Company No. 63611 - U

PELIKAN INTERNATIONAL CORPORATION BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

31 December 2015

PELIKAN INTERNATIONAL CORPORATION BERHAD (63611-U)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Interim report for the financial year ended 31 December 2015
The figures have not been audited.

	Note	Individual Quarter 3 months ended 31/12/2015 RM' 000	Individual Quarter 3 months ended 31/12/2014 RM' 000	Cumulative Quarter Financial year ended 31/12/2015 RM' 000	Cumulative Quarter Financial year ended 31/12/2014 RM' 000
Revenue		310,448	283,816	1,331,508	1,382,120
Other operating income		15,622	3,017	26,937	21,929
Expenses excluding finance cost and tax		(357,764)	(328,333)	(1,360,477)	(1,405,385)
Finance cost		(6,698)	(5,306)	(23,137)	(22,313)
Loss before taxation		(38,392)	(46,806)	(25,169)	(23,649)
Taxation	B1	33,065	(1,793)	(24,525)	(12,923)
Loss for the financial period		(5,327)	(48,599)	(49,694)	(36,572)
Other comprehensive income/(loss):					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		36,562	(14,388)	21,041	(32,086)
Item that will not be reclassified subsequently to profit or loss:					
Actuarial gain/(loss) on defined benefit plans		1,436	(43,238)	1,436	(43,238)
Others		-	112	-	112
Income tax		-	1,728	-	1,728
		37,998	(55,786)	22,477	(73,484)
Total comprehensive gain/(loss) for the financial period		32,671	(104,385)	(27,217)	(110,056)
Total loss attributable to:					
Owners of the parent		(4,403)	(45,967)	(49,467)	(36,459)
Non-controlling interests		(924)	(2,632)	(227)	(113)
		(5,327)	(48,599)	(49,694)	(36,572)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		33,097	(102,217)	(35,430)	(107,170)
Non-controlling interests		(426)	(2,168)	8,213	(2,886)
		32,671	(104,385)	(27,217)	(110,056)
		sen	sen	sen	sen
Loss per share attributable to equity holders of the parent	B11	(0.80)	(8.38)	(9.02)	(6.90)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

PELIKAN INTERNATIONAL CORPORATION BERHAD (63611-U)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Interim report as at 31 December 2015
The figures have not been audited.

	Note	31/12/2015 RM'000	31/12/2014 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		449,943	433,650
Trademarks		17,094	15,515
Development costs		4,788	6,905
Goodwill		134,036	97,832
Computer software licence		5,639	4,858
Investment in associates		-	-
Available-for-sale financial assets		2,807	2,615
Pension Trust Fund		138,184	138,184
Deferred tax assets		104,586	43,048
		857,077	742,607
Current assets			
Inventories		274,978	272,270
Receivables, deposits & prepayments		324,618	338,755
Tax recoverable		3,642	3,059
Pension Trust Fund		12,680	12,680
Deposits, cash and bank balances		71,224	73,635
		687,142	700,399
TOTAL ASSETS		**1,544,219**	**1,443,006**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		553,296	553,296
Share premium		65,591	65,591
Foreign currency translation reserves		(93,385)	(105,986)
Equity-settled employee benefits		226	226
Accumulated losses		(69,136)	(21,105)
Treasury shares, at cost		(5,150)	(5,150)
		451,442	486,872
Non-controlling interests		12,195	3,982
Total equity		463,637	490,854
Non-current liabilities			
Post employment benefit obligations	B4		
- Removable pension liabilities		144,269	173,852
- others		153,844	99,548
Borrowings	B2	37,394	87,209
Tax liabilities		36,081	-
Deferred tax liabilities		25,474	18,371
		397,062	378,980
Current liabilities			
Payables		235,810	222,516
Post employment benefit obligations	B4		
- Removable pension liabilities		16,157	17,628
- others		9,724	8,822
Derivative liabilities	B13	1,963	2,989
Borrowings	B2	379,114	293,507
Current tax liabilities		40,752	27,710
		683,520	573,172
Total liabilities		1,080,582	952,152
TOTAL EQUITY AND LIABILITIES		**1,544,219**	**1,443,006**
Net assets per share attributable to owners of the parent (RM)		0.82	0.88

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

PELIKAN INTERNATIONAL CORPORATION BERHAD (63611-U)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Interim report for the financial year ended 31 December 2015
The figures have not been audited.

