75,910	218,987	216,406
Profit before tax				
Manufacture of printed circuit boards	4,370	4,486	10,093	9,869
Property development	834	2,071	2,787	10,417
Sale of electrical appliances	(42)	6	(17)	214
Cultivation of oil palm	132	316	642	563
Water and wastewater treatment	123	744	2,438	1,971
Unallocated non-operating segments	3,016	1,053	6,849	5,657
Total	8,433	8,676	22,792	28,691

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

12. **Review of the Performance (cont'd)**

a) Current Year Quarter vs Preceding Year Quarter

The Group's profit before tax of RM 8.4 million for the current year quarter ended 30 September 2014 was RM 0.3 million lower than the profit before tax of RM 8.7 million for the preceding year quarter mainly due to lower contribution from Property Division and Water and Wastewater Treatment Division offset by gain on derecognition of available-for-sale financial assets of RM 1.7 million.

Detailed analysis of the performance of the Group's operating segments for the current year quarter ended 30 September 2014 compared to the preceding year quarter is as follows:

i) **Manufacture of printed circuit boards**

Profit before tax decreased to RM 4.4 million from RM 4.5 million despite the hike in revenue mainly driven by unfavourable foreign exchange on dividend income.

ii) **Property development**

Profit before tax decreased to RM 0.8 million from RM 2.1 million mainly due to the deferment in launching and the stringent control in lending.

iii) **Sale of electrical appliances**

Negative variance of RM 0.05 million was in line with the lower revenue achieved.

iv) **Cultivation of oil palm**

Profit before tax decreased to RM 0.1 million from RM 0.3 million on lower FFB production and CPO price.

v) **Water and wastewater treatment**

Profit before tax decreased to RM 0.1 million from RM 0.7 million following the drop in recognition of revenue due to new variation order.

vi) **Unallocated non-operating segments**

Profit before tax increased to RM 3.0 million from RM 1.1 million mainly due to higher gain on derecognition of available-for-sale financial assets of RM 1.7 million.

b) Current Year To Date vs Preceding Year To Date

For the period ended 30 September 2014, the Group recorded a lower profit before tax of RM 22.8 million compared to RM 28.7 million for the preceding year to date mainly on lower contribution from Property Division offset by higher gain on derecognition of available-for-sale financial assets of RM 1.3 million.

Detailed analysis of the performance of the Group's operating segments for the period ended 30 September 2014 compared to the preceding year to date is as follows:

i) **Manufacture of printed circuit boards**

Profit before tax increased to RM 10.1 million from RM 9.9 million in line with 13.2% improvement in revenue offset by higher operating costs and unfavourable foreign currency movements.

ii) **Property development**

Profit before tax decreased to RM 2.8 million from RM 10.4 million as a consequence of 45.2% decline in property units sold due to the deferment in launching and stringent control in lending.

iii) **Sale of electrical appliances**

Negative variance of RM 0.2 million was mainly attributed to lower revenue and purchase incentive.

iv) **Cultivation of oil palm**

Profit before tax was almost the same at RM 0.6 million despite higher revenue mainly due to increase in operating and administrative expenses.

v) **Water and wastewater treatment**

Profit before tax increased to RM 2.4 million from RM 2.0 million in tandem with the growth in revenue.

vi) **Unallocated non-operating segments**

Profit before tax increased to RM 6.8 million from RM 5.7 million mainly due to higher gain on derecognition of available-for-sale financial assets of RM 1.3 million.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014

13. **Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

As compared to the preceding quarter, the Group's profit before tax improved to RM 8.4 million (Q2'14: RM 6.3 million) mainly due to higher contribution from the Electronic Division on better economies of scale achieved by the Malaysia operations.

14. **Prospects for 2014**

Electronic Division anticipates a growth in the sales of double-sided and multi-layer PCBs but weaker margins in view of the escalating price competition. Property Division expects sales of residential properties to pick up corresponding to the new launches in 2014.

Electrical Division envisages sale of electrical products to remain flat due to sluggish demand in the last quarter of 2014.

Plantation Division foresees low CPO prices and lower FFB production due to unfavourable weather conditions in the last quarter of 2014.

Water and Wastewater Treatment Division anticipates better earnings on the rise in order books for 2014.

The Group will increase its performance for the last quarter of 2014 with improved contribution from Property and Water and Wastewater Treatment Divisions. On the overall, the Group foresees it will be worse off compared to 2013.

