



## **POS MALAYSIA BERHAD**

(229990-M)

(Incorporated in Malaysia)

Interim Financial Report for the Financial Period  
Ended 30 September 2013

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2013**

The Board of Directors is pleased to announce the unaudited financial results of the Group for the financial period ended 30 September 2013.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Current quarter 3 Months Ended		Year to date 6 Months Ended	
		30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
Revenue		316,977	300,445	672,794	611,761
Operating expenses		(267,106)	(262,521)	(565,209)	(531,508)
Profit from operations		49,871	37,924	107,585	80,253
Other income		5,823	6,352	13,109	17,766
Finance cost		(302)	-	(489)	-
<b>PROFIT BEFORE ZAKAT AND TAXATION</b>		<b>55,392</b>	<b>44,276</b>	<b>120,205</b>	<b>98,019</b>
Zakat		(635)	(547)	(1,108)	(1,886)
<b>PROFIT BEFORE TAXATION</b>		<b>54,757</b>	<b>43,729</b>	<b>119,097</b>	<b>96,133</b>
Taxation	17	(15,208)	(13,299)	(36,402)	(28,920)
<b>NET PROFIT FOR THE FINANCIAL PERIOD</b>		<b>39,549</b>	<b>30,430</b>	<b>82,695</b>	<b>67,213</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<b>39,549</b>	<b>30,430</b>	<b>82,695</b>	<b>67,213</b>
Net profit for the financial period attributable to:					
Owners of the Company		40,257	30,451	83,944	67,234
Non-controlling interest		(708)	(21)	(1,249)	(21)
		<b>39,549</b>	<b>30,430</b>	<b>82,695</b>	<b>67,213</b>
Total comprehensive income for the financial period attributable to:					
Owners of the Company		40,257	30,451	83,944	67,234
Non-controlling interest		(708)	(21)	(1,249)	(21)
		<b>39,549</b>	<b>30,430</b>	<b>82,695</b>	<b>67,213</b>
Basic earnings per share (sen):	21	<b>7.50</b>	<b>5.67</b>	<b>15.63</b>	<b>12.52</b>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 30.09.2013 RM'000	As at 31.03.2013 RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		618,548	603,748
Investment properties		29,550	29,550
Goodwill		4,630	4,630
Investment securities: held-to-maturity		94,870	115,233
		<b>747,598</b>	753,161
<b>CURRENT ASSETS</b>			
Inventories		12,665	11,559
Trade and other receivables		209,768	182,917
Investment securities: financial assets at fair value through profit or loss		21,287	1,159
Cash and cash equivalents		608,914	666,467
		<b>852,634</b>	862,102
<b>TOTAL ASSETS</b>		<b>1,600,232</b>	1,615,263

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**

	Note	As at 30.09.2013 RM'000	As at 31.03.2013 RM'000
<b>EQUITY AND LIABILITIES</b>			
Share Capital*		268,513	268,513
Reserves		760,874	678,600
<b>Equity attributable to owners of the Company</b>		<b>1,029,387</b>	<b>947,113</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>579</b>
<b>TOTAL EQUITY</b>		<b>1,029,387</b>	<b>947,692</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		-	-
Deferred tax liabilities		44,793	36,665
		<b>44,793</b>	<b>36,665</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		457,474	605,591
Current tax liabilities		31,480	7,611
Borrowings		-	6
Revolving credit		37,098	17,698
		<b>526,052</b>	<b>630,906</b>
<b>TOTAL LIABILITIES</b>		<b>570,845</b>	<b>667,571</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,600,232</b>	<b>1,615,263</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)</b>		<b>1.92</b>	<b>1.76</b>

\* Based on 537,026,085 ordinary shares in issue.

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Issued and fully paid ordinary shares		Non-distributable		Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Nominal value RM'000	Share Premium RM'000	Revaluation Reserves RM'000				
Balance at beginning of the financial year 1.4.2013	537,026	268,513	385	1,144	677,071	947,113	579	947,692
Total comprehensive income for the financial period	-	-	-	-	83,944	83,944	(1,249)	82,695
Additional subscription of shares in a subsidiary company	-	-	-	-	(1,670)	(1,670)	670	(1,000)
<b>Balance as at 30.09.2013</b>	<b>537,026</b>	<b>268,513</b>	<b>385</b>	<b>1,144</b>	<b>759,345</b>	<b>1,029,387</b>	<b>-</b>	<b>1,029,387</b>

