



# **POS MALAYSIA BERHAD**

(229990-M)

(Incorporated in Malaysia)

Interim Financial Report for the Financial Period  
Ended 31 March 2015

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

The Board of Directors is pleased to announce the unaudited financial results of the Group for the financial period ended 31 March 2015.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Current quarter 3 Months Ended		Cumulative 12 Months Ended	
		31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Revenue		395,535	424,370	1,494,045	1,426,908
Operating expenses		(374,866)	(358,850)	(1,330,750)	(1,224,652)
Profit from operations		20,669	65,520	163,295	202,256
Other income		7,969	6,682	22,597	24,841
Finance cost		(528)	(636)	(2,102)	(1,562)
<b>PROFIT BEFORE ZAKAT AND TAXATION</b>		<b>28,110</b>	71,566	<b>183,790</b>	225,535
Zakat		(298)	(983)	(2,479)	(2,145)
<b>PROFIT BEFORE TAXATION</b>		<b>27,812</b>	70,583	<b>181,311</b>	223,390
Taxation	17	(7,909)	(18,387)	(54,261)	(65,664)
<b>NET PROFIT FOR THE FINANCIAL PERIOD</b>		<b>19,903</b>	52,196	<b>127,050</b>	157,726
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<b>19,903</b>	52,196	<b>127,050</b>	157,726
Net profit for the financial period attributable to:					
Owners of the Company		19,903	52,196	127,050	158,975
Non-controlling interest		-	-	-	(1,249)
		<b>19,903</b>	52,196	<b>127,050</b>	157,726
Total comprehensive income for the financial period attributable to:					
Owners of the Company		19,903	52,196	127,050	158,975
Non-controlling interest		-	-	-	(1,249)
		<b>19,903</b>	52,196	<b>127,050</b>	157,726
Basic earnings per share (sen):	21	<b>3.71</b>	9.72	<b>23.66</b>	29.60

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2014 and the explanatory notes attached to the interim financial report

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 31.03.2015 RM'000	As at 31.03.2014 RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		656,126	642,900
Investment properties		31,100	30,340
Goodwill		4,630	4,630
Investment securities: held-to-maturity		84,398	94,642
		<b>776,254</b>	<b>772,512</b>
<b>CURRENT ASSETS</b>			
Inventories		10,837	13,540
Trade and other receivables		365,122	307,677
Investment securities		5,530	21,352
Current tax assets		4,415	3,131
Cash and cash equivalents		518,422	535,947
		<b>904,326</b>	<b>881,647</b>
<b>TOTAL ASSETS</b>		<b>1,680,580</b>	<b>1,654,159</b>

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

	Note	As at 31.03.2015 RM'000	As at 31.03.2014 RM'000
<b>EQUITY AND LIABILITIES</b>			
Share Capital*		268,513	268,513
Share premium		385	385
Reserves		853,955	765,035
<b>Equity attributable to owners of the Company</b>		<b>1,122,853</b>	<b>1,033,933</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		45,774	42,637
		<b>45,774</b>	<b>42,637</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		462,141	511,422
Current tax liabilities		1,014	17,369
Revolving credit		48,798	48,798
		<b>511,953</b>	<b>577,589</b>
<b>TOTAL LIABILITIES</b>		<b>557,727</b>	<b>620,226</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,680,580</b>	<b>1,654,159</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)</b>		<b>2.09</b>	<b>1.93</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 2014 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	Equity attributable to owners of the Company	Non-controlling Interest	Total
	Number of shares RM'000	Nominal value RM'000	Share Premium RM'000	Revaluation Reserves RM'000	RM'000	RM'000	RM'000	RM'000
Balance at beginning of the financial year 1.4.2014	537,026	268,513	385	1,144	763,891	1,033,933	-	1,033,933
Total comprehensive income for the financial year	-	-	-	-	127,050	127,050	-	127,050
Final dividend paid in respect of financial year ended 31 March 2014	-	-	-	-	(38,130)	(38,130)	-	(38,130)
<b>Balance as at 31.03.2015</b>	<b>537,026</b>	<b>268,513</b>	<b>385</b>	<b>1,144</b>	<b>852,811</b>	<b>1,122,853</b>	<b>-</b>	<b>1,122,853</b>

