

**P.I.E. INDUSTRIAL BERHAD ( COMPANY NO. : 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2015**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.09.2014 RM'000	CURRENT YEAR TO DATE 30.09.2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.09.2014 RM'000
Revenue	10	152,538	131,428	399,960	404,022
Cost of sales		(124,676)	(118,233)	(340,354)	(365,153)
Gross profit		27,862	13,195	59,606	38,869
Administrative and distribution expenses		(6,667)	(6,253)	(20,283)	(17,078)
Other operating (expenses)/income		(3,817)	2,973	2,670	8,812
Income from other investments		726	711	2,757	2,074
Finance costs		(95)	(93)	(333)	(238)
Share of results in associated company		0	(1)	(1)	(4)
Profit before tax	10	18,009	10,532	44,416	32,435
Income tax expense	20	(4,042)	(2,246)	(10,652)	(7,129)
Profit for the period	19	13,967	8,286	33,764	25,306
<u>Other comprehensive income</u>					
Items that may be subsequently reclassified to profit or loss:					
Currency translation differences in respect of foreign operations		4,731	1,124	7,680	669
Other comprehensive income, net of tax		4,731	1,124	7,680	669
Total comprehensive income for the period		18,698	9,410	41,444	25,975
Total comprehensive income attributable to: - Owners of the Company		18,698	9,410	41,444	25,975
Basic earnings per ordinary share (sen)	25	18.18	10.79	43.96	32.97
Diluted earnings per ordinary share (sen)	25	N/A	N/A	N/A	N/A

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( COMPANY NO. : 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2015**

	Note	UNAUDITED AS AT 30.09.2015 RM'000	AUDITED AS AT 31.12.2014 RM'000
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<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	87,155	68,182
Investment properties		21,689	19,977
Prepaid lease payments		14,623	7,435
Goodwill on consolidation		1,722	1,722
Investment in associated company		2	3
Deferred tax assets		1,373	1,368
<b>Total non-current assets</b>		<u>126,564</u>	<u>98,687</u>
<b>Current assets</b>			
Inventories		139,403	76,788
Trade and other receivables		174,588	165,530
Other financial assets		3,130	559
Other investments		28,008	34,334
Current tax assets		477	1,162
Restricted cash		93	38
Short-term deposits with licensed banks		27,610	156,978
Cash and bank balances		47,629	18,588
<b>Total current assets</b>		<u>420,938</u>	<u>453,977</u>
<b>TOTAL ASSETS</b>		<u>547,502</u>	<u>552,664</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		76,808	76,808
Reserves		17,944	10,264
Retained earnings		245,152	230,590
<b>Total equity</b>		<u>339,904</u>	<u>317,662</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		2,788	2,859
<b>Current liabilities</b>			
Short-term borrowings		34,326	95,231
Trade and other payables		166,978	132,863
Current tax liabilities		3,506	4,049
<b>Total current liabilities</b>		<u>204,810</u>	<u>232,143</u>
<b>Total liabilities</b>		<u>207,598</u>	<u>235,002</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>547,502</u>	<u>552,664</u>
<b>NET ASSETS</b>		339,904	317,662
Net Assets Per Share Attributable to Ordinary Equity Holders of the Parent (RM)		4.43	4.14

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2015**

	<u>Share Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Non- distributable</u> RM'000	<u>Distributable Retained profits</u> RM'000	<u>Total</u> RM'000
<b>Period ended 30 September 2014</b>					
Balance as of 1 January 2014	64,007	(317)	19,363	204,881	287,934
Net profit for the period	0	0	0	25,306	25,306
Other comprehensive income for the period	0	0	669	0	669
Total comprehensive income for the period	0	0	669	25,306	25,975
Sale of treasury shares	0	317	265	0	582
Bonus issued	12,801	0	(12,801)	0	0
Payment of dividends	0	0	0	(12,801)	(12,801)
Balance as of 30 September 2014	<u>76,808</u>	<u>0</u>	<u>7,496</u>	<u>217,386</u>	<u>301,690</u>
<b>Period ended 30 September 2015</b>					
Balance as of 1 January 2015	76,808	0	10,264	230,590	317,662
Net profit for the period	0	0	0	33,764	33,764
Other comprehensive income for the period	0	0	7,680	0	7,680
Total comprehensive income for the period	0	0	7,680	33,764	41,444
Payment of dividends	0	0	0	(19,202)	(19,202)
Balance as of 30 September 2015	<u>76,808</u>	<u>0</u>	<u>17,944</u>	<u>245,152</u>	<u>339,904</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.

