



**ASIA FILE CORPORATION BHD. (313192-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2013**

	<b>As at end of Current Quarter 30/09/2013 (unaudited) RM'000</b>	<b>As at Preceding Financial Year End 31/03/2013  RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	105,362	101,985
Prepaid lease payments	1,620	1,639
Investment properties	1,833	1,859
Investment in associate	121,971	117,982
Goodwill on consolidation	30,234	30,235
	<u>261,020</u>	<u>253,700</u>
<b>Current Assets</b>		
Trade and other receivables	64,884	61,503
Inventories	104,691	101,154
Current tax assets	5	10
Cash and cash equivalents	61,272	42,348
	<u>230,852</u>	<u>205,015</u>
<b>TOTAL ASSETS</b>	<u>491,872</u>	<u>458,715</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	116,272	116,247
Treasury shares	(1,844)	(1,844)
Reserves	296,301	270,645
	<u>410,729</u>	<u>385,048</u>
Non-controlling interests	59	90
<b>Total Equity</b>	<u>410,788</u>	<u>385,138</u>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	8,933	7,383
	<u>8,933</u>	<u>7,383</u>
<b>Current Liabilities</b>		
Trade and other payables	37,630	34,637
Derivative financial liabilities	7	-
Bank borrowings	15,184	18,067
Current tax liabilities	4,846	4,222
Dividend payable	14,484	9,268
	<u>72,151</u>	<u>66,194</u>
<b>Total Liabilities</b>	<u>81,084</u>	<u>73,577</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>491,872</u>	<u>458,715</u>
Net Assets Per Share ( sen )	354.52	332.45

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2013.



**ASIA FILE CORPORATION BHD. ( 313192-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30/09/2013 RM'000	Preceding year Corresponding Quarter 30/09/2012 RM'000	Current Year to Date 30/09/2013 RM'000	Preceding year Corresponding Period 30/09/2012 RM'000
Revenue	83,192	76,653	166,324	162,857
Operating Expenses	(67,272)	(65,454)	(133,961)	(133,658)
Other Operating Income	76	132	172	277
Profit from Operations	15,996	11,331	32,535	29,476
Finance cost	(46)	(100)	(108)	(208)
Investing Results	195	108	262	218
Shares of profit of associate	1,786	630	5,787	1,895
Profit before tax	17,931	11,969	38,476	31,381
Taxation	(3,985)	(2,266)	(7,816)	(6,864)
Profit for the period	13,946	9,703	30,660	24,517
<b>Other comprehensive income/(loss), net of tax Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	5,947	(131)	9,234	(1,194)
Share of other comprehensive income of associates	553	(101)	498	139
<b>Other Comprehensive income/(loss) for the period net of tax</b>	6,500	(232)	9,732	(1,055)
<b>Total comprehensive income/(loss) for the period</b>	20,446	9,471	40,392	23,462

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2013.



**ASIA FILE CORPORATION BHD. (313192-P)**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)**  
**FOR SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30/09/2013 RM'000	Preceding year Corresponding Quarter 30/09/2012 RM'000	Current Year to Date 30/09/2013 RM'000	Preceding year Corresponding Period 30/09/2012 RM'000
<b>Profit attributable to:</b>				
Equity holders of the Company	14,073	9,703	30,663	24,517
Non-controlling interests	(127)	-	(3)	-
<b>Profit for the period</b>	<u>13,946</u>	<u>9,703</u>	<u>30,660</u>	<u>24,517</u>
<b>Total comprehensive income / (loss) attributable to:</b>				
Equity holders of the Company	20,591	9,471	40,423	23,462
Non-controlling interests	(145)	-	(31)	-
<b>Total comprehensive income / (loss) for the period</b>	<u>20,446</u>	<u>9,471</u>	<u>40,392</u>	<u>23,462</u>
<b>Earnings per share attributable to equity holders of the Company:</b>				
i) Basic earnings per ordinary share (sen) Note B13	12.15	8.39	26.47	21.19
ii) Fully diluted earnings per ordinary share (sen) Note B13	12.09	8.34	26.36	21.06

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2013.



