

**TASCO Berhad**  
**(Company No: 20218-T)**



**Condensed Consolidated Financial Statements**  
**For The Quarter And Year-To-Date Ended**  
**30 September 2014**



**Condensed Consolidated Statement of Comprehensive Income  
 For The Quarter And Year-To-Date Ended 30 September 2014**

	3 months ended		Cumulative 6 months ended	
	30.09.2014 RM'000 Unaudited	30.09.2013 RM'000 Unaudited	30.09.2014 RM'000 Unaudited	30.09.2013 RM'000 Unaudited
Revenue	122,615	118,051	257,417	222,375
Cost of sales	(88,547)	(88,998)	(187,252)	(166,096)
<b>Gross profit</b>	<b>34,068</b>	<b>29,053</b>	<b>70,165</b>	<b>56,279</b>
Other operating income	348	385	671	892
General and administrative expenses	(23,346)	(19,951)	(46,390)	(39,983)
<b>Profit from operations</b>	<b>11,070</b>	<b>9,487</b>	<b>24,446</b>	<b>17,188</b>
Share of profits of associated companies	148	156	307	306
Finance costs	(328)	(274)	(557)	(587)
<b>Profit before taxation</b>	<b>10,890</b>	<b>9,369</b>	<b>24,196</b>	<b>16,907</b>
Tax expense	(2,779)	(2,430)	(6,085)	(4,221)
<b>Profit for the period</b>	<b>8,111</b>	<b>6,939</b>	<b>18,111</b>	<b>12,686</b>
<b>Profit Attributable to:</b>				
Owners of the Company	8,085	6,921	18,054	12,651
Non-Controlling Interest	26	18	57	35
	<b>8,111</b>	<b>6,939</b>	<b>18,111</b>	<b>12,686</b>
Earnings per share (sen) - basic	8.09	6.92	18.05	12.65

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Statement of Comprehensive Income  
 For The Quarter And Year-To-Date Ended 30 September 2014**

	3 months ended		Cumulative 6 months ended	
	30.09.2014 RM'000 Unaudited	30.09.2013 RM'000 Unaudited	30.09.2014 RM'000 Unaudited	30.09.2013 RM'000 Unaudited
<b>Profit for the period</b>	<b>8,111</b>	<b>6,939</b>	<b>18,111</b>	<b>12,686</b>
<b>Other Comprehensive Income:</b>				
Exchange differences on translation foreign operation	-	(75)	128	(319)
Fair Value adjustment on cash flow hedge	(82)	87	(51)	248
Other comprehensive income/(Loss) for the period, net of tax	(82)	12	77	(71)
<b>Total Comprehensive Income</b>	<b>8,029</b>	<b>6,951</b>	<b>18,188</b>	<b>12,615</b>
<b>Total Comprehensive Income attributable to:</b>				
Owners of the Company	8,003	6,933	18,131	12,580
Non-Controlling Interest	26	18	57	35
	<b>8,029</b>	<b>6,951</b>	<b>18,188</b>	<b>12,615</b>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year period 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Statement of Financial Position as at 30 September 2014**

	As at 30.09.2014 RM'000 Unaudited	As at 31.03.2014 RM'000 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	216,923	207,787
Investment in associated company	4,490	4,183
Other investments	1,204	1,204
<b>Total non-current assets</b>	<b>222,617</b>	<b>213,174</b>
<b>Current assets</b>		
Inventories	124	109
Trade receivables	92,365	81,992
Other receivables, deposits and prepayments	15,244	11,096
Amounts owing by related companies	7,139	9,725
Amounts owing by associated company	-	54
Current tax asset	7,245	7,236
Fixed deposits with a licensed bank	33,369	29,861
Cash and bank balances	7,505	22,600
<b>Total current assets</b>	<b>162,991</b>	<b>162,673</b>
<b>TOTAL ASSETS</b>	<b>385,608</b>	<b>375,847</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Financial Position as at 30 September 2014