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 year	-	-	-	-	158,975	158,975	(1,249)	157,726
Final dividend paid in respect of financial year ended 31 March 2013	-	-	-	-	(38,263)	(38,263)	-	(38,263)
Interim dividend paid in respect of financial year ending 31 March 2014	-	-	-	-	(32,222)	(32,222)	-	(32,222)
Additional Subscription of shares in a subsidiary company	-	-	-	-	(1,670)	(1,670)	670	(1,000)
<b>Balance as at 31.03.2014</b>	<b>537,026</b>	<b>268,513</b>	<b>385</b>	<b>1,144</b>	<b>763,891</b>	<b>1,033,933</b>	<b>-</b>	<b>1,033,933</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 2014 and the explanatory notes attached to the interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 Months Ended 31.03.2015 RM'000	12 Months Ended 31.03.2014 RM'000
Net profit for the financial period	127,050	157,726
Adjustments:		
- Depreciation of property, plant and equipment	88,818	81,346
- Finance cost	2,102	1,562
- Taxation	54,261	65,664
- Others	(8,938)	(16,735)
Operating profit before working capital changes	263,248	289,563
Changes in working capital:		
Net decrease in current assets	(60,214)	(126,185)
Net increase in current liabilities	(25,293)	(5,191)
Net cash generated operations	177,741	158,187
Tax paid, net of refund	(68,763)	(51,583)
Zakat paid	(571)	(1,987)
Net cash from operating activities	<b>108,407</b>	<b>104,617</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	519	335
Proceeds from disposal of investments and redemption of held-to-maturity securities	25,814	-
Purchase of property, plant and equipment	(104,472)	(121,288)
Interest received	16,427	18,389
Acquisition of securities investment	-	-
Increase investment in subsidiary company	-	-
Net cash used in investing activities	<b>(61,712)</b>	<b>(102,564)</b>

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

	12 Months Ended 31.03.2015 RM'000	12 Months Ended 31.03.2014 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest expense	(2,102)	(1,562)
Acquisition from non-controlling interest	-	(1,000)
Proceeds from bank borrowing	-	31,100
Repayment of bank borrowing / hire purchase	-	(6)
Dividend paid to shareholders	(38,130)	(70,485)
Net cash used in financing activities	<b>(40,232)</b>	<b>(41,953)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>6,463</b>	<b>(39,900)</b>
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL PERIOD	439,263	479,163
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD</b>	<b>445,726</b>	<b>439,263</b>
Cash and cash equivalents as at end of the financial period comprise the followings:		
Bank balances and cash	181,415	194,834
Deposits	337,007	341,113
	518,422	535,947
Less: collections held on behalf of agencies**	(72,696)	(96,684)
	<b>445,726</b>	<b>439,263</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 2014 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 interim financial statements are unaudited and have been prepared in accordance with MFRS 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 March 2015 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 2015 except of the adoption of amendments to standards, amendments and interpretation effective for the annual periods beginning on or after 1<sup>st</sup> January 2014. The adoption of the above standards, amendments and interpretations did not have impact on the financial statements at the Group.

### **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 31 March 2015.

### **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**

The Group paid the single tier final dividend in respect of the financial year ended 31 March 2014 on 7 October 2014.

**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, parcel and logistic 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, 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 shown below. Performance is measured based on segment results. Segment results is used to measure performance as Management believes that such information is 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 31 March 2015 is as follows:

Period ended 31 March 2015	Mail RM'000	Courier RM'000	Retail RM'000	Other operations RM'000	Elimination RM'000	Group RM'000
<b>Revenue</b>						
External	741,674	480,201	219,873	52,297	-	1,494,045
Internal	29,981	18,887	52,661	-	(101,529)	-
Total revenue	<u>771,655</u>	<u>499,088</u>	<u>272,534</u>	<u>52,297</u>	<u>(101,529)</u>	<u>1,494,045</u>
<b>Results</b>						
Segment profits	79,529	97,472	(32,579)	18,873	-	163,295
Unallocated income						6,501
Interest income						16,096
Finance cost						(2,102)
Profit before zakat and taxation						<u>183,790</u>
Zakat						(2,479)
Profit before taxation						<u>181,311</u>
Taxation						(54,261)
Net profit for the financial period						<u>127,050</u>
<b>Attributable to:</b>						
Owners of the Company						<b>127,050</b>

**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**

There are no changes in the composition during the quarter period ended under review.