**ASIA FILE CORPORATION BHD. ( 313192-P)**  
( Incorporated in Malaysia )  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	← Attributable to owners of the Company →					Distributable Retained Profits RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Non-distributable		Share Option Reserve RM'000				
			Share Premium RM'000	Translation Reserve RM'000					
<b>Quarter ended 30 September 2013</b>									
At 1 April 2013,	116,247	(1,843)	18,332	(4,657)	2,843	254,126	385,048	90	385,138
Profit for the period	-	-	-	-	-	30,663	30,663	(3)	30,660
Other comprehensive income/(loss) for the period	-	-	-	9,653	-	107	9,760	(28)	9,732
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	9,653	-	30,770	40,423	(31)	40,392
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	15	-	(15)	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	-	-	(71)	71	-	-	-
Share-based payments under ESOS	-	-	-	-	251	-	251	-	251
Issue of shares pursuant to ESOS	25	-	55	-	-	-	80	-	80
Post-acquisition reserve - associate	-	-	36	-	(32)	-	4	-	4
Effect arising from changes in composition via the associate	-	-	-	-	-	(592)	(592)	-	(592)
Dividends	-	-	-	-	-	(14,484)	(14,484)	-	(14,484)
<b>At 30 September 2013</b>	<b>116,272</b>	<b>(1,844)</b>	<b>18,438</b>	<b>4,996</b>	<b>2,976</b>	<b>269,891</b>	<b>410,729</b>	<b>59</b>	<b>410,788</b>
<b>Quarter ended 30 September 2012</b>									
At 1 April 2012,	116,026	(1,843)	17,678	(2,371)	2,321	237,147	368,958	-	368,958
Profit for the period	-	-	-	-	-	24,517	24,517	-	24,517
Other comprehensive income/(loss) for the period	-	-	-	(1,055)	-	-	(1,055)	-	(1,055)
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	(1,055)	-	24,517	23,462	-	23,462
Treasury shares acquired	-	-	-	-	-	-	-	-	-
Transfer to share premium for share options exercised	-	-	45	-	(45)	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	-	-	(40)	40	-	-	-
Share-based payments under ESOS	-	-	-	-	363	-	363	-	363
Issue of shares pursuant to ESOS	93	-	198	-	-	-	291	-	291
Post-acquisition reserve - associate	-	-	57	-	(48)	-	9	-	9
Dividends	-	-	-	-	-	(15,623)	(15,623)	-	(15,623)
<b>At 30 September 2012</b>	<b>116,119</b>	<b>(1,843)</b>	<b>17,978</b>	<b>(3,426)</b>	<b>2,551</b>	<b>246,081</b>	<b>377,460</b>	<b>-</b>	<b>377,460</b>

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2013.



**ASIA FILE CORPORATION BHD. (313192-P)**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2013**

	<b>30-Sep-13</b>	<b>30-Sep-12</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before tax	38,476	31,381
Adjustment for:		
Non-cash items	(293)	3,688
Non-operating items	(163)	(62)
Operating profit before changes in working capital	38,020	35,007
Changes in working capital		
Net Change in current assets	3,853	(1,395)
Net Change in current liabilities	(10,428)	(14,305)
Net cash flows from operating activities	31,445	19,307
Investing activities		
Equity investments	1,710	1,277
Other investments	(3,991)	(13,104)
	(2,281)	(11,827)
Financing activities		
Dividend paid	(9,268)	(9,250)
Purchase of own shares	(1)	-
Proceed from issue of shares	80	291
Bank borrowings, net	(2,862)	(2,167)
Interest paid	(81)	(180)
	(12,132)	(11,306)
Net Change in Cash & Cash Equivalents	17,032	(3,826)
Cash & Cash Equivalents at beginning of financial period	42,249	57,046
Effects of exchange rates on Cash & Cash Equivalents	1,913	(399)
Cash & Cash Equivalent at end of financial period	61,194	52,821

**Note**

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated cash flow statements comprise the following condensed consolidated balance sheets amounts:

Cash and bank balances	61,272	58,293
Bank overdrafts ( Refer Notes B9 (b) )	(78)	(5,472)
	61,194	52,821

**The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2013.**



**ASIA FILE CORPORATION BHD. (313192-P)**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT - MFRS 134**

**A1 Basis of preparation**

This condensed consolidated interim financial statements ("Condensed Report") has been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Reports also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The Condensed Report should be read in conjunction with the audited financial statements for the year ended 31 March 2013. The explanatory notes attached to these Condensed 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 March 2013.

The accounting policies and methods of computation adopted by the Group in this Condensed Report are consistent with the most recent annual audited financial statements for the year ended 31 March 2013 except for the adoption of the following new and revised MFRSs.

*Adoption of MFRS, Amendments to MFRS and IC Interpretation*

MFRS 10, Consolidated Financial Statements  
MFRS 11, Joint Arrangements  
MFRS 12, Disclosure of Interests in Other Entities  
MFRS 13, Fair Value Measurement  
MFRS 119, Employee Benefits (2011)  
MFRS 127, Separate Financial Statements (2011)  
MFRS 128, Investments in Associates and Joint Ventures (2011)  
IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine  
Amendments to MFRS 7, Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities  
Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards - Government Loans  
Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 101, Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 116, Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 132, Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)  
Amendments to MFRS 10, Consolidation Financial Statements: Transition Guidance  
Amendments to MFRS 11, Joint Arrangements: Transition Guidance  
Amendments to MFRS 12, Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above standards and amendments are not expected to have any impact on the financial statements of the Group.

