

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 30/09/2015 RM'000	As At 30/09/2014 RM'000
ASSETS		
Property, plant and equipment	22,917	23,147
Investment properties	1,020	840
Prepaid land lease payments	306	310
Intangible assets	1,577	1,723
Investment in an associated company	9,665	-
Deferred tax assets	489	514
Investments	118,109	54,109
Inventories - goods for resale	562	473
Land held for development	37,386	-
Loans	287	31,233
Reinsurance assets	214,914	215,849
Insurance receivables	25,110	24,246
Trade receivables	969	2,049
Other receivables	85,722	69,216
Deposits and placements with financial institutions	700,826	856,417
Cash and bank balances	110,483	74,647
Total assets	<u>1,330,342</u>	<u>1,354,773</u>
LIABILITIES		
Insurance contract liabilities	771,398	772,657
Insurance payables	15,227	11,488
Trade payables	1,583	900
Other payables	9,500	8,682
Hire purchase creditors	2,190	1,991
Deferred tax liabilities	680	884
Borrowings	33,994	33,871
Dividend payable	-	3,843
Tax payable	125	4,080
Total liabilities	<u>834,697</u>	<u>838,396</u>
EQUITY		
Share capital	122,977	122,977
Treasury shares	(8,870)	(7,214)
Share premium	24,302	24,302
Merger reserve	20,792	20,792
Translation reserve	(17,484)	(774)
Revaluation reserve	8,858	8,799
Available-for-sale reserve	(56)	8,800
Retained profits	233,243	212,025
Equity attributable to equity holders of the Company	<u>383,762</u>	<u>389,707</u>
Non-controlling interest	<u>111,883</u>	<u>126,670</u>
Total equity	<u>495,645</u>	<u>516,377</u>
Total liabilities and equity	<u>1,330,342</u>	<u>1,354,773</u>
Net assets per share (Sen)	<u>161</u>	<u>162</u>
Based on number of shares (net of treasury shares) of RM0.50 each ('000)	239,005	240,215

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Year Ended 30 September 2015

	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 2014	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	-	(1,656)	-	-	-	-	-	-	(1,656)	-	(1,656)
Net profit for the period	-	-	-	-	-	-	-	42,570	42,570	10,643	53,213
Other comprehensive loss for the period	-	-	-	-	(16,710)	59	(8,856)	-	(25,507)	(1,469)	(26,976)
Total comprehensive income for the period	-	-	-	-	(16,710)	59	(8,856)	42,570	17,063	9,174	26,237
Dividends to equity holders of the Company (Note B10)	-	-	-	-	-	-	-	(21,352)	(21,352)	-	(21,352)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(23,961)	(23,961)
At 30 September 2015	122,977	(8,870)	24,302	20,792	(17,484)	8,858	(56)	233,243	383,762	111,883	495,645

	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	-	(3,401)	-	-	-	-	-	-	(3,401)	-	(3,401)
Net profit for the period	-	-	-	-	-	-	-	24,708	24,708	23,968	48,676
Other comprehensive income for the period	-	-	-	-	254	-	10,998	-	11,252	3,226	14,478
Total comprehensive income for the period	-	-	-	-	254	-	10,998	24,708	35,960	27,194	63,154
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(21,910)	(21,910)	-	(21,910)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(23,422)	(23,422)
At 30 September 2014	122,977	(7,214)	24,302	20,792	(774)	8,799	8,800	212,025	389,707	126,670	516,377

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED INCOME STATEMENT

For The Year Ended 30 September 2015

	Quarter ended 30-Sep-15 RM'000	Quarter ended 30-Sep-14 RM'000	Year to date 30-Sep-15 RM'000	Year to date 30-Sep-14 RM'000
Revenue	104,136	129,354	464,844	541,129
Other operating income	35,615	11,861	64,307	26,482
	139,751	141,215	529,151	567,611
Operating expenses	(93,728)	(116,593)	(463,166)	(495,060)
Profit from operations	46,023	24,622	65,985	72,551
Finance costs	(832)	(806)	(3,280)	(3,246)
	45,191	23,816	62,705	69,305
Share of losses of an associated company	(56)	-	(433)	-
Profit before tax	45,135	23,816	62,272	69,305
Income tax expense	(6,764)	(6,557)	(9,059)	(20,629)
Profit for the year	38,371	17,259	53,213	48,676
Attributable to :				
Equity holders of the Company	28,959	9,341	42,570	24,708
Non-controlling interest	9,412	7,918	10,643	23,968
Earnings per share attributable to equity holders of the Company :				
- Basic earnings per share (sen)	12.10	3.89	17.75	10.26
[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 Year Ended 30 September 2015

