

TASCO Berhad
(Company No: 20218-T)



Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
31 March 2015



**Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31 March 2015**

	3 months ended		Cumulative 12 months ended	
	31.03.2015 RM'000 Unaudited	31.03.2014 RM'000 Unaudited	31.03.2015 RM'000 Audited	31.03.2014 RM'000 Unaudited
Revenue	114,249	116,082	494,305	466,580
Cost of sales	(82,539)	(86,148)	(360,747)	(348,938)
Gross profit	31,710	29,934	133,558	117,642
Other operating income	2,020	343	3,271	1,575
General and administrative expenses	(25,836)	(21,548)	(94,635)	(82,412)
Profit from operations	7,894	8,729	42,194	36,805
Share of profits of associated company	156	-	618	463
Finance costs	(521)	(263)	(1,359)	(1,164)
Profit before taxation	7,529	8,466	41,453	36,104
Tax expense	(1,940)	(3,364)	(10,655)	(10,026)
Profit for the period/year	5,589	5,102	30,798	26,078
Profit Attributable to:				
Owners of the Company	5,567	5,080	30,681	25,996
Non-Controlling Interest	22	22	117	82
	5,589	5,102	30,798	26,078
Earnings per share (sen) - basic	5.57	5.08	30.68	26.00

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 31 March 2015**

	3 months ended		Cumulative 12 months ended	
	31.03.2015 RM'000 Unaudited	31.03.2014 RM'000 Unaudited	31.03.2015 RM'000 Audited	31.03.2014 RM'000 Unaudited
Profit for the period/year	5,589	5,102	30,798	26,078
Other Comprehensive Income:				
Exchange differences on translation foreign operation	(41)	(11)	6	(308)
Fair Value adjustment on cash flow hedge	282	67	278	251
Other comprehensive income/(Loss) for the period, net of tax	241	56	284	(57)
Total Comprehensive Income	5,830	5,158	31,082	26,021
Total Comprehensive Income attributable to:				
Owners of the Company	5,808	5,136	30,965	25,939
Non-Controlling Interest	22	22	117	82
	5,830	5,158	31,082	26,021

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 31 March 2015

	As at 31.03.2015 RM'000 Audited	As at 31.03.2014 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	254,375	207,787
Investment in associated company	4,148	4,183
Other investments	1,159	1,204
Total non-current assets	259,682	213,174
Current assets		
Inventories	149	109
Trade receivables	83,114	81,992
Other receivables, deposits and prepayments	16,144	11,096
Amount owing by immediate holding company	3,005	3,870
Amounts owing by related companies	5,281	5,855
Amounts owing by associated company	-	54
Current tax asset	7,244	7,236
Fixed deposits with a licensed bank	39,101	29,861
Cash and bank balances	17,980	22,600
Total current assets	172,018	162,673
TOTAL ASSETS	431,700	375,847

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 31 March 2015

	As at 31.03.2015 RM'000 Audited	As at 31.03.2014 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent:		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	242	(36)
Exchange translation reserve	(148)	(153)
Retained profits	196,801	175,121
	-----	-----
Equity attributable to owners of the Company	299,097	277,133
Non-controlling interest	769	652
	-----	-----
Total equity	299,866	277,785
	-----	-----
Non-current liabilities		
Long term bank loan	37,520	12,873
Deferred tax liabilities	8,457	8,770
	-----	-----
Total non-current liabilities	45,977	21,643
	-----	-----
Current liabilities		
Trade payables	28,450	36,879
Other payables, deposits and accruals	29,845	22,953
Amount owing to immediate holding company	1,556	1,811
Amounts owing to related companies	5,631	3,345
Amounts owing to associated company	94	-
Hire purchase and finance lease liabilities	-	13
Bank term loan	17,275	11,293
Current tax liabilities	3,005	125
	-----	-----
Total current liabilities	85,857	76,419
	-----	-----
Total liabilities	131,834	98,062
	-----	-----
TOTAL EQUITY AND LIABILITIES	431,700	375,847
	=====	=====
Net assets per share (RM)	2.99	2.77
	=====	=====