	As at 30.09.2014 RM'000 Unaudited	As at 31.03.2014 RM'000 Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent:</b>		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	(87)	(36)
Exchange translation reserve	(25)	(153)
Retained profits	188,174	175,121
	-----	-----
Equity attributable to owners of the Company	290,263	277,133
Non-controlling interest	709	652
	-----	-----
<b>Total equity</b>	<b>290,972</b>	<b>277,785</b>
	-----	-----
<b>Non-current liabilities</b>		
Long term bank loan	16,247	12,873
Deferred tax liabilities	7,776	8,770
	-----	-----
<b>Total non-current liabilities</b>	<b>24,023</b>	<b>21,643</b>
	-----	-----
<b>Current liabilities</b>		
Trade payables	31,220	36,879
Other payables, deposits and accruals	15,242	22,953
Amounts owing to related companies	4,571	5,156
Amounts owing to associated company	282	-
Dividend payable	5,000	-
Hire purchase and finance lease liabilities	2	13
Bank term loan	10,798	11,293
Current tax liabilities	3,498	125
	-----	-----
<b>Total current liabilities</b>	<b>70,613</b>	<b>76,419</b>
	-----	-----
<b>Total liabilities</b>	<b>94,636</b>	<b>98,062</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>385,608</b>	<b>375,847</b>
	=====	=====
<b>Net Assets per share (RM)</b>	<b>2.90</b>	<b>2.77</b>
	=====	=====

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 30 September 2014**

	----- A t t r i b u t a b l e t o O w n e r s o f t h e C o m p a n y -----								
	----- Non-distributable -----					-- Distributable --			Total equity RM'000
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	
<b>Balance at 1 April 2013</b>	100,000	801	1,400	(287)	155	158,132	260,201	571	260,772
Total comprehensive income for the period			-	248	(319)	12,651	12,580	35	12,615
Dividend paid on 18 July 2013						(5,002)	(5,002)		(5,002)
							-		-
<b>Balance at 30 September 2013</b>	<b>100,000</b>	<b>801</b>	<b>1,400</b>	<b>(39)</b>	<b>(164)</b>	<b>165,781</b>	<b>267,779</b>	<b>606</b>	<b>268,385</b>
<b>Balance at 1 April 2014</b>	100,000	801	1,400	(36)	(153)	175,121	277,133	652	277,785
Total comprehensive income for the period				(51)	128	18,054	18,131	57	18,188
Dividend declared on 10 September 2014						(5,000)	(5,000)		(5,000)
<b>Balance at 30 September 2014</b>	<b>100,000</b>	<b>801</b>	<b>1,400</b>	<b>(87)</b>	<b>(25)</b>	<b>188,174</b>	<b>290,263</b>	<b>709</b>	<b>290,972</b>

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 30 September 2014

	Year-To-Date Ended	
	30.09.2014 RM'000 Unaudited	30.09.2013 RM'000 Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	24,196	16,907
Adjustments for:		
Depreciation	8,401	7,738
Gain on disposal of property, plant and equipment	(12)	(310)
Share of profits of associated company, net of tax	(307)	(306)
Interest income	(347)	(350)
Dividend income	-	(37)
Interest expense	557	587
<b>Operating profit before working capital changes</b>	<b>32,488</b>	<b>24,229</b>
Net Changes in current assets	(11,357)	(6,034)
Net Changes in current liabilities	(14,246)	11,510
Cash generated from operations	6,885	29,705
Tax paid	(3,733)	(4,975)
<b>Net Cash generated from operating activities</b>	<b>3,152</b>	<b>24,730</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(17,283)	(20,924)
Proceeds from disposal of property, plant and equipment	-	460
Interest received	347	350
Dividend received from other investment	-	37
<b>Net cash used in investing activities</b>	<b>(16,936)</b>	<b>(20,077)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loan	10,000	6,000
Repayment of term loan	(7,220)	(6,921)
Payment of hire purchase and finance lease liabilities	(11)	(143)
Interest paid	(557)	(587)
Dividend paid	-	(5,002)
<b>Net cash generated from / (used in) financing activities</b>	<b>2,212</b>	<b>(6,653)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(11,572)</b>	<b>(2,000)</b>
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	52,461	39,084
EFFECT OF EXCHANGE RATE CHANGES	(15)	33
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>40,874</b>	<b>37,117</b>
<b>Represented by:</b>		
Fixed deposits with a licensed bank	33,369	23,847
Cash and bank balances	7,505	13,270
	<b>40,874</b>	<b>37,117</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attach to the interim financial statements.

