

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 31/03/2014 RM'000	As At 30/09/2013 RM'000
ASSETS		
Property, plant and equipment	23,288	23,220
Investment properties	695	695
Prepaid land lease payments	312	314
Intangible assets	1,691	1,788
Deferred tax assets	508	2,386
Investments	56,639	43,333
Inventories - goods for resale	424	427
Loans	31,211	117
Reinsurance assets	232,449	229,483
Insurance receivables	15,053	23,679
Trade receivables	1,720	1,883
Other receivables	69,393	57,326
Deposits and placements with financial institutions	893,185	868,029
Cash and bank balances	56,235	89,371
Total assets	<u>1,382,803</u>	<u>1,342,051</u>
LIABILITIES		
Insurance contract liabilities	808,488	786,537
Insurance payables	13,834	8,744
Trade payables	1,263	991
Other payables	7,569	8,502
Dividend payables	5,290	-
Hire purchase creditors	1,503	1,555
Deferred tax liabilities	1,525	-
Borrowings	33,825	33,766
Tax payable	2,960	-
Total liabilities	<u>876,257</u>	<u>840,095</u>
EQUITY		
Share capital	122,977	122,977
Treasury shares	(7,174)	(3,813)
Share premium	24,302	24,302
Merger reserve	20,792	20,792
Translation reserve	(627)	(1,028)
Revaluation reserve	8,799	8,799
Available-for-sale reserve	7,321	(2,198)
Retained profits	208,548	209,227
Equity attributable to equity holders of the Company	<u>384,938</u>	<u>379,058</u>
Non-controlling interest	<u>121,608</u>	<u>122,898</u>
Total equity	<u>506,546</u>	<u>501,956</u>
Total liabilities and equity	<u>1,382,803</u>	<u>1,342,051</u>
Net assets per share (Sen)	<u>160</u>	<u>156</u>
Based on number of shares (net of treasury shares) of RM0.50 each ('000)	240,243	242,604

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Six Months Ended 31 March 2014

	Attributable to Equity Holders of the Company								Total RM'000	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			
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	-	(3,361)	-	-	-	-	-	-	(3,361)	-	(3,361)
Net profit for the period	-	-	-	-	-	-	-	10,662	10,662	10,288	20,950
Other comprehensive income for the period	-	-	-	-	401	-	9,519	-	9,920	1,652	11,572
Total comprehensive income for the period	-	-	-	-	401	-	9,519	10,662	20,582	11,940	32,522
Dividends to equity holders of the Company (Note B10)	-	-	-	-	-	-	-	(11,341)	(11,341)	-	(11,341)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(13,230)	(13,230)
At 31 March 2014	122,977	(7,174)	24,302	20,792	(627)	8,799	7,321	208,548	384,938	121,608	506,546

	Attributable to Equity Holders of the Company								Total RM'000	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			
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	-	(1,018)	-	-	-	-	-	-	(1,018)	-	(1,018)
Net profit for the period	-	-	-	-	-	-	-	22,405	22,405	-	22,405
Other comprehensive loss for the period	-	-	-	-	(947)	-	(5,695)	-	(6,642)	-	(6,642)
Total comprehensive income for the period	-	-	-	-	(947)	-	(5,695)	22,405	15,763	-	15,763
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(8,606)	(8,606)	-	(8,606)
At 31 March 2013	122,977	(2,481)	24,302	40,769	326	8,799	(3,284)	62,329	253,737	-	253,737

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Six Months Period Ended 31 March 2014

	Quarter ended 31-Mar-14 RM'000	Quarter ended 31-Mar-13 RM'000	Year to date 31-Mar-14 RM'000	Year to date 31-Mar-13 RM'000
Revenue	140,441	141,842	278,043	282,537
Other operating income	8,437	14,123	11,434	18,993
	148,878	155,965	289,477	301,530
Operating expenses	(129,029)	(135,015)	(255,651)	(266,212)
Profit from operations	19,849	20,950	33,826	35,318
Finance costs	(807)	(1,960)	(1,620)	(3,860)
Profit before tax	19,042	18,990	32,206	31,458
Income tax expense	(7,103)	(5,030)	(11,256)	(9,053)
Profit for the period	11,939	13,960	20,950	22,405
Attributable to :				
Equity holders of the Company	6,708	13,960	10,662	22,405
Non-controlling interest	5,231	-	10,288	-
Earnings per share attributable to equity holders of the Company :				
- Basic earnings per share (sen)	2.79	5.73	4.42	9.18
[Based on weighted average number of shares (net of treasury shares) of RM0.50 each]				