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 31 March 2015

	----- 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	
Balance at 1 April 2013	100,000	801	1,400	(287)	155	158,132	260,201	571	260,772
Total comprehensive income for the year			-	251	(308)	25,996	25,939	82	26,021
Dividend paid on 18 July 2013						(5,002)	(5,002)		(5,002)
Dividend paid on 16 December 2013						(4,005)	(4,005)		(4,005)
Balance at 31 March 2014	100,000	801	1,400	(36)	(153)	175,121	277,133	652	277,785
Balance at 1 April 2014	100,000	801	1,400	(36)	(153)	175,121	277,133	652	277,785
Total comprehensive income for the year				278	6	30,681	30,965	117	31,082
Dividend paid on 9 October 2014						(5,000)	(5,000)		(5,000)
Dividend paid on 18 March 2015						(4,000)	(4,000)		(4,000)
Balance at 31 March 2015	100,000	801	1,400	242	(148)	196,802	299,097	769	299,866

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 31 March 2015

	Year-To-Date Ended	
	31.03.2015 RM'000 Audited	31.03.2014 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	41,453	36,104
Adjustments for:		
Allowance for doubtful debts	421	739
Depreciation	16,716	15,915
Gain on disposal of property, plant and equipment	(156)	(284)
Impairment loss of other investment	45	-
Property, plant and equipment written off	-	30
Loss on disposal of investment in quoted shares	-	9
Share of profits of associated company, net of tax	(618)	(463)
Interest income	(799)	(696)
Dividend income	-	(73)
Interest expense	1,359	1,164
Unrealised (gain) / loss on foreign exchange	(274)	-
Operating profit before working capital changes	58,147	52,445
Changes in inventories	(40)	(7)
Changes in receivables	1,491	(19,659)
Changes in payables	(4,638)	28,892
Cash generated from operations	54,960	61,671
Tax paid	(8,305)	(7,346)
Net cash generated from operating activities	46,655	54,325
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(51,513)	(26,371)
Proceeds from disposal of property, plant and equipment	1,059	497
Investment in subsidiary company	(7,174)	-
Proceeds from disposal of other investment	-	17
Interest received	799	696
Dividend received from other investment	-	73
Net cash used in investing activities	(56,829)	(25,088)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	39,000	6,000
Repayment of term loan	(14,053)	(11,379)
Payment of hire purchase and finance lease liabilities	(13)	(222)
Interest paid	(1,359)	(1,164)
Dividend paid	(9,000)	(9,007)
Net cash generated from / (used in) financing activities	14,575	(15,772)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,401	13,465
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	52,461	39,084
EFFECT OF EXCHANGE RATE CHANGES	219	(88)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	57,081	52,461
Represented by:		
Fixed deposits with a licensed bank	39,101	29,861
Cash and bank balances	17,980	22,600
	57,081	52,461

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 audited 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 figures for the period in current quarter of 31 March 2015 have not been audited.

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 standards, amendments and interpretations that have been issued by the MASB but are not yet effective:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective Date
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Amendments to MFRS 2, MFRS 3, MFRS 8, MFRS 116, MFRS 124 and MFRS 138	Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Amendments to MFRS 3, MFRS 13 and MFRS 140	Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 141	Amendments Resulting from the Incorporation of Bearer Plants into the scope of MFRS 116	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016

**A2. Adoption of Revised Financial Reporting Standards (Continue)**

MFRSs, Amendments to MFRSs and IC Interpretation		Effective Date
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	January 2016
MFRS 15	Revenue from Contracts with Customers	January 2017
MFRS 9	Financial Instruments	January 2018

Except as otherwise indicated below, the adoption of the above new standards, amendments and interpretation are not expected to have significant impact on the financial statements of the Group and of the Company.

MFRS 9, Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as opposed to the 'incurred loss' model under MFRS 139), i.e. a loss event need not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 9, and intend to adopt MFRS 9 on the mandatory effective date.

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 paid on 9 October 2014.

An Interim single tier dividend of 4.00 sen per share for the financial year end 31 March 2015 amounting to RM4,000,000 was approved by the Board of Director on 11 February 2015 and paid on 18 March 2015.



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

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	12 month ended		12 month ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
International Business Solutions				
Air Freight Forwarding Division	130,930	129,187	2,192	4,487
Ocean Freight Forwarding Division	44,152	43,502	1,561	2,551
	175,082	172,689	3,753	7,038
Domestic Business Solutions				
Contract Logistics Division	239,193	217,585	39,984	29,410
Trucking Division	80,030	76,306	396	122
	319,223	293,891	40,380	29,532
Others	-	-	(2,680)	(466)
Total	494,305	466,580	41,453	36,104

A10. Valuation of Property, Plant and Equipment

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

A11. Subsequent Events

There was no material event subsequent to the end of the current quarter.

