TASCO Berhad
(Company No: 20218-T)

TASCO
NYK GROUP COMPANY

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

31-March-2016

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31-March-2016

	3 months ended		Cumulative 12 months ended	
	31.03.2016	**31.03.2015**	**31.03.2016**	**31.03.2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Audited**	**Audited**
Revenue	125,274	114,249	515,666	494,305
Cost of sales	(93,275)	(82,539)	(383,624)	(360,747)
Gross profit	**31,999**	**31,710**	**132,042**	**133,558**
Other operating income	7,208	2,020	10,104	3,271
General and administrative expenses	(24,275)	(25,836)	(96,211)	(94,635)
Profit from operations	**14,932**	**7,894**	**45,935**	**42,194**
Share of profits of associated company	89	156	459	618
Finance costs	(585)	(521)	(2,312)	(1,359)
Profit before taxation	**14,436**	**7,529**	**44,082**	**41,453**
Tax expense	(5,939)	(1,940)	(13,372)	(10,655)
Profit for the period	**8,497**	**5,589**	**30,710**	**30,798**
Profit Attributable to:				
Owners of the Company	8,461	5,567	30,607	30,681
Non-Controlling Interest	36	22	103	117
	8,497	**5,589**	**30,710**	**30,798**
Earnings per share (sen) - basic	4.23	2.78	15.30	15.34

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31-March-2016

	3 months ended		Cumulative 12 months ended	
	31.03.2016	**31.03.2015**	**31.03.2016**	**31.03.2015**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Audited**	**Audited**
Profit for the period	**8,497**	**5,589**	**30,710**	**30,798**
Other Comprehensive Income:				
Exchange differences on translation foreign operation	274	(41)	36	6
Fair Value adjustment on cash flow hedge	171	282	(855)	278
Other comprehensive income/(Loss) for the period, net of tax	445	241	(819)	284
Total Comprehensive Income	**8,942**	**5,830**	**29,891**	**31,082**
Total Comprehensive Income attributable to:				
Owners of the Company	8,906	5,808	29,788	30,965
Non-Controlling Interest	36	22	103	117
	8,942	**5,830**	**29,891**	**31,082**

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year period 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

T ASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Financial Position as at 31-March-2016

	As at 31.03.2016 RM'000 Audited	As at 31.03.2015 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	238,773	254,375
Investment in associated company	3,954	4,148
Other investments	1,009	1,159
	---------------------	---------------------
Total non-current assets	**243,736**	**259,682**
	---------------------	---------------------
Current assets		
Inventories	156	149
Trade receivables	83,346	83,114
Other receivables, deposits and prepayments	16,339	16,144
Amount owing by immediate holding company	3,627	3,005
Amounts owing by related companies	4,711	5,281
Amounts owing by associated company	5	-
Current tax asset	5,930	7,244
Fixed deposits with a licensed bank	62,768	39,101
Cash and bank balances	29,817	17,980
	---------------------	---------------------
Total current assets	**206,699**	**172,018**
	---------------------	---------------------
	---------------------	---------------------
TOTAL ASSETS	**450,435**	**431,700**
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The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Financial Position as at 31-March-2016

	As at 31.03.2016 RM'000 Audited	As at 31.03.2015 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	(613)	242
Exchange translation reserve	(112)	(148)
Retained profits	218,408	196,802
Equity attributable to owners of the Company	319,884	299,097
Non-controlling interest	872	769
Total equity	**320,756**	**299,866**
Non-current liabilities		
Long term bank loans	29,784	37,520
Deferred tax liabilities	8,827	8,457
Total non-current liabilities	**38,611**	**45,977**
Current liabilities		
Trade payables	32,044	28,450
Other payables, deposits and accruals	30,160	29,845
Amount owing to immediate holding company	1,724	1,556
Amounts owing to related companies	3,276	5,631
Amounts owing to associated company	344	94
Bank term loans	16,243	17,275
Current tax liabilities	7,277	3,006
Total current liabilities	**91,068**	**85,857**
Total liabilities	**129,679**	**131,834**
TOTAL EQUITY AND LIABILITIES	**450,435**	**431,700**
Net Assets per share (RM)	**1.60**	**1.50**