**P.I.E. INDUSTRIAL BERHAD ( 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2015**

	9 months ended	
	30.09.2015	30.09.2014
	RM'000	RM'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	33,764	25,306
Adjustments for:		
Income tax expense	10,652	7,129
Non-cash items	14,755	12,189
Non-operating items	(103)	(3,643)
Operating profit before working capital changes	59,068	40,981
Changes in working capital:		
Net change in current assets	(69,196)	50,002
Net change in current liabilities	23,718	(20,470)
Cash generated from operations	13,590	70,513
Tax refunded	1,165	0
Income tax paid	(11,686)	(8,286)
Interest received	1,865	1,323
Net cash generated from operating activities	4,934	63,550
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for other investments	0	(6,165)
Proceeds from disposal of other investments	6,326	0
Proceeds from disposal of property, plant and equipment	48	220
Payment for property, plant and equipment	(27,397)	(6,467)
Payment for investment property	(1,461)	0
Payment for prepaid lease payment on leasehold land	(7,342)	0
Purchase of investment in income funds	(2,536)	0
Net cash used in investing activities	(32,362)	(12,412)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(19,202)	(12,801)
Proceed from re-sale of treasury shares	0	582
Net proceeds from bank borrowings	0	1,306
Net repayment of bank borrowings	(60,905)	0
Interest paid	(333)	(238)
Bank balances held as security	(55)	0
Net cash used in financing activities	(80,495)	(11,151)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(107,923)	39,987
Effect of foreign exchange rate differences	7,596	1,806
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	175,566	72,351
CASH AND CASH EQUIVALENTS AT END OF PERIOD	75,239	114,144

**P.I.E. INDUSTRIAL BERHAD ( 424086-X )**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2015**

	9 months ended	
	30.09.2015 RM'000	30.09.2014 RM'000 (Restated)
REPRESENTED BY:-		
Short-term deposits with licensed banks	27,610	77,116
Cash and bank balances	47,629	37,028
	75,239	114,144

The Group had changed its accounting policy with respect to classification of cash and cash equivalents and classified short-term deposits with maturity period of more than 3 months as investments compared to prior where all short-term deposits are classified as cash and cash equivalents.

The following table summarises the restatement made:

	30.09.2014 RM'000	31.12.2013 RM'000
<b>CASH AND CASH EQUIVALENTS</b>		
- As previously stated	146,593	98,635
- As restated	114,144	72,351

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial report.

*P.I.E. INDUSTRIAL BERHAD (COMPANY NO.: 424086-X)*  
*NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT*  
*FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2015*

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134, INTERIM FINANCIAL REPORTING**

**1 Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in compliance with Malaysian Financial Reporting Standards (“MFRSs”) 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB), and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2014, which have been prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The explanatory notes attached to these interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2014.

**2 Significant Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation adopted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2014 except for the adoption of the following MFRSs, IC Interpretations (“IC Int.”) and amendments to MFRSs for the financial period beginning on 1 January 2015:-

- Amendments to MFRS 119, Employee Benefits – Defined Benefit Plans : Employee Contribution
- Annual Improvements to MFRSs 2010-2012 Cycle
- Annual Improvements to MFRSs 2011-2013 Cycle

The initial adoption of the above standards and interpretations are not expected to have any material financial impact to the Group's results.

The Group has not adopted the following MFRSs and Amendments to MFRSs, which were issued by the MASB but not yet effective:-

- Amendments to MFRS 10, MFRS 12 and MFRS 128, Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 10 and MFRS 128, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 11, Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosure Initiative
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation

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- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture – Agriculture: Bearer Plants
- Amendments to MFRS 127, Separate Financial Statements – Equity Method in Separate Financial Statements
- Annual Improvements to MFRSs 2012-2014 Cycle
- MFRS 9, Financial Instruments (IFRS 9 as issued by IASB in July 2014)
- MFRS 14, Regulatory Deferral Accounts
- MFRS 15, Revenue from Contracts with Customers

### **3 Seasonal or Cyclical Factors**

The cyclical nature of the manufacturing sector is generally correlated to the global economy and is normally seasonal with demand peaking at the year-end festive seasons.

### **4 Unusual Items Due To Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period-to-date because of their nature, size or incidence.

### **5 Changes in Estimates**

There were no material changes in estimates of amount reported in either the prior interim period of the current financial period or prior financial years that have a material effect on the results during the current quarter and financial period-to-date.