## Notes to the Interim Financial Report

### Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

#### A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for financial derivative which are stated at fair value.

These interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards 134 ("MFRS 134"), Interim Financial Reporting, International Financial Reporting Standard 134 ("IFRS 134"), Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial period ended 31 March 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 March 2014.

#### A2. Adoption of Revised Financial Reporting Standards

The Group and the Company have not applied the following standard, amendments and interpretation that have been issued by the MASB but are not yet effective:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective Date
		Yet to be confirmed
MFRS 9	Financial Instruments	Yet to be confirmed
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014
Amendments to MFRS 2, MFRS 3, MFRS 8, MFRS 116, MFRS 124, MFRS 138,	Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Amendments to MFRS 3, MFRS 13, MFRS 140	Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Amendments to MFRS 116, MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 14	Regulatory Deferral Accounts	1 January 2016



Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

**A3. Audit Report**

The Audit Report of the Group's annual financial statements for the Financial period ended 31 March 2014 was not subjected to any qualification.

**A4. Seasonal or Cyclical Factors**

The Group's operations are generally affected by festive seasons.

**A5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review.

**A6. Changes In Estimates**

There were no changes in estimates that have had a material effect in the current quarter under review.

**A7. Issuances, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

**A8. Dividends paid**

A final single tier dividend of 5.00 sen per share for the financial year end 31 March 2014 amounting to RM5,000,000 was approved by the shareholders in the Annual General Meeting on 10 September 2014 and to be paid on 9 October 2014.

**A9. Segmental Reporting**

	Segmental Revenue		Segmental Result (PBT)	
	6 months ended		6 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	RM'000	RM'000	RM'000	RM'000
<b>International Business Solutions</b>				
Air Freight Forwarding Division	66,653	60,456	1,639	2,406
Ocean Freight Forwarding Division	19,857	19,638	458	864
Origin Cargo Order & Vendor Management Division	1,753	1,435	191	181
	<b>88,263</b>	<b>81,529</b>	<b>2,288</b>	<b>3,451</b>
<b>Domestic Business Solutions</b>				
Contract Logistics Division	129,284	100,759	23,898	13,371
Trucking Division	39,871	40,087	(351)	(268)
	<b>169,154</b>	<b>140,846</b>	<b>23,547</b>	<b>13,103</b>
Others	-	-	(1,639)	353
<b>Total</b>	<b>257,417</b>	<b>222,375</b>	<b>24,196</b>	<b>16,907</b>

**A10. Valuation of Property, Plant and Equipment**

The Group did not carry out any valuation on its property, plant and equipment.

**A11. Subsequent Events**

Further to the Share Sale Agreement dated 07 August 2014 between the Company and NYK Line Holdings (Malaysia) Sdn. Bhd., the Company has on 6 November 2014 completed the acquisition of 100% equity of Titian Pelangi Sdn. Bhd. ("Acquisition"). With the completion of the Acquisition, Titian Pelangi Sdn. Bhd. is now a 100% owned subsidiary of TASCO.

**A12. Changes in Composition of the Group**

There were no changes in the composition of the Group in the current quarter under review.

**A13. Contingent Assets and Liabilities**

There was no material contingent assets and liabilities since the last annual balance sheet date to the date of this report.

**A14. Capital Commitment**

	As at 30.09.2014 RM'000	As at 31.03.2014 RM'000
Authorised and contracted for - acquisition of property, plant and equipment	42,727	32,558
	=====	=====

**A15. Related Party Disclosures**

	6 months ended	
	30.09.2014 RM'000	30.09.2013 RM'000
<b>Transaction with subsidiary companies</b>		
Rental of trucks paid and payable to subsidiary company	230	199
Labour charges paid and payable to subsidiary companies	10,515	8,355
Maintenance charges paid and payable to a subsidiary company	3,293	2,163
Handling fees paid and payable to a subsidiary company	503	11
Related logistic services paid and payable to a subsidiary company	-	24
Related logistic services received and receivable from a subsidiary company	4,086	4,049
Rental of premises received from a subsidiary company	40	48
	=====	=====
<b>Transaction with related companies</b>		
Related logistic services received and receivable	33,669	28,433
Related logistic services paid and payable	42,072	26,764
Management fee paid and payable	887	1,350
Consultancy fees paid and payable	192	127
Rental received	150	150
Repair and maintenance services	354	308
	=====	=====
<b>Transaction with associated company</b>		
Rental of premises paid	564	564
	=====	=====

## Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

### B1. Performance Review : Year-to-date April 2014-September 2014 vs Year-to-date April 2013-September 2013

The Group achieved revenue of RM257.4 million for the financial period ended ("FPE") 30 September 2014 as against RM222.4 million, an increase of RM35.0 million (15.8 per cent) year-on-year. The increase in revenue was contributed from both International Business Solutions ("IBS") segment as well as Domestic Business Solutions ("DBS"), which posted increases of RM6.7 million (13.1 per cent) and RM28.3 million (20.1 per cent) respectively year-on-year.

In the IBS segment, higher and urgent export shipments by air from customers in the manufacturing sector resulted in Air Freight Forwarding ("AFF") division posting an increase in revenue of RM6.2 million (10.3 per cent). Ocean Freight Forwarding ("OFF") division meanwhile posted a slight increase in revenue of RM0.5 million (2.5 per cent) due to increase support from existing customers of medical supplies & retail sectors. As for the DBS segment, the Contract Logistics ("CL") division remained strong and recorded an increase in revenue of RM28.5 million (28.3 per cent). This is largely due to the warehouse & in-plant businesses which contributed increases of RM15.3 million (36.7 per cent) and RM4.1 million (70.2 per cent) respectively to the CL division. The haulage business also made a significant contribution to CL division, registering an increase in revenue of RM9.4 million (76.9 per cent), due to newly secured FMCG customer coupled with increased export shipments of existing customers.

Profit before taxation ("PBT") for the FPE 30 September 2014 rose from RM16.9 million to RM24.2 million, an increase of RM7.3 million (43.1 per cent), while profit for the year to date went up to RM18.1 million from RM12.7 million (42.8 per cent). The increase in PBT was mainly due to the strong performance from DBS segment. The DBS registered an increase of PBT by RM10.4 million from RM13.1 million to RM23.5 million (79.7 per cent). With an increase in revenue due to reasons stated above, the CL division registered an increase in PBT of RM10.5 million (78.7 per cent) from RM13.4 million to RM23.9 million. Although IBS posted an increase in revenue, significant drop in profit margin resulted in IBS recording a drop in PBT from RM3.5 million to RM2.3 million (33.7 per cent). AFF business reported lower PBT from RM2.4 million to RM1.6 million, while PBT of Ocean Freight Forwarding ("OFF") division business also went down from RM0.9 million to RM0.5 million.

### B2. Comparison with Previous Year Corresponding Quarter's Results : July 2014 to September 2014 vs July 2013 to September 2013

The Group revenue for the 2nd quarter ended 30 September 2014 ("2Q14/15") was posted at RM122.6 million, as against revenue of RM118.1 million for the 2nd quarter ended 30 September 2013 ("2Q13/14"). This represents an increase of 3.9 per cent (RM4.6 million). The increase in revenue was mainly contributed from DBS segment. Revenue of DBS increased by RM6.3 million (8.4 per cent), from RM76.5 million to RM83.0 million. However, IBS segment recorded a drop in revenue from RM41.5 million to RM39.6 million, reduced by RM1.9 million (4.6 per cent).

As for DBS, CL contributed an increase of RM6.8 million (11.9 per cent), from RM56.9 million to RM63.7 million, while Trucking division posted a drop of RM0.3 million (1.5 per cent) from RM19.6 million to RM19.3 million. New secured FMCG customers coupled with increased export shipments resulted in warehouse, in-plant & haulage business recording increase in revenue by 11.0 per cent, 54.6 per cent and 55.6 per cent respectively. As for IBS, drop in air export shipments & project cargo resulted in AFF & OFF businesses posting drop in revenue by 3.3 per cent and 9.7 per cent respectively.

