

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 31/12/2013 RM'000	As At 30/09/2013 RM'000
ASSETS		
Property, plant and equipment	23,135	23,220
Investment properties	695	695
Prepaid land lease payments	313	314
Intangible assets	1,726	1,788
Deferred tax assets	564	2,386
Investments	42,700	43,333
Inventories - goods for resale	474	427
Loans	30,344	117
Reinsurance assets	215,536	229,483
Insurance receivables	21,035	23,679
Trade receivables	1,046	1,883
Other receivables	69,982	57,326
Deposits and placements with financial institutions	892,574	868,029
Cash and bank balances	40,866	89,371
Total assets	<u>1,340,990</u>	<u>1,342,051</u>
LIABILITIES		
Insurance contract liabilities	773,831	786,537
Insurance payables	14,047	8,744
Trade payables	980	991
Other payables	13,104	8,502
Hire purchase creditors	1,388	1,555
Deferred tax liabilities	265	-
Borrowings	33,792	33,766
Tax payable	3	-
Total liabilities	<u>837,410</u>	<u>840,095</u>
EQUITY		
Share capital	122,977	122,977
Treasury shares	(5,189)	(3,813)
Share premium	24,302	24,302
Merger reserve	20,792	20,792
Translation reserve	(890)	(1,028)
Revaluation reserve	8,799	8,799
Available-for-sale reserve	(2,107)	(2,198)
Retained profits	207,130	209,227
Equity attributable to equity holders of the Company	<u>375,814</u>	<u>379,058</u>
Non-controlling interest	<u>127,766</u>	<u>122,898</u>
Total equity	<u>503,580</u>	<u>501,956</u>
Total liabilities and equity	<u>1,340,990</u>	<u>1,342,051</u>
Net assets per share (Sen)	<u>156</u>	<u>156</u>
Based on number of shares (net of treasury shares) of RM0.50 each ('000)	241,654	242,604

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Three Months Ended 31 December 2013

	Attributable to Equity Holders of the Company									Non-Controlling Interest RM'000	Total Equity RM'000
	Non Distributable							Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Available-For-Sale Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 October 2013	122,977	(3,813)	24,302	20,792	(1,028)	8,799	(2,198)	209,227	379,058	122,898	501,956
Purchase of treasury shares	-	(1,376)	-	-	-	-	-	-	(1,376)	-	(1,376)
Net profit for the period	-	-	-	-	-	-	-	3,954	3,954	5,057	9,011
Other comprehensive income/(loss) for the period	-	-	-	-	138	-	91	-	229	(189)	40
Total comprehensive income for the period	-	-	-	-	138	-	91	3,954	4,183	4,868	9,051
Dividends	-	-	-	-	-	-	-	(6,051)	(6,051)	-	(6,051)
At 31 December 2013	122,977	(5,189)	24,302	20,792	(890)	8,799	(2,107)	207,130	375,814	127,766	503,580

	Attributable to Equity Holders of the Company									Non-Controlling Interest RM'000	Total Equity RM'000
	Non Distributable							Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Available-For-Sale Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 October 2012	122,977	(1,463)	24,302	40,769	1,273	8,799	2,411	48,530	247,598	-	247,598
Purchase of treasury shares	-	(70)	-	-	-	-	-	-	(70)	-	(70)
Net profit for the period	-	-	-	-	-	-	-	8,445	8,445	-	8,445
Other comprehensive loss for the period	-	-	-	-	(39)	-	(1,863)	-	(1,902)	-	(1,902)
Total comprehensive income for the period	-	-	-	-	(39)	-	(1,863)	8,445	6,543	-	6,543
Dividends	-	-	-	-	-	-	-	(6,414)	(6,414)	-	(6,414)
At 31 December 2012	122,977	(1,533)	24,302	40,769	1,234	8,799	548	50,561	247,657	-	247,657

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Three Months Period Ended 31 December 2013