### **6 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 30 September 2015.

As of 30 September 2015, total issued and fully paid-up share capital are 76,808,397 ordinary shares of RM1 each.

### **7 Dividends Paid**

	9 months ended	
	<u>30.09.2015</u>	<u>30.09.2014</u>
	RM'000	RM'000
Dividends declared and paid:		
a) Special dividend:		
- 13 sen per ordinary share of RM1.00 each, single tier, for 2014	9,985	-
- 8 sen per ordinary share of RM1.00 each, single tier, for 2013	-	5,120
b) First and final dividend:		
- 12 sen per ordinary share of RM1.00 each, single tier, for 2014	9,217	-
- 12 sen per ordinary share of RM1.00 each, single tier, for 2013	-	7,681
	<u>19,202</u>	<u>12,801</u>

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**8 Revaluation of Property, Plant and Equipment**

The valuation of property, plant and equipment have been brought forward without amendment from the previous annual audited financial statements for the year ended 31 December 2014.

**9 Material Post Balance Sheet Events**

There are no material events subsequent to the end of the current quarter that requires adjustment to, or disclosure in the unaudited interim financial report for the financial period ended 30 September 2015.

**10 Operating Segment**

Segment information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:

- a) Manufacturing            Manufacturing of industrial products
- b) Trading                    Trading of electrical products
- c) Others                     Investment holdings

<b>Segments</b>	<b>Manufacturing</b> RM'000	<b>Trading</b> RM'000	<b>Others</b> RM'000	<b>Elimination</b> RM'000	<b>Total</b> RM'000
<b><u>Period ended 30 September 2015</u></b>					
Revenue	394,607	5,353	-	-	399,960
Inter-segment revenue	401	942	29,129	(30,472)	-
	<u>395,008</u>	<u>6,295</u>	<u>29,129</u>	<u>(30,472)</u>	<u>399,960</u>
Segment results	37,333	1,272	25,478	(24,360)	39,723
Investment revenue					2,757
Other gains and losses					2,270
Finance costs					(333)
Share of results in associated company					(1)
Profit before tax					<u>44,416</u>



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<b>Segments</b>	<b>Manufacturing</b> RM'000	<b>Trading</b> RM'000	<b>Others</b> RM'000	<b>Elimination</b> RM'000	<b>Total</b> RM'000
<b><u>Period ended 30 September 2014</u></b>					
Revenue	403,324	698	-	-	404,022
Inter-segment revenue	557	1,232	11,601	(13,390)	-
	<u>403,881</u>	<u>1,930</u>	<u>11,601</u>	<u>(13,390)</u>	<u>404,022</u>
Segment results	24,871	(59)	9,198	(7,339)	26,671
Investment revenue					2,074
Other gains and losses					3,932
Finance costs					(238)
Share of results in associated company					(4)
Profit before tax					<u>32,435</u>

#### **11 Changes in the Composition of the Group**

There was no change in the composition of the Group for the current quarter and financial period-to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

#### **12 Capital Commitment**

There was no capital expenditure contracted but not provided for in the unaudited interim financial report of the Group during the current financial year under review.

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**13 Fair Value of Instruments**

**(a) Determination of fair value**

Set out below is a comparison of the carrying amounts and fair values of the Group's financial instruments, by class, which are not carried at fair value in the financial statements.

	30.09.2015		30.09.2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	RM'000	RM'000	RM'000 (Restated)	RM'000 (Restated)
<b>Financial assets :</b>				
Trade and other receivables	174,588	174,588	140,364	140,364
Other investments	28,008	28,008	32,449	32,449
Cash and cash equivalents	75,239	75,239	114,144	114,144
	<u>277,835</u>	<u>277,835</u>	<u>286,957</u>	<u>286,957</u>
<b>Financial liabilities :</b>				
Trade and other payables	170,484	170,484	107,753	107,753
Short term borrowings	34,326	34,326	46,220	46,220
	<u>204,810</u>	<u>204,810</u>	<u>153,973</u>	<u>153,973</u>

**(b) Fair value hierarchy**

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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As at the reporting date, the Group held the following financial assets and liabilities that were measured at fair value by level of fair value hierarchy :

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>30 September 2015</b>				
<b>Financial assets</b>				
Investment in income fund	3,130	-	-	3,130
	<u>3,130</u>	<u>-</u>	<u>-</u>	<u>3,130</u>
<b>30 September 2014</b>				
<b>Financial assets</b>				
Investment in income fund	554	-	-	554
	<u>554</u>	<u>-</u>	<u>-</u>	<u>554</u>

There have been no transfers between any levels during the current quarter under review and the comparative period.

