

**PACIFIC & ORIENT BERHAD**

(Company No: 308366-H)

**CONDENSED CONSOLIDATED FINANCIAL POSITION**

	<b>As At 31/12/2014 RM'000</b>	<b>As At 30/09/2014 RM'000</b>
<b>ASSETS</b>		
Property, plant and equipment	23,047	23,147
Investment properties	840	840
Prepaid land lease payments	309	310
Intangible assets	1,552	1,723
Deferred tax assets	513	514
Investments	56,111	54,109
Inventories - goods for resale	499	473
Loans	40,312	31,233
Reinsurance assets	198,056	215,849
Insurance receivables	15,966	24,246
Trade receivables	2,096	2,049
Other receivables	77,321	69,216
Deposits and placements with financial institutions	808,044	856,417
Cash and bank balances	96,791	74,647
Total assets	<u>1,321,457</u>	<u>1,354,773</u>
<b>LIABILITIES</b>		
Insurance contract liabilities	741,623	772,657
Insurance payables	13,691	11,488
Trade payables	830	900
Other payables	9,816	8,682
Hire purchase creditors	2,012	1,991
Deferred tax liabilities	63	884
Borrowings	33,886	33,871
Dividend payable	-	3,843
Tax payable	946	4,080
Total liabilities	<u>802,867</u>	<u>838,396</u>
<b>EQUITY</b>		
Share capital	122,977	122,977
Treasury shares	(7,464)	(7,214)
Share premium	24,302	24,302
Merger reserve	20,792	20,792
Translation reserve	(4,155)	(774)
Revaluation reserve	8,799	8,799
Available-for-sale reserve	2,632	8,800
Retained profits	218,460	212,025
Equity attributable to equity holders of the Company	<u>386,343</u>	<u>389,707</u>
Non-controlling interest	<u>132,247</u>	<u>126,670</u>
Total equity	<u>518,590</u>	<u>516,377</u>
Total liabilities and equity	<u>1,321,457</u>	<u>1,354,773</u>
<b>Net assets per share (Sen)</b>	<u>161</u>	<u>162</u>
Based on number of shares (net of treasury shares) of RM0.50 each ( '000 )	240,022	240,215

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For The Three Months Ended 31 December 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			
<b>At 1 October 2014</b>	122,977	(7,214)	24,302	20,792	(774)	8,799	8,800	212,025	389,707	126,670	516,377
Purchase of treasury shares	-	(250)	-	-	-	-	-	-	(250)	-	(250)
Net profit for the period	-	-	-	-	-	-	-	11,720	11,720	6,757	18,477
Other comprehensive loss for the period	-	-	-	-	(3,381)	-	(6,168)	-	(9,549)	(1,180)	(10,729)
Total comprehensive income for the period	-	-	-	-	(3,381)	-	(6,168)	11,720	2,171	5,577	7,748
Dividends to equity holders of the Company (Note B10)	-	-	-	-	-	-	-	(5,285)	(5,285)	-	(5,285)
<b>At 31 December 2014</b>	122,977	(7,464)	24,302	20,792	(4,155)	8,799	2,632	218,460	386,343	132,247	518,590

	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			
<b>At 1 October 2013</b>	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 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 to equity holders of the Company	-	-	-	-	-	-	-	(6,051)	(6,051)	-	(6,051)
<b>At 31 December 2013</b>	122,977	(5,189)	24,302	20,792	(890)	8,799	(2,107)	207,130	375,814	127,766	503,580

**PACIFIC & ORIENT BERHAD**

(Company No: 308366-H)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For The Three Months Ended 31 December 2014

	Quarter ended 31-Dec-14 RM'000	Quarter ended 31-Dec-13 RM'000	Year to date 31-Dec-14 RM'000	Year to date 31-Dec-13 RM'000
Revenue	125,496	137,602	125,496	137,602
Other operating income	8,652	2,997	8,652	2,997
	134,148	140,599	134,148	140,599
Operating expenses	(113,016)	(126,622)	(113,016)	(126,622)
Profit from operations	21,132	13,977	21,132	13,977
Finance costs	(819)	(813)	(819)	(813)
Profit before tax	20,313	13,164	20,313	13,164
Income tax expense	(1,836)	(4,153)	(1,836)	(4,153)
Profit for the period	18,477	9,011	18,477	9,011
Attributable to :				
Equity holders of the Company	11,720	3,954	11,720	3,954
Non-controlling interest	6,757	5,057	6,757	5,057
Earnings per share attributable to equity holders of the Company :				
- Basic earnings per share (sen)	4.88	1.63	4.88	1.63
[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 Three Months Ended 31 December 2014