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31-March-2016

	Attributable to Owners of the Company								
	Non-distributable					Distributable			
	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	Total equity RM'000
Balance at 1 April 2014	100,000	801	1,400	(36)	(154)	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**
Balance at 1 April 2015	100,000	801	1,400	242	(148)	196,802	299,097	769	299,866
Total comprehensive income for the year				(855)	36	30,607	29,788	103	29,891
Dividend paid on 14 October 2015						(5,000)	(5,000)		(5,000)
Dividend paid on 23 March 2016						(4,000)	(4,000)		(4,000)
Balance at 31 March 2016	**100,000**	**801**	**1,400**	**(613)**	**(112)**	**218,408**	**319,884**	**872**	**320,756**

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 31-March-2016

	Year-To-Date Ended	
	31.03.2016	**31.03.2015**
	RM'000	**RM'000**
	Audited	**Audited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	44,082	41,453
Adjustments for:		
Bad debts written off	293	-
Allowance for doubtful debts	466	421
Depreciation	17,971	16,716
Gain on disposal of property, plant and equipment	(5,385)	(156)
Impairment loss of other investment	113	45
Other investments written off	48	-
Share of profits of associated company, net of tax	(459)	(618)
Interest income	(1,103)	(799)
Dividend income	(37)	-
Interest expense	2,312	1,359
Unrealised (gain) / loss on foreign exchange	(647)	(274)
Operating profit before working capital changes	**57,654**	**58,147**
Net Changes in current assets	(487)	1,451
Net Changes in current liabilities	4,444	(4,638)
Cash generated from operations	61,611	54,960
Tax paid	(7,416)	(8,305)
Net Cash generated from operating activities	**54,195**	**46,655**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,009)	(51,513)
Proceeds from disposal of property, plant and equipment	11,412	1,059
Acquisition of other investments	(11)	-
Acquisition of subsidiary company	-	(7,174)
Interest received	1,103	799
Dividend received from other investment	37	-
Net cash generated from / (used in) investing activities	**4,532**	**(56,829)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	8,000	39,000
Repayment of term loan	(17,002)	(14,053)
Repayment to related companies	(2,800)	-
Payment of hire purchase and finance lease liabilities	-	(13)
Interest paid	(2,312)	(1,359)
Dividend paid	(9,000)	(9,000)
Net cash (used in) / generated from financing activities	**(23,114)**	**14,575**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**35,613**	**4,401**
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	57,081	52,461
EFFECT OF EXCHANGE RATE CHANGES	(109)	219
CASH AND CASH EQUIVALENTS CARRIED FORWARD	**92,585**	**57,081**
Represented by:		
Fixed deposits with a licensed bank	62,768	39,101
Cash and bank balances	29,817	17,980
	92,585	**57,081**

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 March 2015 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 interim financial report should be read in conjunction with the Company's audited financial statements for the financial period ended 31 March 2015. 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 2015.

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
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 116	Incorporating Bearer Plants into the Scope of MFRS 116	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 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
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments	1 January 2018

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

A2. Adoption of Revised Financial Reporting Standards (Continue)

MFRSs, Amendments to MFRSs and IC Interpretation		Effective Date
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

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.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for the Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

MFRS 16 Leases

Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from finance leases but not operating leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position, and recording of certain leases as off-balance sheet leases will no longer be allowed except for some limited exemptions. For a lessee that has material operating leases, the application of MFRS 16 may result in significant increase in assets and liabilities reported on its statement of financial position as compared with MFRS 117.

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 16, and will adopt MFRS 16 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 2015 was not subjected to any qualification.

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

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 2015 amounting to RM5,000,000 was paid on 14 October 2015.

An interim single tier dividend of 2.00 sen per share for the financial year end 31 March 2016 amounting to RM4,000,000 was paid on 23 March 2016.

No final dividend for financial year end 31 March 2016 was paid in the current quarter under review.