#### 14 Contingent Liabilities

Save as disclosed below, there were no obligations and contingent liabilities for the Group as of 30 September 2015.

	RM '000
a) Letter of guarantee by a bank for a foreign subsidiary's import duties	264
b) Corporate guarantees given by the Company to banks for credit facilities granted to certain subsidiary companies	197,439
c) Payment of withholding tax to foreign tax authority if received dividend from foreign subsidiary company out of its non-tax exempted retained earnings	4,388
	<u>202,091</u>
d) Pan-International Electronics (Malaysia) Sdn Bhd (PIESB), a wholly owned subsidiary company of P.I.E. Industrial Berhad, had received demand letters dated 2 February 2015, 19 March 2015, 22 June 2015 and 21 July 2015 from Royal Malaysian Customs (RMC) regarding short collection of import duty and sales tax from PIESB amounted to RM8,432,282.51 and RM841,342.00 respectively.	

PIESB had on 26 February 2015 appointed a consultant to review the said case and subsequently several appeal letters under the advice of consultant had submitted to RMC. The consultant, after several discussions with the management and review on the facts, opined that PIESB has a strong base to defend the case and therefore, the management decided that no provision is made for the said case.

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**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15 Review of Performance**

*(a) Comparison with Previous Year Corresponding Quarter's Results*

The Group's revenue for the current quarter under review was RM152.538 million and profit before tax was RM18.009 million.

The revenue was increased by RM21.110 million or 16% if compared to preceding year corresponding quarter. The increase was mainly attributable to higher demand on electronic manufacturing products from new and existing customers but partly offset with lower demand on wire harness products.

Compared with the preceding year corresponding quarter, the profit before tax was soared by RM7.477 million or 71%, which was mainly due to the higher revenue achieved, higher margin of products mix, higher reversal of doubtful debts provision and higher miscellaneous income. However, the increase in profit was partly offset by higher losses from foreign currency exchange transactions, higher provision of slow moving inventories and lower proceed from scrap sales.

*(b) Comparison with Previous Year Corresponding Period's Results*

The Group recorded a revenue of RM399.960 million and a profit before tax of RM44.416 million in the period ended 30 September 2015.

As compared to revenue of RM404.022 million and a profit before tax of RM32.435 million in the period ended 30 September 2014, the revenue slightly decreased by RM4.062 million or 1%.

The decrease of revenue was mainly due to less order from new and existing customers, especially on electronic manufacturing products and raw wire and cable products.

The profit before tax was increased by RM11.981 million or 37% if compared with preceding year corresponding period. The increase in profit was mainly due to higher margin of products mix, higher of investment income and higher miscellaneous income. However, the increase in profit was partially limited by lower gain from foreign currency exchange transactions, higher operating expenses, lower proceed from scrap sales and higher provision of doubtful debts.

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**16 Comparison with Immediate Preceding Quarter's Results**

	<u>Individual Quarter Ended</u>		Variance RM '000	Variance %
	30.09.2015 RM '000	30.06.2015 RM '000		
Revenue	152,538	136,355	16,183	12%
Profit before tax	18,009	13,995	4,014	29%

The Group's revenue for the quarter under review has increased by 12% as compared with the preceding quarter. The increase was mainly due to higher demand for electronics manufacturing products but partly offset by lower demand on raw wire and cable and wire harness products.

The Group profit before tax for the current quarter has increased by 29% as compared to preceding quarter. The increase was mainly due to higher revenue achieved, higher margin of products mix, higher miscellaneous income and higher reversal of doubtful debt provision. However, the increase in profit was partly offset by higher losses from foreign currency exchange transactions, higher provision of slow moving inventories and lower proceed from scrap sales.

**17 Current Year Prospect**

The Group is confident to obtain more orders from existing and potential customers by outsource their current products to the Group in the coming years after the Group had emphasised on continuous integration of automatic manufacturing capability in the past few years. Barring any unforeseen circumstances, the Group expects better performance from 2015 onwards.

**18 Variance of Actual Profit from Forecast Profit**

Not applicable as no profit forecast was announced and published.