PBT of the Group for 2Q14/15 increased by 16.2 per cent from RM9.4 million to RM10.9 million. Poorer revenue generated resulted in PBT of IBS reducing by RM1.3 million from RM1.6 million to RM0.3 million quarter-on-quarter. On the positive side, PBT from DBS segment remained strong. DBS recorded an increase of RM3.7 million (48.4 per cent) from RM7.7 million to RM11.5 million. PBT of warehouse, in-plant & haulage businesses increased by 54.3 per cent, 104.4 per cent & 46.9 per cent. The Trucking business also reduced its loss and improved its performance by 85.4 per cent quarter-on-quarter.

### B3. Comparison with Preceding Quarter's Results : Quarter 2, 2014/15 vs Quarter 1, 2014/15

The Group's revenue of the second quarter ("2Q14/15") was registered at RM122.6 million, as against revenue of RM134.8 million for the first quarter ("1Q14/15"). This represents a decline of RM12.2 million (9.0 per cent). Both IBS and DBS segments experienced drop in revenue. Revenue of IBS reduced by RM9.0 million (18.5 per cent) from RM48.6 million to RM39.6 million. DBS posted a drop in revenue by RM3.2 million (3.7 per cent) from RM86.2 million to RM83.0 million.

Within IBS, revenue of both AFF & OFF posted decreases in revenue by RM8.0 million (21.4 per cent) and RM1.0 million (9.1 per cent) respectively. Higher revenue of AFF that reported in 1Q14/15 was caused by a surge in export volume by handling urgent shipments by air arrangement. As for DBS, CL division posted a decrease in revenue by RM1.9 million (2.9 per cent) from RM65.6 million to RM63.7 million. Trucking division also registered a reduction of RM1.3 million (6.3 per cent) from RM20.6 million to RM19.3 million.

### B3. Comparison with Preceding Quarter's Results : Quarter 2, 2014/15 vs Quarter 1, 2014/15 (Continue)

PBT for 2Q2014/2015 dropped from RM13.3 million 1Q2014/2015 to RM10.9 million, drop by RM2.4 million (18.2 per cent). IBS posted a decrease in PBT by RM1.8 million (86.9 per cent) from RM2.0 million to RM0.3 million. DBS segment registered a drop to RM0.6 million (4.8 per cent) from RM12.1 million to RM11.5 million. Within IBS, AFF recorded a reduction of PBT by RM1.5 million (97.2 per cent) whereas OFF posted recorded a drop of RM0.2 million (61.5 per cent). As for DBS, CL registered a drop of RM0.7 million (5.9 per cent). However, Trucking division saw positive side as losses was improved by RM0.2 million (61.3 per cent) from loss of RM0.3 million to loss of RM0.1 million.

### B4. Prospects for the Remaining Period to the End of the Financial Year

The International Monetary Fund ("IMF"), in its latest World Economic Outlook ("WEO") dated October 2014, stated that global recovery remains uneven. Largely due to weaker-than-expected global activity in the first half of 2014, the IMF has revised downwards the growth forecast for the world economy to 3.3 percent for this year, 0.4 percentage point lower than in the April 2014 WEO. The weaker-than-expected growth reflects events in the United States, the euro area, Japan, and some large emerging market economies. For 2015, the IMF lowered global growth projection to 3.8 percent, a reduction of 0.2 per cent from the July 2014 WEO.

On the domestic front, the Malaysian economy grew by 5.6 per cent year-on-year in the third quarter of 2014 ("3Q2014"), supported by private sector demand while export growth cooled considerably. Net exports rose 11.4 per cent; however, the expansion rate was significantly lower than the 91 per cent registered in the second quarter of 2014 ("2Q2014"). Real GDP growth is also significantly lower than that registered in 2Q2014 of 6.4 per cent, which was supported by robust aggregate domestic demand and exceptionally strong external demand. The Malaysian Institute of Economic Research ("MIER") expected the growth of the Malaysian economy to be stronger than last year, supported by the exceptionally strong growth performance in the first half of 2014. Factoring that into account, the MIER has upgraded the growth forecast to 5.7% for 2014. Nevertheless, the MIER cautioned that there are clearly emerging weaknesses in domestic macroeconomic fundamentals. This was reflected by the results of the MIER's consumer and business sentiment surveys conducted in 3Q2014, which revealed a more cautious and pessimistic outlook by consumers and businesses.