	Share Capital	Share premium	Foreign currency translation reserves (non distributable)	Equity-settled employee benefits (non distributable)	(Accumulated losses)/ Retained profits (distributable)	Treasury shares, at cost (distributable)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
At 1 January 2015	553,296	65,591	(105,986)	226	(21,105)	(5,150)	486,872	3,982	490,854
Loss for the financial year	-	-	-	-	(49,467)	-	(49,467)	(227)	(49,694)
Other comprehensive loss	-	-	12,601	-	1,436	-	14,037	8,440	22,477
Total comprehensive loss	-	-	12,601	-	(48,031)	-	(35,430)	8,213	(27,217)
At 31 December 2015	553,296	65,591	(93,385)	226	(69,136)	(5,150)	451,442	12,195	463,637
At 1 January 2014	512,796	57,519	(75,757)	-	55,836	(5,150)	545,244	6,921	552,165
Loss for the financial year	-	-	-	-	(36,459)	-	(36,459)	(113)	(36,572)
Other comprehensive loss	-	-	(30,229)	-	(40,482)	-	(70,711)	(2,773)	(73,484)
Total comprehensive loss	-	-	(30,229)	-	(76,941)	-	(107,170)	(2,886)	(110,056)
Issue of shares pursuant to private placement	40,500	8,072	-	-	-	-	48,572	-	48,572
Share based payment under ESOS	-	-	-	226	-	-	226	-	226
Dividends	-	-	-	-	-	-	-	(53)	(53)
Total transactions with owners	40,500	8,072	-	226	-	-	48,798	(53)	48,745
At 31 December 2014	553,296	65,591	(105,986)	226	(21,105)	(5,150)	486,872	3,982	490,854

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

PELIKAN INTERNATIONAL CORPORATION BERHAD (63611-U)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Interim report for the financial year ended 31 December 2015
The figures have not been audited.

	Financial year ended	
	31/12/2015	**31/12/2014**
	RM' 000	**RM' 000**
Cash Flows From Operating Activities		
Cash receipts from customers	1,426,930	1,346,278
Cash paid to suppliers and employees	(1,333,352)	(1,367,252)
	93,578	(20,974)
Interest received	702	1,474
Interest paid	(15,878)	(14,225)
Taxation paid	(25,991)	(17,559)
Net cash from/(used in) operating activities	52,411	(51,284)
Cash Flows From Investing Activities		
Interest paid	(7,259)	(8,135)
Purchase of property, plant and equipment	(28,066)	(21,586)
Proceeds from disposal of property, plant and equipment	1,357	5,435
Purchase of intangible assets	(1,857)	(3,163)
Proceeds from disposal of intangible assets	43	26
Development expenses paid	(417)	(784)
Proceeds from disposal of subsidiaries, net of cash balances and bank disposed off	-	9,020
Proceeds from disposal of available-for-sale financial assets	35	585
Net cash used in investing activities	(36,164)	(18,602)
Cash Flows From Financing Activities		
Deposits pledged	(1,344)	(2,296)
Net proceeds from issue of shares	-	48,572
Drawdown of bank borrowings	291,116	246,990
Repayment of bank borrowings	(290,283)	(262,969)
Repayment of hire purchase and lease payables	(332)	(627)
Net cash (used in)/from financing activities	(843)	29,670
Net increase/(decrease) in cash and cash equivalents during the financial year	15,404	(40,216)
Foreign currency translation	(18,221)	(2,803)
Cash and cash equivalents at beginning of the financial year	60,080	103,099
Cash and cash equivalents at end of the financial year	57,263	60,080
Cash and cash equivalents comprise :		
Deposits, cash and bank balances	71,224	73,635
Bank overdrafts	(7,350)	(8,288)
	63,874	65,347
Less: Deposits pledged to licensed banks	(6,611)	(5,267)
	57,263	60,080

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

A. Notes to the Interim Financial Report
For the fourth quarter and financial year ended 31 December 2015

A1. Basis of Preparation

This interim financial report is based on the unaudited financial statements for the quarter ended 31 December 2015 and has been prepared in accordance with applicable disclosure provisions of paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, Interim Financial Reporting in Malaysia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group as at end of the financial year ended 31 December 2014.