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 31.03.2015 RM'000	As at 31.03.2014 RM'000
Authorised and contracted for - acquisition of property, plant and equipment	4,710	32,558



A15. Related Party Disclosures

	Cumulative 12 months ended	
	31.03.2015 RM'000	31.03.2014 RM'000
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary company	659	457
Labour charges paid and payable to subsidiary companies	20,415	17,348
Maintenance charges paid and payable to a subsidiary company	6,559	5,156
Handling fees paid and payable to a subsidiary company	1,516	1,476
Handling fees received and receivable to a subsidiary company	116	546
Related logistic services paid and payable to a subsidiary company	-	26
Related logistic services received and receivable from a subsidiary company	3,733	3,436
Rental of premises received from a subsidiary company	76	96
Rental of premises paid and payable to a subsidiary company	1,389	-
Rental of trucks received and receivable from subsidiary company	4,843	3,907
	=====	=====
Transactions with immediate holding company		
Related logistic services received and receivable	34,703	32,235
Related logistic services paid and payable	10,573	13,391
Transaction with related companies		
Related logistic services received and receivable	33,864	30,217
Related logistic services paid and payable	50,154	43,461
Management fee paid and payable	3,002	2,176
Consultancy fees paid and payable	510	308
Labour charges paid and payable to related companies	64	81
Rental received	300	300
Repair and maintenance services	634	412
	=====	=====
Transaction with associated company		
Rental of premises paid	1,129	1,129
Accounting fee received from an associated company	19	-
	=====	=====



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

B1. Performance Review : Year-to-date April 2014-March 2015 vs Year-to-date April 2013-March 2014

The Group achieved revenue of RM494.3 million for the financial year ended ("FYE") 31 March 2015 as against RM466.6 million, an increase of RM27.7 million (5.9 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 RM2.4 million (1.4 per cent) and RM25.3 million (8.6 per cent) respectively year-on-year.

In the IBS segment, urgent export shipments to Europe of aerospace and E&E customers resulted in Air Freight Forwarding ("AFF") division posting an increase in revenue of RM1.7 million (1.3 per cent). Ocean Freight Forwarding ("OFF") division meanwhile posted a slight increase in revenue of RM0.4 million (1.0 per cent) due to increase support from existing customers of medical supplies and retail sectors. As for the DBS segment, the Contract Logistics ("CL") division remained strong and recorded an increase in revenue of RM26.1 million (12.2 per cent). Higher volume of FMCG cargo as well as increased export shipments of major customers greatly resulted warehouse and haulage businesses which contributed increases of RM11.3 million (12.3 per cent) and RM15.8 million (61.0 per cent) respectively to the CL division. Besides, new secured customers also resulted in-plant business marked a significant contribution to CL division, registering an increase in revenue of RM5.8 million (42.6 per cent). However, the auto CBU and custom clearance businesses experienced downward trend of RM3.6 million (39.1 per cent) and RM3.3 million (4.6 per cent) respectively, largely as a result of unusually high volume surge in the previous comparative year. Reduction in inbound cross border business from Thailand caused Trucking division to post sales reduction of RM0.7 million (0.9 per cent).

Profit before taxation ("PBT") for the FYE 31 March 2015 rose from RM36.1 million to RM41.4 million, an increase of RM5.3 million (14.8 per cent), while profit for the year to date went up to RM30.8 million from RM26.1 million (18.1 per cent). The increase in PBT was due to the strong performance from the CL division in the DBS segment whereas IBS segment experienced a downtrend. The DBS segment registered an increase of PBT by RM10.9 million from RM29.5 million to RM40.4 million (36.7 per cent). With an increase in revenue due to reasons stated above, the CL division registered an increase in PBT of RM10.0 million (33.3 per cent) from RM30.0 million to RM40.0 million. As for IBS segment, although revenue of IBS segment increased slightly, competitive market condition resulted IBS segment recorded significant drop in profit margin. PBT of IBS segment dropped from RM7.0 million to RM3.7 million (47.1 per cent). Included in IBS segment, AFF business reported lower PBT from RM4.5 million to RM2.2 million, while PBT of OFF & OCM business also went down from RM2.5 million to RM1.6 million.