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	12 months Ended ended		12 months Ended ended	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
International Business Solutions				
Air Freight Forwarding Division	145,741	130,930	8,575	2,192
Ocean Freight Forwarding Division	63,820	44,152	5,052	1,561
Origin Cargo Order & Vendor Management Division				
	209,561	**175,082**	**13,627**	**3,753**
Domestic Business Solutions				
Contract Logistics Division	223,656	239,193	22,379	39,984
Trucking Division	82,449	80,030	(1,060)	396
Auto Logistics Division	-	-		-
	306,105	**319,223**	**21,319**	**40,380**
Others	-	-	9,136	(2,680)
Total	**515,666**	**494,305**	**44,082**	**41,453**

A10. Valuation of Property, Plant and Equipment

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

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

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 31.03.2016 RM'000	As at 31.03.2015 RM'000
Authorised and contracted for		
- acquisition of property, plant and equipment	682	4,710
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A15. Related Party Disclosures

	12 months ended	
	31.03.2016 RM'000	31.03.2015 RM'000
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary company	1,283	659
Labour charges paid and payble to subsidiary companies	21,068	20,415
Maintenance charges paid and payable to a subsidiary company	6,237	6,559
Handling fees paid and payable to a subsidiary company	1,531	1,516
Handling fees received and receivable from a subsidiary company	155	116
Related logistic services paid and payable to a subsidiary company	6	-
Related logistic services received and receivable from a subsidiary company	5,043	3,733
Rental of premises received from a subsidiary company	-	76
Rental of premises paid and payable to a subsidiary company	3,777	1,389
Rental of trucks received and receivable from subsidiary company	2,090	4,843
	=============	=============
Transaction with immediate holding company		
Related logistic services received and receivable	40,061	34,703
Related logistic services paid and payable	13,092	10,573
Transaction with related companies		
Related logistic services received and receivable	34,681	33,864
Related logistic services paid and payable	50,664	50,154
Management fee paid and payable	3,535	3,002
Consultancy fees paid and payable	582	510
Labour charges paid and payable to related companies	-	64
Rental received	300	300
Repair and maintenance services	534	634
	=============	=============
Transaction with associated company		
Rental of premises paid	1,129	1,129
Accounting fee paid to an associated company	19	19
Accounting fee received from an associated company	-	-
	=============	=============

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

B1. Performance Review : Year-to-date April 2015-March 2016 vs Year-to-date April 2014-March 2015

The Group achieved revenue of RM515.7 million for the financial year ended ("FYE") 31 March 2016 as against RM494.3 million for FYE 31 March 2015, an increase of RM21.4 million (4.3 per cent) year-on-year ("y-o-y"). The increase in revenue was contributed from International Business Solutions ("IBS") segment, which posted an increase of RM34.5 million (19.7 percent), from RM175.1 million to RM209.6 million. Domestics Business Solutions ("DBS") meanwhile recorded a reduction in revenue of RM13.1 million (4.1 per cent) over the same period, from RM319.2 million to RM306.1 million year-on-year.

In the IBS segment, significant increase in export shipments of a major semiconductor customer resulting from its high demand from automotive industry, increase of ad-hoc export shipments handled for a major E&E customer to India and Oceania countries, and solar panel manufacturer who required airfreight's shorter delivery lead time, as well as voluminous spot hand-carry shipments of key customers to Indonesia & Thailand in the third quarter of the financial year ("3QFY16") led to Air Freight Forwarding ("AFF") division posting a y-o-y revenue increase of RM14.8 million (11.3 per cent), from RM130.9 million to RM145.7 million. Increase in lifting volume contributed from a solar panel customer coupled with re-securing of customer accounts lost last year propelled Ocean Freight Forwarding ("OFF") division to record an outstanding revenue performance in FYE 31 March 2016. OFF revenue increased sharply from RM44.1 million to RM63.8 million, a rise of RM19.7 million (44.5 per cent). As for the DBS, except for Trucking division which posted revenue increase of RM2.4 million (3.0 per cent), the lack of domestic catalyst coupled with reduced export shipments of existing customers led to revenue drop in Contract Logistics ("CL") business. Increase in revenue of Trucking division was largely as a result of increase of in-bound cross border business from Thailand & newly secured accounts for local distribution in East and West Malaysia. CL posted a drop of RM15.5 million (6.5 per cent). Within CL business, except for custom clearance business which reported an increase in revenue of RM6.0 million (8.7 per cent), mainly contributed by a new account who produces solar panels, drop in warehouse handling volume and cost down of major customers impacted revenue of warehouse and in-plant businesses, causing a drop of RM10.7 million (10.3 per cent) and RM1.0 million (5.2 per cent) respectively. Significant drop in export container volume of a major E&E customer impacted Haulage business advesely resulting in recorded revenue to drop by RM7.1 million (17.0 per cent). Discontinuation of business contract with a customer of auto business led to revenue drop of RM2.8 million (49.6 per cent) to auto business.