A2. Significant Accounting Policies

The accounting policies applied by the Group in this interim financial report are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014.

A3. Report of the Auditors to the Members

The report of the auditors on the annual financial statements for the financial year ended 31 December 2014 was not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 174 of the Companies Act, 1965.

A4. Seasonality or Cyclicality of Interim Operations

The Group's traditional business dealing with stationery, especially for school and office, was affected by the "back to school" season in Europe which normally records higher sales in mid-year. Sales of the Group's printer consumable products such as inkjet and toner cartridges, thermal transfer, office media and impact cartridges, are generally not influenced by seasonal fluctuation.

A5. Exceptional and/or Extraordinary Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no exceptional and/or extraordinary items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 December 2015.

A6. Material Changes in Estimates

There were no material changes in estimates that have a material effect on the quarter and year ended 31 December 2015.

A. Notes to the Interim Financial Report
For the fourth quarter and financial year ended 31 December 2015

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current quarter ended 31 December 2015.

A8. Dividends

No dividends have been paid during the current quarter ended 31 December 2015.

A9. Segment Information

	Germany RM'000	Switzerland RM'000	Rest of Europe RM'000	Americas RM'000	Rest of world RM'000	Elimination RM'000	Group RM'000
12 months ended 31 December 2015							
External revenue	659,926	109,601	273,507	215,774	72,700	-	1,331,508
Intersegment revenue	436,667	50,888	57,108	13,993	113,797	(672,453)	-
	1,096,593	160,489	330,615	229,767	186,497	(672,453)	1,331,508
Segment result	(18,643)	1,260	944	50,017	(21,583)	(14,027)	(2,032)
3 months ended 31 December 2015							
External revenue	153,677	26,501	63,160	47,177	19,933	-	310,448
Intersegment revenue	82,870	12,634	11,154	3,803	23,581	(134,042)	-
	236,547	39,135	74,314	50,980	43,514	(134,042)	310,448
Segment result	(26,504)	(11,565)	(3,331)	6,768	1,614	1,324	(31,694)

A. Notes to the Interim Financial Report
For the fourth quarter and financial year ended 31 December 2015

A9. Segment Information (cont'd)

Germany

The German segment represented approximately 49.6% of the Group's revenue for the year ended 31 December 2015. The revenue has decreased by approximately RM48.4 million (6.8%) as compared to the previous year. The reduction is attributable to the reduction in revenue from the printer consumable segment, lower export sales and domestic sales from certain channels.

The German segment focus was still within product management and channel management in order to maximise profits within contribution mix and also reduce distribution or servicing cost as a whole. The German stationery sales and distribution was contributing positively to the results of the segment. However, the positive development is offset by the negative results of the production functions, printer consumable business, the services organisations and the depreciation for the logistic property. Overall, the German segment achieved a negative segment result of RM18.6 million.

Switzerland

The Swiss market concentrated mainly in printer consumables business. The cessation of the 3rd party toner powder production business has resulted in a lower turnover in the current period as compared to previous year's corresponding quarter. Although, the operating base of the Swiss segment is reduced mainly due to cessation of production functions, the segment still suffered a loss in the current quarter due to the continued challenging markets in the printer consumable business.

Rest of Europe

The contribution in revenue from all other European countries, except Germany and Switzerland, represents 20.5% of the Group's total revenue.

Overall, the Gross Domestic Product ("GDP") for both euro area and EU28 had improved by 1.5% and 1.8% respectively as compared to previous year's corresponding quarter. The positive economic data had improved consumer sentiment and this can be seen in the increase in sales in certain Eastern Europe countries, Italy, Spain and Benelux.

The segment results improved in the current quarter as compared to previous year's corresponding quarter due to better margins and lower operating costs for the plant in Scotland as a result of last year's downsizing exercise.