	Quarter ended 31-Dec-14 RM'000	Quarter ended 31-Dec-13 RM'000	Year to date 31-Dec-14 RM'000	Year to date 31-Dec-13 RM'000
<b>Profit for the period</b>	18,477	9,011	18,477	9,011
<b>Other comprehensive (loss)/income:</b>				
<b>Items that may be reclassified to income statement in subsequent periods:</b>				
Currency translation differences in respect of foreign operations	(3,381)	138	(3,381)	138
Fair value changes on available-for-sale ("AFS") financial assets	(8,151)	(226)	(8,151)	(226)
Deferred tax	803	128	803	128
<b>Other comprehensive (loss)/income for the period, net of tax</b>	(10,729)	40	(10,729)	40
<b>Total comprehensive income for the period</b>	7,748	9,051	7,748	9,051
<b>Attributable to :</b>				
Equity holders of the Company	2,171	4,183	2,171	4,183
Non-controlling interest	5,577	4,868	5,577	4,868

**PACIFIC & ORIENT BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For The Three Months Ended 31 December 2014

	31 December 2014 RM'000	31 December 2013 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	20,313	13,164
Adjustments for :		
Depreciation of property, plant and equipment	434	412
Property, plant and equipment written off	8	4
Gain on disposal of investments	-	(445)
Dividend income	(450)	(263)
Interest income	(8,883)	(8,192)
Income from Islamic fixed deposits	(456)	-
Income from Sukuk	(3)	-
Interest expense	732	725
Allowance for impairment of insurance receivables	3	279
Write back in allowance for impairment of insurance receivables	(34)	-
Unrealised (gain)/loss on foreign exchange	(6,166)	104
Others	84	(217)
	<u>5,582</u>	<u>5,571</u>
Changes in working capital:		
Disposal of investments	-	1,145
Purchase of investments	(10,000)	-
Decrease/(increase) in deposits and placements with financial institutions	48,373	(24,546)
Increase in loans	(9,078)	(30,227)
Decrease in reinsurance assets	17,792	13,947
Decrease in insurance receivables	8,310	2,364
Increase in trade and other receivables	(10,663)	(10,326)
Increase in inventories - goods for resale	(26)	(46)
Decrease in insurance contract liabilities	(31,033)	(12,706)
Increase in insurance payables	2,203	5,302
Increase in payables	1,836	3,251
	<u>23,296</u>	<u>(46,271)</u>
Tax paid, net of tax refunded	(4,985)	(2,179)
Income received from Sukuk	6	-
Interest received	11,847	6,996
Dividends received	267	141
Interest paid	(1,394)	(1,362)
	<u>29,037</u>	<u>(42,675)</u>
Net cash generated from/(used in) operating activities	<u>29,037</u>	<u>(42,675)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For The Three Months Ended 31 December 2014 (Cont'd.)

	31 December 2014 RM'000	31 December 2013 RM'000
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(75)	(347)
Purchase of intangible assets	(11)	(2)
Purchase of investments	-	(237)
Proceeds from investments (SUKUK)	31	-
Disposal of property, plant and equipment	74	-
	<hr/>	<hr/>
Net cash generated from/(used in) investing activities	19	(586)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(250)	(1,501)
Dividends paid to equity holders of the Company	(9,128)	(3,634)
Decrease in hire purchase creditors	(246)	(167)
	<hr/>	<hr/>
Net cash used in financing activities	(9,624)	(5,302)
Effects of exchange rate changes on cash and cash equivalents	<hr/>	<hr/>
	2,822	37
Net increase/(decrease) in cash and cash equivalents	22,254	(48,526)
Cash and cash equivalents at beginning of year	74,647	89,371
Effect of exchange rate changes	(110)	21
	<hr/>	<hr/>
Cash and cash equivalents at end of period	96,791	40,866
 Cash and cash equivalents comprise the following:		
Cash and bank balances*	<hr/>	<hr/>
	96,791 #	40,866

\* The cash and cash equivalents include deposits of RM623,000 (2013:RM604,000) 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 2014 was mainly due to placement of more funds in deposits with maturity periods of less than three months.