*MFRS, and Amendments to MFRS Issued but not yet effective*

Amendments effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 10, Consolidated Financial Statements: Investment Entities  
Amendments to MFRS 12, Disclosure of Interests in Other Entities: Investment Entities  
Amendments to MFRS 127, Separate Financial Statements (2011): Investment Entities  
Amendments to MFRS 132, Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities

MFRS and Amendments effective for annual periods beginning on or after 1 January 2015

MFRS 9, Financial Instruments (2009)  
MFRS 9, Financial Instruments (2010)  
Amendments to MFRS 7, Financial Instruments: Disclosures - Mandatory Effective Date of MFRS 9 and Transition Disclosures

The Group will adopt the above standards or amendments when they become effective in the respective financial periods. These standards or amendments are not expected to have any material financial impacts to the financial statements of the Group and of the Company upon their first adoption.

**A2 Audit report of preceding annual financial statements**

The audit report of the Group's annual financial statements for the year ended 31 March 2013 was not subject to any qualification.

**A3 Seasonal or cyclical factors**

The operation of the Group is not subject to any major effects of seasonality or cyclicity.

**A4 Unusual items due to their Nature, Size or Incidence**

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flow reported in the interim financial report.

**A5 Material changes in accounting estimates**

There were no material changes in accounting estimates of amounts reported in prior financial years.

**A6 Issuance or repayment of debts and equity securities**

22,500 and 25,500 ordinary shares were issued pursuant to the Employee Share Option Scheme during the financial quarter and financial year to date. Subsequent to the financial quarter ended 30 September 2013, 235,600 ordinary shares were issued pursuant to the Employee Share Option Scheme.

100 ordinary shares of Asia File Corporation Bhd was purchased and retained as treasury shares pursuant to the Shares Buy Back Scheme for the financial year to date. Accordingly, a total of 399,900 shares was retained as treasury shares as at 30 September 2013.

There was no shares purchased and retained as treasury shares subsequent to the financial quarter ended 30 September 2013.

Other than the above, there were no issuances or repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter and financial year to date.

**A7 Dividend Paid**

No dividend was declared during the current financial quarter and financial year to date.

An interim single-tier dividend of 8% on 115,847,030 ordinary shares of RM1 each totalling RM9,267,762 in respect of the financial year ended 31 March 2013 was paid on 28 May 2013.

**A8 Segment information****Business segment**

The Group is principally involved in the manufacture and trading of stationery and paper products. Business segmental information has therefore not been prepared as the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and amortization as well as non-cash expenses are mainly confined to one business segment.

**A9 Valuations of property, plant and equipment**

The valuations of land and buildings have been brought forward without amendment from the previous annual report.

**A10 Material events subsequent to the end of the quarter**

There were no material events subsequent to the end of the quarter.

**A11 Changes in composition of the Group**

There were no changes in the composition of the Group for the quarter.

**A12 Changes in contingent liabilities/assets**

The total contingent liabilities as at 30 September 2013 for the Company are corporate guarantees for banking facilities granted to subsidiaries of RM 98.21 million (31 March 2013: RM 76.45 million) and also corporate guarantee of RM 9.8 million provided to a supplier of the subsidiary in UK.

**A13 Capital commitments approved and contracted for**

**30-Sep-2013**

**RM'000**

Machinery

653

**Lease commitments**

The Group's subsidiaries have entered into the following lease commitment:-

**30-Sep-2013**

**RM'000**

Less Than one year

1,391

One to five years

1,391

**A14 Net assets per share (sen)**

	30-Sep-2013	31-Mar-2013
Shareholders' Fund (RM'000)	410,788	385,138
Share Capital (000) *	116,272	116,247
Treasury Shares (000)	(400)	(400)
	<u>115,872</u>	<u>115,847</u>
Net assets per share (sen)	354.52	332.45

**B Additional information required by the Bursa Malaysia Securities Berhad's Listing Requirements****B1 Review of performance**

A total sales revenue of RM 83.2 million was achieved during the financial quarter ended 30 September 2013. This represented an increase in turnover of 8.5% when compared to the corresponding quarter in previous year. The increase in revenue was mainly attributable to new sales contracts secured previously for which deliveries were made during the quarter.

Total profit before tax increased by 49.8% to RM 17.9 million when compared to RM 12 million registered in the corresponding quarter last year. Included in the above pre tax profit was RM 1.79 million in relation to share of profits of associate (2012 : RM 630,000).