	Issued and fully paid ordinary shares		Non-distributable		Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Nominal value RM'000	Share Premium RM'000	Revaluation Reserves RM'000				
Balance at beginning of the financial year 1.4.2012	537,026	268,513	385	1,144	628,051	898,093	-	898,093
Total comprehensive income for the financial period	-	-	-	-	67,234	67,234	(21)	67,213
Final dividend paid in respect of financial period ended 31 March 2012	-	-	-	-	(70,485)	(70,485)	-	(70,485)
Subscription of shares in a subsidiary company by non-controlling interest	-	-	-	-	-	-	1,000	1,000
<b>Balance as at 30.09.2012</b>	<b>537,026</b>	<b>268,513</b>	<b>385</b>	<b>1,144</b>	<b>624,800</b>	<b>894,842</b>	<b>979</b>	<b>895,821</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>6 Months Ended 30.09.2013 RM'000</b>	<b>6 Months Ended 30.09.2012 RM'000</b>
Net profit for the financial period	82,695	67,213
Adjustments:		
- Depreciation of property, plant and equipment	40,862	44,948
- Finance cost	489	-
- Taxation	36,402	28,920
- Others	(7,389)	(13,276)
Operating profit before working capital changes	153,059	127,805
Changes in working capital:		
Net increase in current assets	(27,132)	(1,117)
Net decrease in current liabilities	(78,214)	(74,498)
Net cash generated operations	47,713	52,190
Tax paid, net of refund	(5,230)	(24,442)
Net cash inflow from operating activities	<b>42,483</b>	<b>27,748</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	231	8,952
Proceeds from disposal of investments and redemption of held-to-maturity securities	-	7,078
Purchase of property, plant and equipment	(55,750)	(32,970)
Interest received	8,589	8,843
Increase investment in a subsidiary company	(1,000)	-
Net cash outflow from investing activities	<b>(47,930)</b>	<b>(8,097)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**

	<b>6 Months Ended 30.09.2013 RM'000</b>	<b>6 Months Ended 30.09.2012* RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest expense	(489)	-
Proceeds from bank borrowing	19,400	-
Subscription of shares by non-controlling interest in a subsidiary company	-	1,000
Repayment of bank borrowing/ hire purchase	(6)	(8)
Dividend paid to shareholders	-	(70,485)
Net cash inflow / (outflow) from financing activities	<b>18,905</b>	<b>(69,493)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>13,458</b>	<b>(49,842)</b>
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL PERIOD	479,163	409,937
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD</b>	<b>492,621</b>	<b>360,095</b>
Cash and cash equivalents as at end of the financial period comprise the followings:		
Bank balances and cash	172,431	157,172
Deposits	436,483	372,086
	608,914	529,258
Less: collections held on behalf of agencies**	(116,293)	(169,163)
	<b>492,621</b>	<b>360,095</b>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the explanatory notes attached to the interim financial report.

\*\* The amount of cash held on behalf of agencies is included under Trade and Other Payables in the Statement of Financial Position.

## **EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT**

### **1. BASIS OF PREPARATION**

The Group has adopted the Malaysian Financial Reporting Standards (MFRS) framework and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* for the first time in these condensed interim financial statements. The condensed financial statements are unaudited and have been prepared in accordance with MFRS 134, *Interim Financial Reporting* and Part A of Appendix 9B of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The interim financial statements should also be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2013 and the accompanying notes attached to the unaudited condensed consolidated financial statements.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 March 2013.

### **3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The Group's operations are not subject to any significant seasonal factors except that mail volume fluctuates during the festive season and at the beginning of calendar year.

### **4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE**

There was no item of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the financial period ended 30 September 2013.

### **5. CHANGES IN ESTIMATES**

There were no changes in estimates of amount, which would materially affect the current reporting period.

### **6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no cancellation, repurchase and repayment of debt and equity securities during the current quarter.

### **7. DIVIDENDS PAID**

There was no dividend paid for the current financial period ended 30 September 2013.



## 8. SEGMENTAL INFORMATION

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different business processes and customer needs. For each of the strategic business units, the Group's Chief Executive Officer (the chief operating decision maker) and the Board of Directors review internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Mail – Includes the provision of basic mail services for corporate and individual customers and customized solutions such as Mailroom Management and Direct Mail.
- Courier – Includes the courier solutions by sea, air and land to both national and international destinations.
- Retail – Includes over-the-counter services for payment of bills and certain financial products and services.

Other operations include the hybrid mail which provides data and document processing services, logistics solutions by sea, air and land to both national and international destinations, business of internet security products, solutions and services and rental income from investment properties held by the Group. None of these segments meets any of the quantitative thresholds for determining reportable segments in the current reporting period.

There are varying levels of integration between the Mail reportable segment and the Courier reportable segments. This integration includes shared distribution services. The accounting policies of the reportable segments are the same as described in note 2.