Profit before taxation ("PBT") for the FYE ended 31 March 2016 rose from RM41.4 to RM44.1 million, an increase of RM2.6 million (6.3 per cent), while profit for the year dropped slightly to RM30.7 million from RM30.8 million (0.3 per cent). A one-off income of RM4.9 million from gain on disposal of a land with building held under Mukim Damasara, Daerah Petaling, contributed to the PBT of FYE 31 March 2016. As for PBT from businese segments, increase revenue contributed from reasons stated above and ad hoc lower buying airfreight rates due to soft market coupled with US Dollar appreciation drove IBS segment marking a good PBT performance in FYE 31 March 2016. PBT of IBS segment hiked from RM3.7 million to RM13.6 million, an increase of RM9.9 million (263.1 per cent). Within IBS business, AFF business posted PBT of RM8.5 million, an increase of RM6.4 million (291.2 per cent) from RM2.2 million y-o-y. OFF business also posted an increased PBT of RM3.5 million (223.6 per cent) from RM1.5 million to RM5.0 million. As for DBS segment, with the revenue dip due to reasons stated above, DBS registered a decrease of PBT of RM19.1 million (47.2 per cent) from RM40.4 million to RM21.3 million. Within DBS segment, reduction of cargo volume as well as cost down of major customers coupled with high fixed operating costs, especially in warehouse business, caused PBT of CL business to drop significantly by RM17.6 million (44.0 per cent). Despite increased revenue from Trucking business, increasing fleet maintainance costs as well as weaker Malaysia Ringgit resulted in higher operating costs for local and cross border trucking business. PBT of Trucking business dropped by RM1.5 million (367.4 per cent).

B2. Comparison with Previous Year Corresponding Quarter's Results : January 2016 to March 2016 vs January 2015 to March 2015

The Group's revenue for the fourth financial quarter ended 31 March 2016 ("4QFY16") was recorded at RM125.3 million, as against revenue of RM114.2 million for the fourth financial quarter ended 31 March 2015 ("4QFY15"). This represents an increase of 9.6 per cent (RM11.0 million). The increase in revenue was due to higher revenue generated from IBS segments. Revenue of IBS rose by RM11.4 million (26.6 per cent), from RM43.0 million to RM54.4 million. On the other hand, DBS segment recorded a drop in revenue from RM71.2 million to RM70.8 million, a reduction of RM0.4 million (0.6 per cent).

Within IBS segment, contribution from a new customer with increased export volume of solar panels coupled with importation of machineries of its second plant setup drove OFF division to post revenue jump from RM11.2 million to RM17.4 (RM6.2 million, 55.0 per cent) while AFF division also posted revenue increase of RM5.3 million (16.6 per cent), from RM31.8 million to RM37.1 million. As for DBS segment, CL division posted an increase of RM0.7 million (1.4 per cent), from RM51.9 million to RM52.6 million but it was dragged down by revenue reduction from Trucking division. Reduction in cross border shipments caused Trucking division to post lower revenue by RM1.1 million (5.8 per cent) as against RM19.3 million of comparative quarter. Included in CL business, increased shipments contribution from new customer who manufactures solar panels boosted higher revenue to custom clearance division from RM14.3 million to RM18.2 million, rose by RM3.9 million (27.2 per cent). Revenue of haulage, warehouse & in-plant businesses dropped by RM1.3 million, RM1.7 million and RM0.2 million respectively.