	Quarter ended 31-Dec-13 RM'000	Quarter ended 31-Dec-12 RM'000	Year to date 31-Dec-13 RM'000	Year to date 31-Dec-12 RM'000
Revenue	137,602	140,695	137,602	140,695
Other operating income	2,997	4,870	2,997	4,870
	140,599	145,565	140,599	145,565
Operating expenses	(126,622)	(131,197)	(126,622)	(131,197)
Profit from operations	13,977	14,368	13,977	14,368
Finance costs	(813)	(1,900)	(813)	(1,900)
Profit before tax	13,164	12,468	13,164	12,468
Income tax expense	(4,153)	(4,023)	(4,153)	(4,023)
Profit for the period	9,011	8,445	9,011	8,445
Attributable to :				
Equity holders of the Company	3,954	8,445	3,954	8,445
Non-controlling interest	5,057	-	5,057	-
Earnings per share attributable to equity holders of the Company :				
- Basic earnings per share (sen)	1.63	3.46	1.63	3.46
<small>[Based on weighted average number of shares (net of treasury shares) of RM0.50 each]</small>				

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Three Months Ended 31 December 2013

	Quarter ended 31-Dec-13 RM'000	Quarter ended 31-Dec-12 RM'000	Year to date 31-Dec-13 RM'000	Year to date 31-Dec-12 RM'000
Profit for the period	9,011	8,445	9,011	8,445
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	138	(39)	138	(39)
Fair value changes on available-for-sale ("AFS") financial assets	(226)	(1,983)	(226)	(1,983)
Deferred tax	128	120	128	120
Net gain/(loss)	40	(1,902)	40	(1,902)
Other comprehensive income/(loss) for the period, net of tax	40	(1,902)	40	(1,902)
Total comprehensive income for the period	9,051	6,543	9,051	6,543
Attributable to :				
Equity holders of the Company	4,183	6,543	4,183	6,543
Non-controlling interest	4,868	-	4,868	-

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Three Months Ended 31 December 2013

	31 December 2013 RM'000	31 December 2012 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	13,164	12,468
Adjustments for :		
Depreciation of property, plant and equipment	412	406
Property, plant and equipment written off	4	3
Impairment loss of AFS financial assets	-	57
Gain on disposal of investments	(445)	-
Dividend income	(263)	(325)
Interest income	(8,192)	(6,507)
Interest expense	725	1,874
Allowance for impairment of insurance receivables	279	590
Write back in allowance for impairment of trade receivables	-	(2)
Unrealised loss/(gain) on foreign exchange	104	(35)
Others	(217)	(134)
	<u>5,571</u>	<u>8,395</u>
Changes in working capital:		
Disposal of investments	1,145	-
Purchase of investments	-	(13)
(Increase)/decrease in deposits and placements with financial institutions	(24,546)	7,562
(Increase)/decrease in loans	(30,227)	9
Decrease in reinsurance assets	13,947	13,729
Decrease in insurance receivables	2,364	2,708
Increase in trade and other receivables	(10,326)	(5,101)
(Increase)/decrease in inventories - goods for resale	(46)	41
Decrease in insurance contract liabilities	(12,706)	(16,740)
Increase in insurance payables	5,302	7,145
Increase in payables	3,251	1,547
	<u>(46,271)</u>	<u>19,282</u>
Tax paid, net of tax refunded	(2,179)	(5,466)
Interest received	6,996	5,070
Dividends received	141	39
Interest paid	(1,362)	(2,716)
	<u>(42,675)</u>	<u>16,209</u>
Net cash (used in)/generated from operating activities	<u>(42,675)</u>	<u>16,209</u>

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(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Three Months Ended 31 December 2013 (Cont'd.)

	31 December 2013 RM'000	31 December 2012 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(347)	(98)
Purchase of intangible assets	(2)	(4)
Purchase of investments	(237)	(435)
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Net cash used in investing activities	(586)	(537)
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(1,501)	(69)
Dividends paid	(3,634)	(8,247)
Decrease in hire purchase creditors	(167)	(104)
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Net cash used in financing activities	(5,302)	(8,420)
Effects of exchange rate changes on cash and cash equivalents	37	(12)
Net (decrease)/increase in cash and cash equivalents	(48,526)	7,240
Cash and cash equivalents at beginning of year	89,371	15,883
Effect of exchange rate changes	21	3
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Cash and cash equivalents at end of period	40,866	23,126
Cash and cash equivalents comprise the following:		
Cash and bank balances*	40,866 #	26,627
Bank overdraft	-	(3,501)
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Cash and cash equivalents	40,866	23,126

* The cash and bank balances include deposits of RM703,000 (2012:RM682,000) which have been pledged as security by a subsidiary company for credit facilities granted.

Cash and bank balances consist of cash in hand, cash at bank, and short-term deposits placed with financial institutions with maturity periods of less than three months. The higher cash and bank balances as at 31 December 2013 was mainly due to more funds placed in short-term deposits.