**8. SEGMENTAL INFORMATION (CONTINUED)**

Information regarding the operations of each reportable segment is included below. Performance is measured based on segment results. Segment results is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on a negotiated basis.

The information of each of the Group's business segments for the financial period ended 30 September 2013 is as follows:

	<b>Mail RM'000</b>	<b>Courier RM'000</b>	<b>Retail RM'000</b>	<b>Other RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Revenue</b>						
External revenue	375,319	177,729	87,668	32,078	-	672,794
Inter-segment revenue	8,485	8,725	25,380		(42,590)	
Total revenue	383,804	186,454	113,048	32,078	(42,590)	672,794
<b>Results</b>						
Segment profit	77,563	34,725	(20,831)	16,128	-	107,585
Unallocated income						4,272
Interest income						8,348
Profit before zakat & taxation						120,205
Zakat						(1,108)
Profit before taxation						119,097
Taxation						(36,402)
Net profit for the financial period						82,695
Attributable to:						
Owners of the Company						83,944
Non-controlling interest						(1,249)

**9. PROPERTY, PLANT AND EQUIPMENT**

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

**10. SUBSEQUENT EVENT**

There were no materials events subsequent to the end of the reporting period that have not been reflected in the financial statements.

**11. CHANGES IN THE COMPOSITION OF THE GROUP**

On 30 September 2013, the Group completed its acquisition of 1,000,000 ordinary shares of RM1.00 each, representing the remaining 20% of the issued and paid-up share capital of Pos Ar-Rahnu Sdn. Bhd. from Bank Muamalat Malaysia Berhad, for a total cash consideration of RM1,000,000.00 only. The acquisition making Pos Ar-Rahnu Sdn. Bhd. a 100% owned subsidiary of the Company.

**12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets at the end of the reporting period.

**13. PROFIT BEFORE TAXATION**

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

	3 Months Ended		6 Months Ended	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
Depreciation of property, plant and equipment	20,123	21,096	40,737*	44,697*
Finance cost	302	-	489	-
Fair value gain of securities designated as fair value through profit or loss	39	34	(6)	345
Property, plant and equipment written off	-	-	-	756
Doubtful debts (net of write backs)	(688)	726	654	1,651
Gain on disposal of:				
- investment securities: fair value through profit or loss	-	(128)	-	(134)
- assets held-for-sale	-	(826)	-	(7,027)
- property, plant and equipment	(129)	10	(143)	(31)
Fair value adjustment on investment properties	-	95	-	(537)
Interest income on:				
-short term deposits	(2,139)	(3,266)	(6,023)	(6,206)
-investment securities: held-to-maturity investment	(1,070)	(1,128)	(2,325)	(2,289)
Net foreign exchange differences	(388)	(106)	(1,029)	(326)

\* Depreciation has been netted off against other income as the assets were purchased in relation to government grant received by the Group and Company

**14. REVIEW OF GROUP PERFORMANCE**

**14.1 Group Performance**

The Group registered a growth of 34.1% in profit from operations of RM107.6 million (30.09.2012: RM80.2 million) for the period ended 30 September 2013 supported with higher revenue of RM61.0 million; an increase of 10.0% from RM611.8 million despite higher expenses by RM33.7 million compared to the preceding period.

The results of the major business segments are as follows:-

	<b>YEAR TO DATE</b>	
	<b>30.09.2013</b>	30.09.2012
	<b>RM'000</b>	RM'000
Mail	77,563	69,763
Courier	34,725	22,536
Retail	(20,831)	(21,644)
Others	16,128	9,598
Profit from operations	<b>107,585</b>	<b>80,253</b>
Other income	13,103	17,574
Fair value adjustment for financial asset designated as FVTPL	6	(345)
Change in fair value adjustment of investment property	-	537
Finance cost	(489)	-
Profit before zakat and taxation	<b>120,205</b>	<b>98,019</b>
Zakat	(1,108)	(1,886)
Profit before taxation	<b>119,097</b>	<b>96,133</b>

**Mail Segment**

Mail segment shown higher operating profits by RM7.8 million or 11.2% due to lower staff costs, support costs and transfer costs coupled with increase in revenue for prepaid, registered mail, admail, direct mail, international mail and corporate mail despite dropped in franking and ordinary mail by 6.4% and 5.4% respectively.

**Courier Segment**

Courier segment shown higher operating profits by RM12.2 million or 54.1% due to increase in on-demand customers revenue, contract customers, parcels and prepaid box / envelope mainly as a result of higher online transactions for business.