B2. Comparison with Previous Year Corresponding Quarter's Results : January 2015 to March 2015 vs January 2014 to March 2014

The Group's revenue for the fourth financial quarter ended 31 March 2015 ("Q4FY14/15") was posted at RM114.2 million, as against revenue of RM116.1 million for the fourth financial quarter ended 31 March 2014 ("Q4FY13/14"). This represents a drop of 1.6 per cent (RM1.8 million). The decrease in revenue was due to lower revenue generated from both IBS and DBS segments. Revenue of IBS dropped by RM1.0 million (2.2 per cent), from RM44.0 million to RM43.0 million. DBS segment recorded a drop in revenue from RM72.1 million to RM71.2 million, a reduction of RM0.9 million (1.2 per cent). Within IBS segment, the biggest drop was posted by AFF (RM1.1 million, 3.4 per cent). Within DBS segment, warehouse & auto CBU business reported drop in revenue by RM 2.7 million & RM2.3 million respectively. Drop in revenue in auto business was attributable to discontinuation of business contract with an anchor customer of auto business. However, haulage & trucking businesses of DBS segment showed strong demand with improved revenue by increasing RM2.9 million (49.7 per cent) & RM1.0 million (5.6 per cent).

PBT of the Group for Q4FY14/15 dropped by 11.1 per cent from RM8.5 million to RM7.5 million. PBT of IBS & DBS segments reduced by RM0.9 million (57.6 per cent) and RM0.6 million (7.1 per cent). Poorer revenue coupled with competitive IBS market resulted PBT of IBS segment reducing by RM1.0 million from RM1.7 million to RM0.7 million quarter-on-quarter. On the DBS segment side, PBT recorded a decrease of RM0.6 million (7.1 per cent) from RM8.0 million to RM7.4 million. The biggest decreases of PBT were due to auto CBU and warehouse businesses with decreases of RM1.6 million (129.3 per cent) and RM0.8 million (22.0 per cent) respectively. However, the decreases were partially offset by better PBT registered by haulage and trucking business by RM1.7 million (195.3 per cent) and RM0.7 million (280.6 per cent) respectively.

B3. Comparison with Preceding Quarter's results : Quarter 4 ,2015 vs Quarter 3 ,2015

The Group's revenue of fourth quarter ("Q4FY14/15") was posted at RM114.2 million, against revenue of RM122.6 million for the third financial quarter ("Q3FY14/15"), by reducing of RM8.4 million (6.8 per cent). IBS posted a decrease of RM0.8 million (1.9 per cent), from RM43.8 million to RM43.0 million. DBS segment recorded poorer revenue with a decrease of RM7.6 million (9.6 per cent), from RM78.8 million to RM71.2 million.

Slowdown in the global trade cycle coupled with seasonal demand swings resulted downtrend in both IBS & DBS businesses. As for IBS segment, AFF & OFF business posted lower revenue by RM0.7 million (2.2 per cent) and RM0.1 (1.2 per cent) respectively. As for DBS, CL division posted a decrease in revenue by RM6.0 million (10.4 per cent) from RM58.0 million to RM52.0 million. Custom clearance and haulage businesses experienced higher revenue reduction by RM2.9 million (17.0 per cent) and RM2.2 million (19.7 per cent) respectively resulting from significant drop of export shipments. Beside, Trucking division also registered a decrease of RM1.5 million (7.3 per cent) from RM20.8 million to RM19.3 million.

**B3. Comparison with Preceding Quarter's results : Quarter 4 ,2015 vs Quarter 3 ,2015 (continue)**

PBT for Q4FY14/15 dropped from RM9.7 million to RM7.5 million against Q3FY14/15, a drop of RM2.2 million (22.6 per cent). Poorer revenue resulted in IBS recording a decrease in PBT by RM0.4 million (4.6 per cent) from RM0.8 million to RM0.7 million. On the other hand, DBS registered bigger drop of RM2.0 million (21.4 per cent) from RM9.4 million to RM7.4 million. CL division posted reduction of RM2.2 million (24.4 per cent), from RM9.2 million to RM6.9 million whereas Trucking division saw positive side as losses was improved by RM0.2 million from RM0.3 million to RM0.5 million.

B4. Prospects for The Next Financial Year

The International Monetary Fund ("IMF"), in its latest World Economic Outlook ("WEO") dated April 2015, stated that global growth remains moderate, with uneven prospects amongst the developed and emerging economies. Global growth in 2014 was a modest 3.4 percent, with the United States growing stronger than expected and Euro region showing signs of pickup in 4Q2014 and 1Q2015. As for Japan, disappointing economic data was posted following its April 2014 consumption tax hike, which caused a sharper-than-expected contraction in consumption. Meanwhile, the gradual slowdown in China and the decline in commodity prices weakened the growth momentum in commodity-exporting countries and others with close trade links to China. Going forward, global growth is projected to be 3.5 percent in 2015. The growth is expected to be stronger in the advanced economies and weaker in the emerging economies, reflecting more subdued prospects for some large emerging market economies and oil exporters.