**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:

	<b>3 Months Ended</b>		<b>12 Months Ended</b>	
	<b>31.03.2015 RM'000</b>	<b>31.03.2014 RM'000</b>	<b>31.03.2015 RM'000</b>	<b>31.03.2014 RM'000</b>
Depreciation of property, plant and equipment	27,372	20,420	88,818	81,346
Finance cost	528	636	2,102	1,562
Fair value (loss)/ gain of securities designated as fair value through profit or loss	3	(56)	(79)	(105)
Property, plant and equipment write off	-	462	-	462
Doubtful debts (net of write backs)	(2,782)	(1,872)	2,764	1,155
Gain on disposal of:				
-property, plant and equipment	(325)	(268)	(325)	(268)
Fair value adjustment on investment properties	(760)	(767)	(760)	(767)
Interest income on:				
-short term deposits	(6,375)	(3,331)	(12,246)	(13,084)
-investment securities: held-to-maturity investment	(5,617)	(1,110)	(4,181)	(4,502)
Net foreign exchange differences	(1,300)	(1,303)	(821)	(1,422)
Recognition of expired postal orders	27,402	-	27,402	-

**14. REVIEW OF GROUP PERFORMANCE**

14.1 Group Performance

The Group generated higher revenue of RM1,494.0 million for the year ended 31.03.2015 as compared to RM1,426.9 million in preceding year. This represents an increase of RM67.1 million or equivalent to 4.7% growth. It should be noted that last year included a one-off contribution in revenue arising from the General Election 2013 volume amounting to approximately RM11 million.

Courier segment remains as the focus growth area recording 17.9% compared to the corresponding period last year.

Segmental profits of the major businesses are as follows:

	YEAR TO DATE	
	31.03.2015	31.03.2014
	RM'000	RM'000
Mail	79,529	144,251
Courier	97,472	82,651
Retail	(32,579)	(41,769)
Others	18,873	17,123
Profit from operations	<b>163,295</b>	<b>202,256</b>
Other income	22,597	24,841
Finance cost	(2,102)	(1,562)
<b>Profit before zakat and taxation</b>	<b>183,790</b>	<b>225,535</b>
Zakat	(2,479)	(2,145)
<b>Profit before taxation</b>	<b>181,311</b>	<b>223,390</b>

## 14. REVIEW OF GROUP PERFORMANCE (CONTINUED)

### 14.1 Group Performance (continued)

#### **Mail Segment**

Mail segment registered lower operating profits of RM79.5 million as compared to RM144.3 million. The underlying trend reflected lower mail volume from prepaid and ordinary mail segments, which accounted for approximately 86% of the total mail volume. This has also taken into consideration the one-off surge in mail volume last year arising from General Election 2013.

#### **Courier Segment**

Courier segment registered higher operating profits of RM97.5 million as compared to RM82.7 million. The improved performance was underpinned by higher revenue generated from walk-in customers, contract customers and innovative prepaid products, consistent with the growth in e-commerce transactions.

#### **Retail Segment**

Retail segment's operating loss narrowed to RM32.6 million as compared to RM41.8 million. The moderation in operating loss was attributed to increased contribution from financial services, insurance commissions, and the recognition of outstanding postal order exceeding 3 years amounting to RM27.4 million as income. The recognition of the said income is consistent with practices of other postal organisations as well as the prevailing regulations governing Pos Malaysia's operations.

#### **Other Segment**

Other segment registered higher operating profits of RM18.9 million as compared to RM17.1 million. Other segment comprises sales of digital certificates, printing and insertion business and rental income. Other segment operating profit increased by RM1.8 million or 10.5% due to higher business volume attributed to sales of digital certificates and total office solutions.