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**19 Profit for the Period**

	Quarter Ended		Period Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting/(charging) :				
Interest income	390	452	1,824	1,332
Investment income	336	259	933	742
Interest expenses	(95)	(94)	(333)	(238)
Depreciation and amortisation	(3,366)	(2,692)	(9,391)	(7,967)
Net reversal/(allowance) of impairment losses				
- trade receivables	768	249	(1,069)	(235)
Net write down of inventories	(3,359)	(1,565)	(4,294)	(3,981)
Net gain on disposal of :				
- property, plant and equipment	48	188	48	220
Property, plant and equipment written off	-	-	-	(1)
Net foreign exchange (loss)/gain	(2,524)	2,472	3,285	7,930
Gain from fair value adjustment of financial assets through profit and loss	6	-	6	-

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Bursa Securities Main Market Listing Requirements are not applicable.

**20 Income Tax Expense**

	Quarter Ended		Period Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Income tax in respect of				
Current period	4,066	2,269	10,673	7,199
Underprovision in prior year	-	-	49	-
Deferred tax income	(24)	(23)	(70)	(70)
	<u>4,042</u>	<u>2,246</u>	<u>10,652</u>	<u>7,129</u>

The Group's taxation for the current quarter and financial period-to-date reflects an effective tax rate which is higher than the statutory income tax rate mainly due to payment of withholding tax on dividend received from foreign subsidiary.

**21 Status of Corporate Proposals Announced**

There were no corporate proposals announced but pending completion as at the date of this unaudited interim financial report.

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**22 Group Borrowings and Debt Securities**

The details of the Group's borrowings as at end of current quarter are as follows:

		<u>Foreign Currency</u> '000	<u>Equivalent in RM</u> RM'000
<i>Unsecured Borrowings</i>			
Short-term loan	USD	7,927	34,326
Total			<u>34,326</u>

**23 Changes in Material Litigation**

The Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant, and the Directors do not have any knowledge of any proceedings, pending or threatened, against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group.

**24 Dividends**

The following Dividends for the year ended 31 December 2014, has been approved by the Company's shareholders at the Eighteenth Annual General Meeting on 25 May 2015 and has been paid on 16 June 2015 to depositors registered in the Record of Depositors on 29 May 2015:

- (a) A Special Single Tier Dividend of 13 sen per share; and
- (b) A First and Final Single Tier Dividend of 12 sen per share.

**25 Earnings Per Ordinary Share**

*(a) Basic earnings per ordinary share*

Basic earnings per ordinary share amounts are calculated by dividing profit attributable to the ordinary equity shareholders by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	<u>Quarter Ended</u>		<u>Period Ended</u>	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit attributable to ordinary equity shareholders (RM'000)	13,967	8,286	33,764	25,306
Weighted average number of ordinary share in issue (units'000)	76,808	76,808	76,808	76,763
Basic earnings per ordinary share (sen)	<u>18.18</u>	<u>10.79</u>	<u>43.96</u>	<u>32.97</u>

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The weighted average number of ordinary shares in issue for the current quarter and financial period-to-date are calculated as follows:

	Quarter Ended		Period Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	'000	'000	'000	'000
Issued ordinary shares at beginning of the period	76,808	63,933	76,808	63,933
Effect of re-sale of treasury shares	-	74	-	36
Effect of bonus issue	-	12,801	-	12,794
Weighted average number of ordinary shares	<u>76,808</u>	<u>76,808</u>	<u>76,808</u>	<u>76,763</u>

**(b) Diluted earnings per ordinary share**

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial period-to-date.

**26 Derivative Financial Instruments**

There were no material outstanding derivatives entered into by the Group as at the end of the quarter under review.

**27 Gains/Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gains/losses arising from fair value changes of financial liabilities.

**28 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the Group's most recent annual audited financial statements did not contain any qualification.



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**29 Disclosure of Realised and Unrealised Profits**

The breakdown of the retained profits of the Group as at 30 September 2015, into realised and unrealised profits, pursuant to directives by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

	<u>As at</u> <u>30.09.2015</u>	<u>As at</u> <u>30.06.2015</u>
	RM'000	RM'000
Total retained profits of P.I.E. Industrial Berhad and it's subsidiaries		
- Realised	273,508	259,277
- Unrealised	17,104	14,577
	<u>290,612</u>	<u>273,854</u>
Total share of retained loss from associate company		
- Realised	(23)	(23)
	<u>290,589</u>	<u>273,831</u>
Add : Consolidation adjustments	(45,437)	(42,645)
Total Group retained profits as per consolidated accounts	<u><u>245,152</u></u>	<u><u>231,186</u></u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purpose of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.