B2. Comparison with Previous Year Corresponding Quarter's Results : January 2016 to March 2016 vs January 2015 to March 2015 (continue)

PBT of the Group for 4QFY16 increased by 91.7 per cent from RM7.5 million to RM14.4 million. The Group posted a one-off other income of RM4.9 million from gain on disposal of a land with building held under Mukim Damasara, Daerah Petaling which contributed significantly to the PBT. As for PBT from business segments, IBS segment marked an outstanding PBT of RM3.5 million as against RM0.7 million quarter-on-quarter, a rise of RM2.8 million (393.2 per cent). However, the increase was dragged down by PBT reduction from DBS segment. DBS segment experienced drop in PBT with reduction of RM3.0 million (40.6 per cent) from RM7.4 million to RM4.4 million quarter-on-quarter ("q-o-q"). Within IBS segment, increase revenue coupled with lower buying freight rates with carriers for ad hoc shipments led to higher profit margin and PBT to AFF business. PBT of AFF business rose steeply from RM0.3 million to RM1.9 million, an increase if RM1.6 million (518.0 per cent) q-o-q. Significant increase in container volume and revenue contribution from new solar panel customer drove PBT of OFF business to increase from RM0.4 million to RM1.6 million, an increase of RM1.2 million (300.5 per cent). On the DBS segment side, CL business experienced drop from RM6.9 million to RM4.1 million, a reduction of RM2.8 million (41. 2 per cent). Within CL business, except for custom clearance which posted an increase of PBT by RM0.3 million (97.7 per cent) resulting from increased shipments contributed from a new solar panel customer, soft local and export market coupled with cost down pressure from customers impacted warehouse, in-plant and haulage businesses, which posted lower PBT by RM1.5 million (58.3 per cent), RM0.6 million (41.4 per cent) and RM1.1 million (42.4 per cent) respectively. Increasing fleet costs as well as high operating costs of cross borders shipments, resulted from weaken Malaysia Ringgit, caused Trucking business to also post lower PBT from RM0.5 million to RM0.3 million, a drop of RM0.2 million (30.9 per cent).

B3. Comparison with Preceding Quarter's Results: January 2016 to March 2016 vs October 2015 to December 2015

The Group's revenue of the fourth quarter ended 31 March 2016 ("4QFY16") was registered at RM125.3 million, as against revenue of RM143.7 million of the preceding quarter ended 31 December 2015 ("3QFY16"). IBS segment posted a decrease of RM3.3 million (5.7 per cent), from RM57.7 million to RM54.7 million. DBS segment recorded poorer revenue with a decrease of RM15.1 million (17.6 per cent), from RM86.0 million to RM70.9 million.

Slowdown in the global trade cycle coupled with seaonal demand swings resulted downtrend in both IBS & DBS businesses. Within the IBS segment, AFF division posted revenue from RM40.1 million to RM37.1 million, a decrease of RM3.0 million (7.5 per cent) in current quarter under review. The decrease was mainly due to reduction in hand carry shipments for key AFF customers to Indonesia and Thailand as well as spot shipments from sea mode to air arrangement to USA for a new solar panel customer. OFF division recorded a decrease of RM0.3 million (1.6 per cent) from RM17.6 million to RM17.4 million. As for DBS segment, CL division posted a decrease in revenue by RM11.0 million (17.2 per cent) from RM52.6 million to RM63.6 million. Custom clearance, haulage and warehouse businesses experienced higher revenue reduction by RM4.1 million (18.2 per cent), RM2.9 million (27.5 per cent) and RM3.6 million (13.9 per cent) respectively resulting from significant drop of export shipments. Beside, Trucking division also registered a decrease of RM4.1 million (18.5 per cent) from RM22.3 million to RM18.2 million.