A. Notes to the Interim Financial Report
For the fourth quarter and financial year ended 31 December 2015

A9. Segment Information (cont'd)

Americas

Americas, which comprise 16.2% of the Group's revenue are represented by Mexico, Colombia and Argentina. The reduction in sales as compared to previous year's corresponding quarter were mainly due to export issues to certain countries like Ecuador due to the additional tariff imposed in the current quarter. Nevertheless, for the full year under review, this segment had achieved an overall revenue growth of 3.1% due to the concerted efforts of the region to develop the markets and product offering within the market.

The region had achieved segment results of RM6.8 million in the current quarter.

Rest of the World

The segment revenue from Rest of the World, which represents Japan, Taiwan/China, South East Asia and Middle East generated higher sales by 25.3% as compared to the previous year's corresponding quarter. Positive demand of certain school products in Taiwan/China and the introduction of special editions of fine writing instruments in both Taiwan and Japan had resulted in improvement of the segment revenue as compared to the previous year's corresponding quarter. In addition, the distribution in China had improved as demand for certain key products has increased through the marketing efforts undertaken with dealers including participation in internet distribution channels.

The segment achieved a segment result of RM1.6 million in the current quarter.

A10. Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current quarter ended 31 December 2015.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 December 2015.

A12. Events Subsequent to the End of the Reporting Period

There were no event subsequent to the financial year ended 31 December 2015.

A. Notes to the Interim Financial Report
For the fourth quarter and financial year ended 31 December 2015

A13. Contingent Liabilities

(a) In the ordinary course of business, the business of Pelikan Hardcopy Holding AG and German Hardcopy AG groups (dealing with manufacturing and distribution of hardcopy related products and printer consumables such as inkjet and toner cartridges, thermal transfer, office media and impact cartridges, hereinafter referred to as the “Hardcopy business”) is involved in several lawsuits. In particular, the Group has several large legal claims brought by Original Equipment Manufacturers (“OEM”) for perceived breach of patents with an assessed potential maximum exposure of EUR6.0 million (RM28.1 million). The Group is of the view that litigation matters are an inherent part of the Hardcopy business. Historically, the Group has been successful in defending most cases and management remains confident that the Group’s exposure to these claims can be reduced or can successfully be defended. In the opinion of the management, the lawsuits, claims and proceedings which are pending against the Group will not have a material effect on the Group.

(b) Based on the latest actuaries assumptions as at 31 December 2015, Pelikan Hardcopy Scotland Limited’s (“PHSL”) retirement fund has GBP24.2 million (RM153.9 million) assets to meet its estimated pension liabilities of GBP36.1 million (RM229.6 million). An amount of GBP11.9 million (RM75.7 million) has been recognised as a pension liability of the Group for the financial year ended 31 December 2015 in accordance with the MFRS 119 Employee Benefits.

The Group believes that its operational cash flow and the assets in the retirement fund of PHSL are sufficient to meet the payouts of the retirement scheme in the foreseeable future.

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B1. Taxation

	3 months ended		Financial year ended	
	31/12/15	**31/12/14**	**31/12/15**	**31/12/14**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Taxation charged in respect of current financial period				
- income tax	(15,093)	(22,669)	(71,412)	(33,771)
- deferred tax	48,158	20,876	46,887	20,848
	33,065	(1,793)	(24,525)	(12,923)

For the cumulative year ended 31 December 2015, there were one-off income tax effects amounting to approximately RM45.4 million arising from the asset streamlining exercise. Notwithstanding this, the Group recognised a deferred tax asset of approximately RM65.1 million from the asset streamlining arising from the transactional tax credits which was available to offset future income of certain subsidiary in the asset streamlining exercise. At the same time, the deferred tax asset was reduced by approximately RM20.1 million from the loss of tax loss carried forward resulting in a net deferred tax impact of RM45.0 million.

The split of taxation relating to asset streamlining and operational tax as at 31 December 2015 are as follows:

	RM'000
Asset Streamlining:	
- income tax	(45,400)
- deferred tax	45,000
	(400)
Operational Tax:	
- income tax	(26,012)
- deferred tax	1,887
	(24,125)
Total	(24,525)

The Group's effective tax rate were higher than the statutory income tax rate in Malaysia mainly due to non-availability of group relief where subsidiaries with taxable profits cannot utilise the unused tax losses of other subsidiaries.