On the domestic front, Bank Negara ("BNM") announced last Friday that the Malaysian economy grew by 5.6 percent in the first quarter of 2015 ("1Q2015"), sustained largely by private consumption which grew by 8.8 percent year-on-year as compared to the average of 7 percent in 2014. The strong growth in private consumption was attributed to the flood relief efforts in the early part of this year, as well as the front-loading of household spending prior to the implementation of GST in April 2015. However, gross exports contracted by 2.5 percent amid lower commodity prices, and gross imports registered a marginal 0.2 percent growth. Going forward, BNM expected that domestic demand will remain the key driver of growth amid lower oil prices. Downside risks will include a slowdown in private consumption post-GST implementation, deflation or low inflation in a number of major economies, weak growth prospects in several net commodity-exporting emerging economies, and the re-emergence of geopolitical tensions which could heighten market volatility. As a whole, the Malaysian economy is projected to grow 4.5 to 5.5 percent for this year, a trimmed down from earlier projection of as much as 6 percent.

The prospects of the Group is closely tied to the performance of the Malaysian and world economies, which directly affect the health of the manufacturing sector and international trade. In particular, our business model is highly sensitive to the factors which affect the movement of cargoes both from the export and import perspectives, as well as local domestic movements. The Group managed to achieve record revenue and earnings (on a 12-month financial period basis) for the financial year just ended, due to aggressive expansion and diversification of customer base and industry focus, as well as prudent cost and financial management. Going forward, the Group expects that its performance will move in tandem with the economic conditions. Downward risks for the Group include the contraction or slowdown in the growth of exports and imports, and rising operational costs in particular relating to labour costs due to general increase in the cost of living. Under such conditions, we remain cautious about our performance for the next 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 12 months ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Income tax				
- Current tax	(1,762)	(751)	(11,751)	(9,284)
- overprovision in prior years	591	(27)	591	(27)
Deferred tax				
- Current year	(1,708)	(2,318)	(434)	(447)
- underprovision in prior years	939	(268)	939	(268)
	(1,940)	(3,364)	(10,655)	(10,026)

The Group's effective tax rate for the cumulative 12 months ended 31 March 2015 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 31.03.2015 RM'000	As at 31.03.2014 RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	-	13
Bank loan (unsecured)	17,275	11,293
Long term borrowing		
Bank loan (unsecured)	37,520	12,873
	-----	-----
	54,795	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 Proposed

The Board of Directors proposes a final single tier dividend of 5.0 sen (31 March 2014: 5.0 sen) per ordinary share in respect of the financial year ended 31 March 2015. This dividend is subject to approval by the shareholder at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statement.

B11. Earnings Per Share

	3 months ended		Cumulative 12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
PAT after non-controlling interest (RM'000)	5,567	5,080	30,681	25,996
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Earnings per share (sen)	5.57	5.08	30.68	26.00
	=====	=====	=====	=====

The Company does not have any dilutive potential ordinary shares outstanding as at 31 March 2015. Accordingly, no diluted earnings per share is presented.

**B12. Derivative Financial Instruments**

As at 31 March 2015, 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	54,795	5,217	For hedging currency risk in bank term loan
2. Forward currency contracts:			
- Less than 1 year	94	-	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 31.03.2015 RM'000	As at 31.03.2014 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	216,778	191,788
- Unrealised	(7,856)	(8,424)
	208,922	183,364
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	1,148	1,183
- Unrealised	-	-
	210,070	184,547
Less: Consolidation adjustments	(13,268)	(9,426)
Total group retained profits/(accumulated losses) as per consolidated accounts	196,801	175,121

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 Year

	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
Profit for the period is arrived at after crediting:				
Interest income	246	165	799	696
Other income	996	178	1,588	747
Foreign exchange gain	504	-	610	132
Unrealised foreign exchange gain	274	-	274	-
and after charging:				
Interest expenses	521	263	1,359	1,164
Depreciation	4,067	4,277	16,716	15,915
Provision for/write off receivables	421	739	421	739
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	-	-	-	-
Loss on disposal on investment in shares	-	9	-	9
Impairment of other Investment	45	-	45	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, gain or loss on derivatives or exceptional item for current quarter and financial year ended 31 March 2015 (31 March 2014: Nil)