	Quarter ended 30-Sep-15 RM'000	Quarter ended 30-Sep-14 RM'000	Year to date 30-Sep-15 RM'000	Year to date 30-Sep-14 RM'000
Profit for the period	38,371	17,259	53,213	48,676
Other comprehensive (loss)/income:				
Items that may not be reclassified to income statement in subsequent periods:				
Deferred tax in respect of revaluation reserve	115	-	115	-
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	(9,324)	(735)	(16,710)	254
Fair value changes on available-for-sale ("AFS") financial assets	(1,121)	3,015	(11,456)	16,419
- Deferred tax	5	(794)	1,075	(2,195)
Other comprehensive (loss)/income for the period, net of tax	(10,325)	1,486	(26,976)	14,478
Total comprehensive income/(loss) for the period	28,046	18,745	26,237	63,154
Attributable to :				
Equity holders of the Company	18,531	5,718	17,063	35,960
Non-controlling interest	9,515	13,027	9,174	27,194

PACIFIC & ORIENT BERHAD

(Company No: 308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 September 2015

	30 September 2015 RM'000	30 September 2014 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	62,272	69,305
Adjustments for :		
Depreciation of property, plant and equipment	1,797	1,677
Amortisation of:		
- premiums, net of accretion of discounts	-	43
- prepaid land lease payments	4	4
- intangible assets	628	624
Loss on disposal of property, plant and equipment	152	145
Property, plant and equipment written off	53	150
Intangible assets written off	1	-
Gain on fair value of investment properties	(180)	(145)
Gain on disposal of investments	(716)	(446)
Inventories of goods for resale written off	4	-
Allowance for inventories obsolescence	11	6
Impairment of AFS financial assets	2,125	1,855
Dividend income	(1,874)	(973)
Interest income	(34,055)	(34,209)
Income from Sukuk	(12)	(10)
Income from Islamic fixed deposits	(1,132)	-
Interest expense	2,933	2,898
Allowance for impairment:		
- property, plant and equipment	567	395
- intangible assets	1	-
- insurance receivables	752	867
- trade receivables	855	-
- other receivables	991	-
- reinsurance assets	1,839	-
Write back in allowance for impairment:		
- intangible assets	-	(6)
- insurance receivables	(990)	(139)
- trade receivables	(4)	(1,029)
Interest income from judgment debtor	-	(1,267)
Bad debts written off of trade receivables	2	34
Share of losses of an associated company	433	-
Short term accumulating compensated absences	289	(47)
Pension cost – defined benefit plan	55	148
Unrealised (gain)/loss on foreign exchange	(38,161)	448
Transfer to property, plant and equipment and intangible assets from inventories	(25)	(47)
Operating (loss)/profit before working capital changes	(1,385)	40,281
Changes in working capital:		
Disposal of investments	1,016	6,145
Purchase of investments	(75,000)	-
Capital repayment in respect of AFS financial assets	-	36
Decrease in deposits and placements with financial institutions	155,590	11,612
Decrease/(increase) in loans	30,947	(31,116)
(Increase)/decrease in reinsurance assets	(904)	13,634
Increase in insurance receivables	(626)	(1,295)
Increase in trade and other receivables	(15,393)	(10,174)
Increase in inventories - goods for resale	(103)	(51)
Purchase of land held for development	(37,386)	-
Decrease in insurance contract liabilities	(1,258)	(13,880)
Increase in insurance payables	3,740	2,744
Increase in payables	1,263	126
Cash generated from operations	60,501	18,062

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 September 2015 (Cont'd.)

	30 September 2015 RM'000	30 September 2014 RM'000
CASH FLOW FROM OPERATING ACTIVITIES (Cont'd)		
Tax paid, net of tax refunded	(12,750)	(14,885)
Dividends received	1,216	530
Interest received	32,952	32,309
Income received from Sukuk	12	6
Income received from Islamic fixed deposits	1,132	-
Income received from judgment debtor	-	1,267
Interest paid	(2,948)	(2,793)
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Net cash generated from operating activities	80,115	34,496
CASH FLOW FROM OPERATING ACTIVITIES		
Acquisition of an associated company	(8,229)	-
Purchase of property, plant and equipment	(1,449)	(1,362)
Purchase of intangible assets	(454)	(556)
Purchase of investments	(1,854)	(1,594)
Maturities of Sukuk	47	-
Disposal of property, plant and equipment	396	288
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Net cash used in investing activities	(11,543)	(3,224)
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(1,656)	(3,642)
Dividends paid to equity holders of the Company	(25,195)	(18,067)
Dividends paid to a non-controlling interest	(23,961)	(23,422)
Decrease in hire purchase creditors	(792)	(689)
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Net cash used in financing activities	(51,604)	(45,820)
Effects of exchange rate changes on cash and cash equivalents	3,848	(175)
Net increase/(decrease) in cash and cash equivalents	20,816	(14,723)
Cash and cash equivalents at beginning of year	89,667	89,370
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Cash and cash equivalents at end of period	110,483	74,647
Cash and cash equivalents comprise the following:		
Cash and bank balances*	110,483 #	74,647
Effect of exchange rate changes	-	15,020
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Cash and cash equivalents *	110,483	89,667

* The cash and cash equivalents include deposits of RM638,000 (2014:RM608,000) 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 30 September 2015 was mainly due to placement of more funds in deposits with maturity periods of less than three months.