14. **REVIEW OF GROUP PERFORMANCE (CONTINUED)**

14.1 Group Performance (continued)

**Retail Segment**

Retail segment shown slightly lower operating loss by RM0.8 million principally due to lower depreciation expenses incurred combined with higher storage fees from Ar-Rahnu.

**Other Segments**

Other segments consist of sales of digital certificates, printing and insertion business, logistic revenue and rental income. Other segments operating profit increased by RM6.5 million or 68.0% as a result of higher contributions from LHDN E-filling project and printing and insertions.

**Group Operating Profit**

Profit from operation increased by 34.1% as compared to last year due to higher revenue despite increase in expenses. Operating expenses increased by 6.3% due to increase in staff costs as a result of annual salary increment, higher transportation for air transport due to higher jet fuel consumption, higher raw materials and consumables, higher repair and maintenance due to higher consumption of mail consumables and higher rental, communication and utilities on rental of office and warehouse and computer equipment cushioned by lower depreciation and amortization charges on computer equipment and other operating expenses on marketing and advertising.

**Group Profit Before Tax**

For the financial period ended 30 September 2013, the Group achieved a higher pre-tax profit of RM119.1 million, higher than last year by RM23.0 million or 23.9% due to higher profit from operation by RM27.3 million or 34.1%.

**14. REVIEW OF GROUP PERFORMANCE (CONTINUED)**

14.2 Comparison between the current quarter and the preceding year corresponding quarter.

	<b>3 MONTHS ENDED</b>	
	<b>30.09.2013</b>	30.09.2012
	<b>RM'000</b>	RM'000
Mail	33,473	30,574
Courier	17,963	12,121
Retail	(6,568)	(7,929)
Others	5,003	3,158
Profit from operations	<b>49,871</b>	<b>37,924</b>
Other income	5,862	6,481
Fair value adjustment for financial asset designated as FVTPL	(39)	(34)
Change in fair value adjustment of investment property	-	(95)
Finance cost	(302)	-
Profit before zakat and taxation	<b>55,392</b>	<b>44,276</b>
Zakat	(635)	(547)
Profit before taxation	<b>54,757</b>	<b>43,729</b>

**Mail Segment**

Mail segment shown higher operating profits by RM2.9 million or 9.5% due to slightly higher mail revenue by RM3.0 million or 1.8% mainly registered mail, direct mail and international mail combined with lower operating expenditures incurred mainly on depreciation and amortization.

**Courier Segment**

Courier segment shown higher operating profits by RM5.8 million or 48.2% as a result of higher revenue generated from on demand, contract customers, express mail and prepaid box / envelope, which is in line with the increase in volume due to higher online transactions for business and extended service counter hours at certain PosLaju centres in Klang Valley.

**Retail Segment**

Retail segment shown lower operating loss by RM1.4 million or 17.2% principally due to lower operating expenses incurred particularly on depreciation and amortization despite lower commissions earned from agencies.

**14. REVIEW OF GROUP PERFORMANCE (CONTINUED)**

14.2 Comparison between the current quarter and the preceding year corresponding quarter.

**Other Segments**

Other segments consist of sales of digital certificates, printing and insertion business, logistic revenue and rental income. Other segments operating profit increased by RM1.8 million or 58.4% due to lower operating expenses mainly from transportation costs.

**Group Operating Profit**

The Group posted a profit from operations of RM49.9 million, compared to the RM37.9 million profit in the preceding year corresponding quarter. The increase in profit was due to the increase in revenue by RM16.5 million despite higher operating expenses by RM4.5 million.

**Group Profit Before Tax**

For the financial period ended 30 September 2013, the Group achieved a higher pre-tax profit of RM54.7 million, higher than preceding year corresponding quarter by RM11.0 million or 25.2% due to higher profit from operation by RM11.9 million or 31.5%.

14.3 Comparison between the current quarter and the immediate preceding quarter

	<b>3 MONTHS ENDED</b>	
	<b>30.09.2013</b>	<b>30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Mail	33,473	44,090
Courier	17,963	16,762
Retail	(6,568)	(14,263)
Others	5,003	11,125
Profit from operations	<b>49,871</b>	<b>57,714</b>
Other income	5,862	7,241
Fair value adjustment for financial asset designated as FVTPL	(39)	45
Finance cost	(302)	(187)
Profit before zakat and taxation	<b>55,392</b>	<b>64,813</b>
Zakat	(635)	(473)
Profit before taxation	<b>54,757</b>	<b>64,340</b>

**14. REVIEW OF GROUP PERFORMANCE (CONTINUED)**

- 14.3 Comparison between the current quarter and the immediate preceding quarter (continued)

**Mail Segment**

Mail segment shown lower operating profits by RM10.6 million or 24.1% due to lower mail revenue despite lower operating expenses incurred mainly from staff costs, and raw materials and consumables in the current quarter.