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Six Months Ended 31 March 2014

	Quarter ended 31-Mar-14 RM'000	Quarter ended 31-Mar-13 RM'000	Year to date 31-Mar-14 RM'000	Year to date 31-Mar-13 RM'000
Profit for the period	11,939	13,960	20,950	22,405
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	263	(908)	401	(947)
Fair value changes on available-for-sale ("AFS") financial assets	12,520	(4,583)	12,294	(6,566)
Deferred tax	(1,251)	751	(1,123)	871
Other comprehensive income/(loss) for the period, net of tax	11,532	(4,740)	11,572	(6,642)
Total comprehensive income for the period	23,471	9,220	32,522	15,763
Attributable to :				
Equity holders of the Company	18,603	9,220	20,582	15,763
Non-controlling interest	4,868	-	11,940	-

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Six Months Ended 31 March 2014

	31 March 2014 RM'000	31 March 2013 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	32,206	31,458
Adjustments for :		
Depreciation of property, plant and equipment	830	821
Loss on disposal of property, plant and equipment	58	38
Property, plant and equipment written off	15	4
Impairment loss of AFS financial assets	-	467
Gain on disposal of investments	(445)	(2,957)
Dividend income	(379)	(464)
Income from Sukuk	(4)	-
Interest income	(16,710)	(12,882)
Interest expense	1,446	3,736
Allowance for impairment of insurance receivables	781	528
Write back in allowance for impairment of trade receivables	(1,035)	(2)
Unrealised loss/(gain) on foreign exchange	652	(1,141)
Others	10	38
	<u>17,425</u>	<u>19,644</u>
Changes in working capital:		
Disposal of investments	1,145	12,227
Purchase of investments	-	(13)
Increase in deposits and placements with financial institutions	(25,156)	(13,042)
(Increase)/decrease in loans	(31,093)	19
Increase in reinsurance assets	(2,966)	(2,519)
Decrease in insurance receivables	7,844	1,475
Increase in trade and other receivables	(9,508)	(6,197)
Decrease in inventories - goods for resale	4	37
Increase in insurance contract liabilities	21,952	10,233
Increase in insurance payables	5,361	6,122
Decrease in payables	(577)	(688)
	<u>(15,569)</u>	<u>27,298</u>
Tax paid, net of tax refunded	(5,450)	(10,143)
Interest received	14,831	12,029
Dividends received	177	861
Interest paid	(1,381)	(3,414)
	<u>(7,392)</u>	<u>26,631</u>
Net cash (used in)/generated from operating activities	<u>(7,392)</u>	<u>26,631</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(786)	(232)
Purchase of intangible assets	(24)	(384)
Purchase of investments	(1,593)	(489)
Disposal of property, plant and equipment	90	92
	<u>(2,313)</u>	<u>(1,013)</u>
Net cash used in investing activities	<u>(2,313)</u>	<u>(1,013)</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Six Months Ended 31 March 2014 (Cont'd.)

	31 March 2014 RM'000	31 March 2013 RM'000
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(3,602)	(1,018)
Dividends paid to equity holders of the Company	(6,051)	(10,439)
Dividend paid to a non-controlling interest	(13,230)	-
Decrease in hire purchase creditors	(322)	(331)
	<u>(23,205)</u>	<u>(11,788)</u>
Net cash used in financing activities	(23,205)	(11,788)
Effects of exchange rate changes on cash and cash equivalents	(220)	124
Net (decrease)/increase in cash and cash equivalents	(33,130)	13,954
Cash and cash equivalents at beginning of year	89,371	15,883
Effect of exchange rate changes	(6)	32
	<u>56,235</u>	<u>29,869</u>
Cash and cash equivalents at end of period	56,235	29,869
Cash and cash equivalents comprise the following:		
Cash and bank balances*	56,235	# 30,819
Bank overdraft	-	(950)
	<u>56,235</u>	<u>29,869</u>
Cash and cash equivalents	56,235	29,869

* The cash and bank balances include deposits of RM608,000 (2013:RM590,000) 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 March 2014 was mainly due to placement of more funds in deposits with maturity periods of less than three months.