#### **Group Operating Profit**

Group operating profit drop to RM163.3 million as compared to RM202.3 million in the previous corresponding period due to higher operating expenses despite of higher revenue generated as mentioned herein before.

#### **Group Profit Before Zakat and Tax**

For the financial period ended 31 March 2015, profit before zakat and tax decreased to RM183.8 million as compared to RM225.5 million previously.

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>31.03.2015</b>	<b>31.03.2014</b>
	RM'000	RM'000
Mail	19,538	52,437
Courier	19,086	24,872
Retail	(17,560)	(5,972)
Others	(395)	(5,817)
Profit from operations	<u>20,669</u>	<u>65,520</u>
Other income	7,969	6,682
Finance cost	(528)	(636)
<b>Profit before zakat and taxation</b>	<u>28,110</u>	<u>71,566</u>
Zakat	(298)	(983)
Profit before taxation	<u><u>27,812</u></u>	<u><u>70,583</u></u>

**Mail Segment**

Mail segment registered lower operating profits of RM19.5 million as compared to RM52.4 million. The underlying trend reflected lower volume from prepaid mail, transshipment business and registered mail.

**Courier Segment**

Courier segment registered lower operating profits of RM19.1 million as compared to RM24.9 million. The lower trend due to increase in operating expenses particularly in staff cost resulted from higher volume handled in courier business segment.

**Retail Segment**

Retail segment's operating loss stood at RM17.6 million, as compared to loss of RM6.0 million previously. This was credited by the drop in contribution from financial services, in particular from bill payments despite of the recognition of outstanding postal order exceeding 3 years amounting to RM1.3 million.

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

- 14.2 Comparison between the current quarter and the preceding year corresponding quarter (continued)

**Other Segments**

Other segment registered lower operating loss of RM0.4 million as compared to operating loss of RM5.8 million. Other segment comprises sales of digital certificates, printing and insertion business and rental income. Other segment's operating loss decreased by RM5.4 million due to higher business volume for printing and insertion business.

**Group Operating Profit**

Group operating profit reduce to RM20.7 million as compared to RM65.5 million in the previous corresponding period due to lower revenue coupled with higher operating expenses as mentioned herein before.

**Group Profit Before Zakat and Tax**

For the financial period ended 31 March 2015, profit before zakat and tax decreased to RM27.8 million as compared to RM70.6 million previously.

- 14.3 Comparison between the current quarter and the immediate preceding quarter.

	<b>3 MONTHS ENDED</b>	
	<b>31.03.2015</b>	<b>31.12.2014</b>
	RM'000	RM'000
Mail	19,538	28,232
Courier	19,086	39,640
Retail	(17,560)	(11,361)
Others	(395)	6,636
Profit from operations	<b>20,669</b>	<b>63,147</b>
Other income	7,969	3,998
Finance cost	(528)	(537)
<b>Profit before zakat and taxation</b>	<b>28,110</b>	<b>66,608</b>
Zakat	(298)	(1,061)
<b>Profit before taxation</b>	<b>27,812</b>	<b>65,547</b>

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

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

**Mail Segment**

Mail segment registered lower operating profits of RM19.5 million as compared to RM28.2 million. The underlying trend reflected lower volume from International business mail and registered mail.

**Courier Segment**

Courier segment registered lower operating profits of RM19.1 million as compared to RM39.6 million. The reduction of profit was reflected by the increase in operating expenses particularly in staff cost resulted from increased higher volume handled in courier business segment.

**Retail Segment**

Retail segment's operating loss increased at RM17.6 million against preceding quarter operating loss of RM11.4 million due to lower revenue from bill payments and financial services.

**Other Segments**

Other segment registered operating loss of RM0.4 million as compared to operating profit of RM6.6 million in preceding quarter. Other segment comprises sales of digital certificates, printing and insertion business and rental income.

**Group Operating Profit**

Group operating profit decreased to RM20.7 million from RM63.1 million compared to the previous corresponding period due to higher increase in operating expenses despite of higher revenue compared preceding quarter.

**Group Profit Before Zakat and Tax**

For the financial period ended 31 March 2015, profit before zakat and tax decreased to RM28.1 million as compared to RM66.6 million previously.