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B2. Borrowings

Details of the Group's borrowings as at 31 December 2015 are as set out below:

	Short Term		Long Term		Total
Currency	**Secured RM'000**	**Unsecured RM'000**	**Secured RM'000**	**Unsecured RM'000**	**RM'000**
Argentina Peso	4,386	-	-	-	4,386
Colombian Peso	-	5	-	-	5
Czech Koruna	5	-	-	-	5
Euro	62,382	12,755	7,129	-	82,266
Great Britain Pound	13	2,143	13	1,074	3,243
Mexican Peso	-	6,448	-	-	6,448
Ringgit Malaysia	60,269	14,427	29,178	-	103,874
Swiss Franc	6,405	-	-	-	6,405
US Dollar	79,808	130,068	-	-	209,876
Total	213,268	165,846	36,320	1,074	416,508

B3. Material Litigation

In the ordinary course of business, the business of Pelikan Hardcopy Holding AG and German Hardcopy AG groups (dealing with manufacturing and distribution of hardcopy related products and printer consumables such as inkjet and toner cartridges, thermal transfer, office media and impact cartridges, hereinafter referred to as the "Hardcopy business") is involved in several lawsuits. In particular, the Group has several large legal claims brought by Original Equipment Manufacturers ("OEM") for perceived breach of patents with an assessed potential maximum exposure of EUR6.0 million (RM28.1 million). The Group is of the view that litigation matters are an inherent part of the Hardcopy business. Historically, the Group has been successful in defending most cases and management remains confident that the Group's exposure to these claims can be reduced or can successfully be defended. In the opinion of the management, the lawsuits, claims and proceedings which are pending against the Group will not have a material effect on the Group.

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B4. Post Employment Benefit Obligation

	RM'000
Payable within 12 months	25,881
Payable after 12 months	298,113
	323,994
Removable Pension Liabilities:	
Liabilities assumed by Pension Trust Fund	95,339
Liabilities assumed by the Company	65,087
	160,426
Other pension liabilities of the Group	163,568
	323,994

Pursuant to the acquisitions of Pelikan Holding AG group ("PHAG group") in 2005, part of the defined benefits retirement plans of the PHAG group in Germany (known as "Removable Pension Liabilities") is now funded by an external Pension Trust Fund created for this purpose, whilst the Company is assuming the balance of the said Removable Pension Liabilities fixed in Ringgit Malaysia as at the completion date of the acquisitions of PHAG group. If the assets in the Pension Trust Fund are capable of paying the entire Removable Pension Liabilities, the Removable Pension Liabilities assumed by the Company will be relinquished.

B5. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 December 2015 were as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment	989

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B6. Review of Performance

The Group achieved revenue of RM310.4 million in the current quarter as opposed to RM283.8 million in the previous year's corresponding quarter, an increase of RM26.6 million. In the current quarter, the European and Rest of the World revenue shows a positive growth.

On a full year basis, despite the decrease in revenue of approximately 3.7%, the Group's overall loss before taxation after adjusting for foreign exchange losses on USD borrowings, loss on disposal of property, plant and equipment and intangible assets and gain on disposal of investment in subsidiaries has improved as compared to the results of the previous year as shown below:

	12 months ended	
	31/12/2015 RM'000	**31/12/2014 RM'000**
Loss before taxation	(25,169)	(23,649)
Add/(Less):		
Loss on foreign exchange effects on USD borrowings	38,876	9,846
Loss/(gain) on disposal of property, plant and equipment and intangible assets	1,992	(19)
Gain on disposal of investment in subsidiaries	-	(3,777)
Adjusted operating profit/(loss) before taxation	15,699	(17,599)

B7. Variation of Results Against Preceding Quarter

In the current quarter, the Group's revenue decrease to RM310.4 million as compared to RM396.9 million in the preceding quarter, as a result of the slowdown of sales in the European markets subsequent to the "back to school" season.

The Group recorded a loss before tax of RM38.4 million in the current quarter. The losses were mainly attributable to the lower sales contribution achieved from the reduced sales of RM86.5 million as compared to the preceding quarter.