The prospects of the Group is closely tied to the performance of the Malaysian and world economies, as these directly affect the health of the manufacturing sector and international trade. The Group benefited from the strong performance of the Malaysian economy in the first two quarters of 2014, in particular the strong external demand which accelerated in 2Q2014. Going forward, the Group expects that its performance will move in tandem with the economic conditions. Downward risks for the Group include the uncertain global economy, the slowdown in the domestic export growth and rising operational costs due to strong inflationary pressures such as the forthcoming implementation of GST and further subsidy rationalisation. Under such conditions, we remain cautious about our performance for the rest of the financial year. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity when it is beneficial to do so.

### B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

### B6. Tax Expense

	3 months ended		Cumulative 6 months ended	
	30.09.2014 RM'000	30.09.2013 RM'000	30.09.2014 RM'000	30.09.2013 RM'000
Income tax				
- Current tax	(3,063)	(3,111)	(7,068)	(5,471)
- overprovision in prior years	-	-	-	-
Deferred tax				
- Current year	284	681	983	1,250
- underprovision in prior years	-	-	-	-
	<u>(2,779)</u>	<u>(2,430)</u>	<u>(6,085)</u>	<u>(4,221)</u>

The Group's effective tax rate for the cumulative 6 months ended 30 September 2014 was about the statutory rate of 25%.

### B7. Corporate Proposals

There were no new proposals made for the quarter under review.

**B8. Borrowing**

	As at 30.09.2014 RM'000	As at 31.03.2014 RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	2	13
Bank loan (unsecured)	10,798	11,293
Long term borrowing		
Bank loan (unsecured)	16,247	12,873
	27,047	24,179
	27,047	24,179

The borrowings are denominated in Ringgit Malaysia except for the bank term loan which is denominated in US Dollar.

**B9. Litigation**

There was no material litigation pending since the last annual balance sheet date to the date of this report.

**B10. Dividend Payable**

A final single tier dividend of 5.00 sen per share for the financial year ended 31 March 2014 totaling RM5,000,000 was approved by the shareholders in the Annual General Meeting on 10 September 2014. The dividend to be paid on 9 October 2014 to shareholders whose names appear on the Record of Depositors at the close of business on 26 September 2014.

**B11. Earnings Per Share**

	3 months ended		Cumulative 6 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
PAT after non-controlling interest (RM'000)	8,085	6,921	18,054	12,651
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Earnings per share (sen)	8.09	6.92	18.05	12.65
	8.09	6.92	18.05	12.65

The Company does not have any dilutive potential ordinary shares outstanding as at 30 September 2014. Accordingly, no diluted earnings per share is presented.

**B12. Derivative Financial Instruments**

As at 30 September 2014, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional Amount RM'000	Fair value net gains or (loses) RM'000	Purpose
1. Cross currency swap Contracts: - More than 3 years	27,045	268	For hedging currency risk in bank term loan
2. Forward currency contracts: - Less than 1 year	110	-	For hedging currency risk in payables

For the current quarter under review, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objective, policies and processes since the previous financial year end.



## B13. Realised and Unrealised Profits/Losses Disclosure

	As at 30.09.2014 RM'000	As at 31.03.2014 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	208,637	191,788
- Unrealised	(12,440)	(8,424)
	196,198	183,364
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	1,490	1,183
- Unrealised	-	-
	197,687	184,547
Less: Consolidation adjustments	(9,512)	(9,426)
<b>Total group retained profits/(accumulated losses) as per consolidated accounts</b>	<b>188,174</b>	<b>175,121</b>

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

The disclosure of realised and unrealised profits/losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

## B14. Profit for the Period

	3 months ended		Cumulative 6 months ended	
	30.09.2014 RM'000	30.09.2013 RM'000	30.09.2014 RM'000	30.09.2013 RM'000
<b>Profit for the period is arrived at after crediting:</b>				
Interest income	170	175	347	350
Other income	178	210	324	542
Foreign exchange gain	-	347	-	301
Unrealised foreign exchange gain	-	-	-	-
<b>and after charging:</b>				
Interest expenses	328	274	557	587
Depreciation	4,165	3,902	8,401	7,738
Provision for/write off receivables	-	-	-	-
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	41	-	308	-
Other loss	-	-	-	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, impairment of assets, gain or loss on derivatives or exceptional item for current quarter and financial period ended 30 September 2014 (30 September 2013: Nil)