**15. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2016**

Malaysian economy is expected to continue to register steady growth in 2015 with Bank Negara Malaysia projecting a Gross Domestic Product increase of 5% in the year under review, to remain underpinned by sustained strength in domestic demand. In comparison, GDP growth grew an average of 5.8% in preceding five years.

Expectations of sustained domestic demand should continue to augur positively for Pos Malaysia going forward. The steady backdrop is expected to continue enhancing the contribution from core offerings such as parcels including small packets, courier and express services, especially with the rising appetite for e-commerce business. Broadly the performance of the Group for the financial year ending 2016 is expected to remain favourable.

**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	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Current taxation	16,203	26,859	51,124	59,692
Deferred taxation	(8,294)	(8,472)	3,137	5,972
<b>Total</b>	<b>7,909</b>	<b>18,387</b>	<b>54,261</b>	<b>65,664</b>

The Group's effective tax rate for the current quarter ended 31 March 2015 and preceding year corresponding quarter ended 31 March 2014 is 28.4% and 29.9% 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 31.03.2015 RM'000</b>	<b>As at 31.03.2014 RM'000</b>
<u>Due within 12 months</u> Revolving credit	48,798	48,798
<b>Total</b>	<b>48,798</b>	<b>48,798</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 have 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>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Net profit attributable to owners of the Company (RM'000)	19,903	52,196	127,050	158,975
Number of ordinary shares in issue ('000)	537,026	537,026	537,026	537,026
Basic earnings per share (sen)	<b>3.71</b>	<b>9.72</b>	<b>23.66</b>	<b>29.60</b>

**22. FINANCIAL INSTRUMENT DISCLOSURE**

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2015</b>						
<b>Group</b>						
<b>Financial assets</b>						
Quoted shares	504	-	-	504	504	504
<b>Company</b>						
<b>Financial assets</b>						
Quoted shares	310	-	-	310	310	310

	Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2015</b>						
<b>Group</b>						
<b>Financial assets</b>						
Held-to-maturity investments	-	89,494	-	89,494	89,494	89,424
<b>Financial liabilities</b>						
Revolving credit	-	48,798	-	48,798	48,798	48,798
<b>Company</b>						
<b>Financial assets</b>						
Held-to-maturity investments	-	89,654	-	89,654	89,654	89,584

	Fair value of financial instruments carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2014</b>						
<b>Group</b>						
<b>Financial assets</b>						
Quoted shares	1,239	-	-	1,239	1,239	1,239
<b>Company</b>						
<b>Financial assets</b>						
Quoted shares	252	-	-	252	252	252

22.1 Fair value information (continued)

2014	Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>						
<b>Financial assets</b>						
Held-to-maturity investments	-	115,070	-	115,070	115,070	114,755
<b>Financial liabilities</b>						
Revolving credit	-	48,798	-	48,798	48,798	48,798
<b>Company</b>						
<b>Financial assets</b>						
Held-to-maturity investments	-	114,769	-	114,769	114,769	115,011

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

The retained profits of the Group as at 31 March 2015 are analysed as follows:

	As at 31.03.2015 RM'000	As at 31.03.2014 RM'000
Total retained profits of the Company and subsidiaries:		
- Realised	804,909	712,846
- Unrealised	72,753	68,971
	877,662	781,817
Total share of retained profits from associates (Realised):	(7,650)	(7,650)
Add: Consolidation adjustments	(17,201)	(10,276)
Total Group retained profits	852,811	763,891

**23 RELATED PARTY TRANSACTION**

Transaction related to Pos Malaysia Berhad and companies owned by Pos Malaysia Berhad subsidiaries are IT shared services, purchase goods and services.

	<b>As at 31.03.2015 RM'000</b>	<b>As at 31.03.2014 RM'000</b>
<b>Related companies of significant investors that has an influence over the Group</b>		
Sales of services	22,877	25,719
Commission on services	6,393	5,435
Rental income	12	90
Purchase of services	(59,272)	(47,040)
Rental expense	(377)	(49)
Purchase of capital expenditures	(19,828)	(235)

**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 May 2015