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B8. Prospects

According to the European Commission's winter forecast, the economic activity is expected to pick up moderately in the euro area, with growth forecasted to rise to 1.7% in 2016 and by 1.9% in 2017. The EU economy as a whole is expected to be at 1.9% and 2.0% in 2016 and 2017 respectively. The German economy is the largest market for the Group. In Germany, economic growth is projected to continue to be supported by favourable labour market and financing conditions underpinning domestic demand, leading to GDP growth of 1.8% in both 2016 and 2017. Based on the International Monetary Fund, economic activity for Mexico is expected to pick up modestly with GDP growth projected at 2.6% for 2016 and 2.9% in 2017. Notwithstanding improvements in the general economy of the Group's key operating countries, the markets shall continue to be challenging as consumers and business remains cautious on spending and expansions.

The volatility in major global currencies in particular against Malaysia Ringgit will also result in volatility in the Group's result going forward as majority of its business is located outside Malaysia and will be translated to RM for reporting purposes. The strengthening of the Euro currency against RM would benefit the Group whilst the strengthening of the USD against RM will have a negative results on the Group.

The streamlined stationery group under Pelikan AG Group has shown a positive results year to date. The opportunities for the Pelikan AG Group to perform and compete in its key markets remains strong. Focus is to improve margins with better product mix and increase market share in core European markets whilst to grow top line revenue in other growth markets such as Latin America and Asia.

The Group shall focus to address the remaining printer consumable business through better adaptation of distribution channels and product offering to its respective markets and customers. In addition, the Group will work on improving performance of its factories through cost projects and outsource services and production to increase utilisation.

B9. Dividend

The Board of Directors does not recommend any dividend for the current financial year.

B10. Variance on Profit Forecast / Shortfall in Profit Guarantee

Not applicable.

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B11. Loss Per Share

		3 months ended		Financial year ended	
		31/12/15	**31/12/14**	**31/12/15**	**31/12/14**
Loss for the financial period attributable to equity holders of the parent	(RM'000)	(4,403)	(45,967)	(49,467)	(36,459)
Weighted average number of ordinary shares in issue	('000)	553,296	553,296	553,296	533,046
Shares repurchased	('000)	(4,928)	(4,928)	(4,928)	(4,928)
		548,368	548,368	548,368	528,118
Loss per share	(sen)	(0.80)	(8.38)	(9.02)	(6.90)

B12. Additional Notes to the Statement of Comprehensive Income

	3 months ended		Financial year ended	
	31/12/15	**31/12/14**	**31/12/15**	**31/12/14**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Loss for the period is arrived at after charging / (crediting):				
Interest income	(301)	(548)	(702)	(1,474)
Interest expense	6,698	5,306	23,137	22,313
Depreciation and amortisation	10,606	10,876	40,550	42,985
(Reversal of)/Impairment loss on receivables	(92)	1,825	559	2,809
(Reversal of)/Inventories write down	(1,708)	(239)	(1,641)	559
Loss/(Gain) on disposal of				
- Property, plant and equipment	1,368	(39)	2,035	7
- Intangible assets	(18)	(9)	(43)	(26)
- Investment in subsidiaries	-	(211)	-	(3,777)
Foreign exchange loss	(6,729)	3,791	4,029	10,171

B. Additional Information Required by the Bursa Malaysia Securities Berhad's Listing Requirements

B13. Derivative Liabilities

	Contract/ Notional amount EUR'000	Liabilities RM'000
Interest rate swap	10,000	1,963

The Group has entered into interest rate swap contract with a total of EUR10 million resulting in an exchange of floating for fixed interest rates from fiscal year 2012 to hedge exposure to movements in interest rate on a financing transaction. For a period of 5 years, the variable interest rate is exchanged on the basis of the 3-month Euribor interest at 3.15%. The fair value of interest rate swap contracts is determined by reference to market values of similar instruments.

B14. Realised and Unrealised Profits/(Losses) Disclosure

	As at 31/12/15 RM'000	As at 31/12/14 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised loss	(136,870)	(24,826)
- Unrealised profit/(loss)	73,704	(3,811)
	(63,166)	(28,637)
Add : Consolidation adjustments	(5,970)	7,532
Total accumulated losses as per Statement of Financial Position	(69,136)	(21,105)