**Courier Segment**

Courier segment shown higher operating profits by RM1.2 million or 7.2% due to increase in on-demand customers revenue and prepaid box / envelope as a result of higher online transactions for business and extended service counter hours at certain PosLaju centers in Klang Valley.

**Retail Segment**

Retail segment shown lower operating loss by RM7.7 million or 53.9% principally due to higher storage fees on Ar-Rahnu and lower operating expenses incurred on staff costs despite lower commissions earned from agencies.

**Other Segments**

Other segments consist of sales of digital certificates, printing and insertion business, logistic revenue and rental income. Other segments operating profit decreased by RM6.1 million or 55.0% as a result of lower revenue generated from LHDN E-filling project and printing and insertions revenue.

**Group Operating Profit**

The Group posted a profit from operations of RM49.9 million, compared to the RM57.7 million profit in the immediate preceding quarter. The decrease in profit was due to the decrease in revenue by RM38.8 million despite decrease in operating expenses by RM31.0 million.

**Group Profit Before Tax**

For the financial period ended 30 September 2013, the Group achieved a lower pre-tax profit of RM54.7 million, lower than immediate preceding quarter by RM9.6 million or 14.9% due to lower profit from operation by RM7.8 million or 13.6% combined with lower other income by RM1.5 million or 20.1% despite lower operating expense by RM31.0 million or 10.4%.



**15. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2014**

The latest official forecast for Malaysia appears consistent with projection of a return to moderate growth. Malaysia's economy, as measured by Gross Domestic Product (GDP), is expected to grow by 5% in 2014 compared to estimated 4.5% this year and 5.6% in 2012.

Pos Malaysia's 5-year Strategic Plan is very much on track and showing encouraging results. Expectations of sustained domestic demand should continue to foster a favourable domestic environment. This growth augurs well for demand of Pos Malaysia's offering such as in the areas of courier, parcel, financial services, insurance and logistics. Broadly, the outlook for the Group's financial year ending 31 March 2014 remains positive.

**16. PROFIT FORECAST OR PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee for the current financial period in a public document.

**17. TAXATION**

Taxation comprises the following:

	3 Months Ended		Period to Date	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
Current taxation	11,400	15,319	28,274	31,987
Deferred taxation	3,808	(2,020)	8,128	(3,067)
<b>Total</b>	<b>15,208</b>	<b>13,299</b>	<b>36,402</b>	<b>28,920</b>

The Group's effective tax rate for the 3-months ended 30 September 2013 and financial period ended 30 September 2013 is 27.8% and 30.6% differed with statutory tax rate of 25% principally due to certain expenses which were not deductible for tax purposes.

**18. STATUS OF CORPORATE PROPOSALS**

There is no corporate proposal made by the Group in the current period.

**19. GROUP BORROWINGS**

Total Group borrowings are as follows:

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.03.2013 RM'000</b>
<u>Due within 12 months</u>		
Hire Purchase	-	6
Revolving credit	37,098	17,698
<b>Total</b>	<b>37,098</b>	<b>17,704</b>

**20. MATERIAL LITIGATION**

There is no material litigation pending as at the date of this report.

**21. EARNINGS PER SHARE**

The basic earnings per share has been calculated based on the Group's net profit attributable to shareholders and on number of ordinary shares in issue during the financial period.

	<b>3 Months Ended</b>		<b>Period to Date</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
Net profit attributable to owners of the Company (RM'000)	40,257	30,451	83,944	67,234
Number of ordinary shares in issue ('000)	537,026	537,026	537,026	537,026
Basic earnings per share (sen)	<b>7.50</b>	5.67	<b>15.63</b>	12.52

**23. DISCLOSURE OF REALISED AND UNREALISED PROFITS / LOSSES**

The retained profits of the Group as at 30 September 2013 are analysed as follows:

	<b>As at 30.09.2013 RM'000</b>	<b>As at 30.09.2012 RM'000</b>
Total retained profits of the Company and subsidiaries:		
- Realised	710,647	652,843
- Unrealised	64,997	(15,119)
	<b>775,644</b>	<b>637,724</b>
Total share of retained profits from associated companies (Realised):	(7,650)	(7,650)
Add: Consolidation adjustments	(8,649)	(5,274)
Total Group retained profits as per consolidated financial statements	<b>759,345</b>	<b>624,800</b>

**24. 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' SABRINA ALBAKRI BT. ABU BAKAR  
COMPANY SECRETARY

Kuala Lumpur  
22 November 2013