PBT for FY4Q16 increased from RM11.8 million posted in the preceding quarter to RM14.4 million in this quarter, an increase of RM2.7 million (22.5 per cent). A one-off other income of RM4.9 million from gain on disposal of a land with building held under Mukim Damasara, Daerah Petaling contributed significantly to PBT peak in the current quarter under review. PBT generated from IBS segment was posted at RM3.5 million, decreased by RM1.1 million (23.5 per cent) from RM4.6 million reported in the preceding quarter. Reduction of hand carry and ad hoc shipments resulted in AFF reported lower PBT from RM3.2 million to RM1.9 million, a decrease of RM1.3 million (40.9 per cent). PBT of OFF business was up by RM0.2 million (15.6 per cent) from RM1.4 million to RM1.6 million. On the other hand, DBS segment posted a dip of RM2.6 million (36.8 per cent) from RM7.0 million to RM4.4 million. Within DBS business, drop in volume coupled with cost down pressure from major customers resulting in CL division to register a decrease of PBT of RM4.2 million (50.7 per cent), from RM8.2 million to RM4.1 million. Custom clearance, haulage, warehouse and in-plant businesses experienced dips in PBT by RM0.4 million (36.0 per cent), RM1.5 million (50.9 per cent), RM1.6 million (59.5 per cent) and RM0.7 million (44.7 per cent) respectively. Drop in PBT in warehouse business was also largely due to high operating costs incurred in warehouses in Southern region. However, the significant drop was partially offset by increased PBT by RM1.6 million (126.4 per cent) which was contributed from trucking business. PBT improvement of trucking business in current quarter was attributable to reduction in third party subcon trucking costs.

B4. Prospects for the Next Financial Year

The International Monetary Fund ("IMF"), in its latest World Economic Outlook ("WEO") report dated April 2016, estimated that baseline projection for global growth in 2016 is a modest 3.2 percent, which is broadly in line with 2015 and 0.2 percent downward revision relative to the January 2016 WEO update. IMF expected recovery to be strengthened in 2017 and beyond, driven primarily by emerging and developing economies, as economic conditions start to gradually normalize. Nevertheless, IMF stressed that uncertainty has increased, and risks of weaker growth scenarios are becoming more tangible. These uncertainties are generated by major macroeconomic realignments including the slowdown in China, further decline in commodity prices especially for oil, related slowdown in investment and trade, and declining capital flows to emerging and developing economies. Together with non-economic factors such as geopolitical tensions and political discord, the outlook is consistent with a subdue outlook for the world economy and risk of weaker global growth has also risen. (Source: WEO dated April 2016)

B4. Prospects for the Next Financial Year (continue)

Closer to home, BNM announced on 13 May 2016 that the Malaysian economy grew by 4.2 percent in the first quarter of 2016 (4Q2015: 4.5 percent), on the back of cautious spending by the private sector and external shocks to the economy. This represents the slowest quarterly growth since the third quarter of 2019. Going forward, BNM said the Malaysian economy is expected to remain on a sustained growth plan, meeting the target of 4.0 to 4.5 percent, despite the challenging economic environment. BNM projected that growth in the second half of 2016 ("2H2016") will improve on higher production in the manufacturing sector from added capacity and better commodities production from the diminishing effects of El Nino. The higher wages for civil servants and upward revision in minimum wages would also lend support for the growth in 2H2016. Domestic demand will continue to be the principal driver of growth, sustained primarily by private sector spending. (Source: Bernama)

The prospects of the Group is closely tied to the performance of the Malaysian and world economy, as our core businesses are directly affected by the the health of the manufacturing sector and international trade. The Group's performance was greatly affected by economic factors in the first half of our financial year 2016 ("1HFY2016"), in particular in our first financial quarter 2016 ("1QFY16") where there was a big gap in our y-o-y performance in terms of revenue and profits. With the improving results in the second half of our financial year 2016 ("2HFY16"), we were able to equal our performance vis-a-vis the preceding financial year in terms of both revenue and PAT, although our PAT also benefited from one-off non-operational profit from disposal of land and building. Going forward, there remain downside risks for the Group, including contraction or slowdown in the global as well as the domestic economy, and rising operational costs including revised minimum wage legislation, amongst others. On the investment side, the Group remains committed to bring our performance to the next level by investing in strategic logistic assets and facilities, such as warehousing capacities in key growth areas and with specialized logistics facilities. For the next financial year, the Group expects that its performance will move in tandem with the economic conditions and we remain cautious but upbeat about our performance for the next financial year.