15. **Variance from Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

16. **Profit Before Tax**

	Current Year Quarter 30/09/2014 RM'000	Current Year To Date 30/09/2014 RM'000
Profit before tax is arrived at after charging:		
- Interest expense	1	4
- Depreciation	3,551	11,066
- Impairment loss on loans and receivables	-	-
- Allowance for slow moving inventories	21	92
- Inventories written down	40	39
- Inventories written off	-	-
- Impairment loss on available-for-sale financial assets	-	-
- Loss on disposal of investments in club memberships	9	9
- Loss on disposal of property, plant and equipment	-	82
- Property, plant and equipment written off	-	3
- Investments in club memberships written off	28	28
- Loss on foreign exchange - realised	592	773
- Loss on foreign exchange - unrealised	-	-
- Loss on derivatives	-	-
- Exceptional items	-	-
and crediting:		
- Interest income	1,210	3,384
- Dividend income	86	252
- Gain on disposal of property, plant and equipment	53	-
- Gain on disposal of asset held for sale	-	380
- Gain on derecognition of available-for-sale financial assets	1,687	1,970
- Gain on derivatives	-	-
- Gain on foreign exchange - unrealised	41	419

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014

17. **Tax Expense**

Tax expense comprises:

	Current Year Quarter 30/09/2014 RM '000	Current Year To Date 30/09/2014 RM '000
Current income tax	(1,502)	(5,521)
Withholding tax on dividend income from foreign subsidiary	(5,261)	(5,261)
Deferred tax	(386)	567
Real Property Gains Tax	-	(32)
	<u>(7,149)</u>	<u>(10,247)</u>

The Group's effective tax rates differ from the statutory tax rate mainly due to:

- (i) certain income and expenses which are not taxable and allowable;
- (ii) utilisation of unabsorbed capital allowances by certain subsidiaries; and
- (iii) withholding tax on dividend income from foreign subsidiary.

18. **Status of Corporate Proposals**

There were no corporate proposals as at the date of this announcement.

19. **Group Borrowings and Debt Securities**

There were no borrowings and debt securities as at 30 September 2014.

20. **Financial Instruments**

a) Derivatives

There were no outstanding derivatives as at 30 September 2014.

b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities

There were no gains/(losses) arising from fair value changes of financial liabilities for the current year quarter and period ended 30 September 2014.

c) Fair Value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- iii) Level 3 - unobservable inputs for the asset or liability.

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20. **Financial Instruments (cont'd)**

The fair value measurement of financial instruments at the end of the reporting period are as follows:

i) Available-for-sale financial assets

	30/09/2014 RM '000
Shares quoted in Malaysia - at fair value	319
Unquoted shares - at cost less impairment	50
	<u>369</u>

The fair values of quoted investments are directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

The fair values of unquoted investments cannot be reliably measured due to the lack of quoted prices in active markets for identical instruments. In addition, the variability in the range of reasonable fair value measurements is expected to be significant and the probabilities of the various estimates within the range cannot be reasonably assessed.

ii) Other financial assets and financial liabilities

The carrying amounts of receivables, cash and cash equivalents, payables and loans and borrowings which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

There were no transfers between Level 1 and Level 2 during the period ended 30 September 2014.

21. **Breakdown of Realised and Unrealised Profits or Losses of the Group**

The breakdown of the retained profits of the Group as at 30 September 2014, into realised and unrealised profits, pursuant to the directive of Bursa Malaysia Securities Berhad, is as follows:

	As at 30/09/2014 RM'000	As at 31/12/2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	250,283	243,668
- Unrealised	3,931	3,889
	<u>254,214</u>	<u>247,557</u>
Total share of retained profits of associate:		
- Realised	4,482	10,960
- Unrealised	-	-
	<u>258,696</u>	<u>258,517</u>
Consolidation adjustments and eliminations	(90,498)	(89,658)
Total retained profits as per statement of financial position	<u>168,198</u>	<u>168,859</u>

The segregation of realised and unrealised profits or losses is based on Guidance on Special Matter No.1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", issued by the Malaysian Institute of Accountants on 20 December 2010.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2014

22. **Material Litigation**

There was no material litigation against the Group as at 30 September 2014.

23. **Earnings Per Share**

	Current Year Quarter 30/09/2014	Current Year To Date 30/09/2014
Profit attributable to owners of the Company (RM '000)	1,284	12,545
Number of ordinary shares in issue at the beginning of the period ('000)	264,121	268,724
Effect of shares purchased ('000)	(7)	(3,659)
Weighted average number of ordinary shares in issue ('000)	<u>264,114</u>	<u>265,065</u>
Basic earnings per share (sen)	<u>0.49</u>	<u>4.73</u>

Diluted earnings per share are not presented as there are no dilutive potential ordinary shares in the current year quarter and period ended 30 September 2014.

24. **Authorisation for Issue**

The Board of Directors authorised the issue of this unaudited interim financial report on 18 November 2014.