B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B6. Tax Expense

	3 months ended		Cumulative 12 months ended	
	31.03.2016 RM'000	**31.03.2015 RM'000**	**31.03.2016 RM'000**	**31.03.2015 RM'000**
Income tax				
- Current tax	(1,933)	(1,762)	(11,625)	(11,751)
- (under) /overprovision in prior years	(1,377)	591	(1,377)	591
Deferred tax				
- Current year	(1,153)	(1,708)	1,106	(434)
- (under)/overprovision in prior years	(1,476)	939	(1,476)	939
	(5,939)	(1,940)	(13,372)	(10,655)

The Group's effective tax rate for the cumulative 12 months ended 31 March 2016 was higher than the statutory rate of 24% for the current quarter under review is mainly due to non-deductible expenses.

B7. Corporate Proposals

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

B8. Borrowing

		As at 31.03.2016 RM'000	As at 31.03.2015 RM'000
Short term borrowing			
Hire purchase and finance lease liabilities		-	-
Bank loan	(unsecured)	16,243	17,275
Long term borrowing			
Hire purchase and finance lease liabilities		-	-
Bank loan	(unsecured)	29,784	37,520
		46,027	54,795

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 2.50 sen per ordinary share of RM0.50 each amounting to RM5,000,000 in respect of the financial year ended 31 March 2016. 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	
	31.03.2016	**31.03.2015**	**31.03.2016**	**31.03.2015**
PAT after non-controlling interest (RM'000)	8,461	5,567	30,607	30,681
Weighted average number of ordinary shares in issue ('000)	200,000	200,000	200,000	200,000
Earnings per share (sen)	4.23	2.78	15.30	15.34
	=============	============	=============	=============

The Company does not have any dilutive potential ordinary shares outstanding as at 31 March 2016. Accordingly, no diluted earnings per share is presented.

Comparative EPS is calculated based on weighted average number of ordinary shares effected from the share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each with effect from 13 October 2015.

B12. Derivative Financial Instruments

As at 31 March 2016, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional amount as at 31.03.2016 RM'000	Contract or Notional amount as at 31.03.2015 RM'000	Fair value net gains or (loses) 31.03.2016 RM'000	Fair value net gains or (loses) 31.03.2015 RM'000	Purpose
1. Cross currency swap Contracts:					
- More than 3 years	46,027	54,795	5,815	5,217	For hedging currency risk in bank term loan
2. Forward currency contracts:					
- Less than 1 year	163	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 31.03.2016 RM'000	As at 31.03.2015 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	239,278	216,778
- Unrealised	(7,873)	(7,856)
	231,405	208,922
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	954	1,147
- Unrealised	-	-
	232,359	210,069
Less: Consolidation adjustments	(13,951)	(13,267)
Total group retained profits as per consolidated accounts	**218,408**	**196,802**

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 12 months ended	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Profit for the period is arrived at after crediting:				
Interest income	358	246	1,103	799
Other income	254	996	950	1,588
Gain on disposal of land and building	5,385	-	5,385	-
Foreign exchange gain	564	504	2,019	610
Unrealised foreign exchange gain	647	274	647	274
and after charging:				
Interest expenses	585	521	2,312	1,359
Depreciation	3,830	4,067	17,971	16,716
Provision for/write off receivables	759	421	759	421
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	-	-	-	-
Other loss	-	-	-	-
Unrealised foreign exchange loss	-	45	-	45
Impairment loss of other investment	113	-	113	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, gain or loss on derivaties or exceptional item for current quarter and financial period ended 31 March 2016 (31 March 2015: Nil)