Operating margin for the quarter has improved from 14.8% in the corresponding quarter last year to 19.2% during the current quarter. The main contributing factors for the margin enhancement came from the overall improvement in operation efficiency and also the favorable exchange rates as a result of a weakening Ringgit.

**B2 Comparison of profit before taxation with preceding quarter**

Profit before tax decreased from RM 20.5 million to RM 17.9 million for the quarter under review when compared to the preceding quarter as the share of profits from associate dropped from RM 4 million to RM 1.79 million.

**B3 Current year prospects**

Based on the current performance achieved to date, the Board is confident that the operation of the Group will continue to yield positive results.

**B4 Profit forecast or profit guarantee**

No profit forecast or profit guarantee was published by the Group.

**B5 Tax expense**

	6 months ended	
	2013	2012
	RM'000	RM'000
Current year tax expense		
- Based on results for the year	6,472	7,363
- (Over)/under provision in respect of prior year	(80)	(732)
	6,392	6,631
Withholding Tax	17	-
Deferred tax expense		
- Current year	1,407	233
	<u>7,816</u>	<u>6,864</u>

**B6 Disclosure of Realised and Unrealised Profit/ Losses**

The retained profits as at 30 September 2013 is analysed as follows:

	As at	As at
	30-Sep-2013	31-Mar-2013
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	229,902	226,428
- Unrealised	(5,150)	(10,252)
	<u>224,752</u>	<u>216,176</u>
Total share of retained profits from associates:		
- Realised	29,132	26,139
- Unrealised	216	1,722
	<u>29,348</u>	<u>27,861</u>
Add: Consolidation adjustment	15,791	10,089
Total Group retained profits as per consolidated accounts	<u>269,891</u>	<u>254,126</u>

**B7 Sale of unquoted investments and properties**

There were no sales of unquoted investments and properties for the current quarter and financial year to date.



**B8 Status of corporate proposal announced**

No corporate proposal was announced by the Group.

**B9 Group borrowings and debt securities**

Group borrowings relate to bank overdraft, foreign currency loan and term loan which are denominated in Ringgit Malaysia, USD and HKD.

	As at 30-Sep-2013 RM('000)
Bank borrowing - current	
Bank overdraft	78
Foreign currency loan	14,356
Portion of term loan due within one year	750
	<u>15,184</u>

**B10 Financial instruments**

Details of outstanding derivative financial instruments as at 30 September 2013:-

Forward foreign exchange contracts:

	Contract Value RM'000	Fair Value RM'000	Gain / (Loss) RM'000
Within 1 year	3,243	3,250	(7)

Forward foreign exchange contracts are entered into with licensed banks to hedge part of the Group's sales from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Group is not exposed to any market risk. Given that the contracts are entered into with licensed banks, we are of the view that credit risk is minimal.

**B11 Changes in material litigation**

There was no material litigation against the Group as at to date.

**B12 Dividends Proposed**

At the Annual General Meeting held on 30 September 2013, the shareholders of Asia File Corporation Bhd had approved a final single tier dividend of 12.5% (2012: 13.5% single tier) in respect of the financial year ended 31 March 2013. The dividend will be paid on 24 December 2013.

**B13 Earnings per share**

	Current Quarter ended 30-Sep-2013	Current Year to Date 30-Sep-2013
<b>Basic earnings per share</b>		
Profit attributable to equity holders of the Company	14,073	30,663
Weighted average number of ordinary shares ('000)	115,865	115,857
Basic earnings per share (sen)	<u>12.15</u>	<u>26.47</u>
	Current Quarter ended 30-Sep-13	Current Year to Date 30-Sep-13
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the Company	14,073	30,663
Weighted average number of ordinary shares ('000)	115,865	115,857
Adjustment for share options ('000)	552	466
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>116,417</u>	<u>116,323</u>
Diluted earnings per share (sen)	<u>12.09</u>	<u>26.36</u>

**B14 Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit before tax is arrived at after (charging) / crediting the following items:

	<b>Current Quarter Ended 30-Sep-13 RM'000</b>	<b>Cumulative Year To Date 30-Sep-13 RM'000</b>
a) interest income	195	262
b) other income including investment income	75	163
c) interest expense	(45)	(108)
d) depreciation and amortisation	(2,661)	(5,236)
e) provision for and write off of receivables	(45)	(93)
f) provision for and write off of inventories	-	-
g) gain or (loss) on disposal of quoted or unquoted investments or properties	1	9
h) impairment of assets	-	-
i) foreign exchange gains	3,359	5,425
j) gain or (loss) on derivatives	(102)	(7)
k) exceptional items	-	-

**B15** The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 November 2013.

**By Order of The Board**

Tai Yit Chan (MAICSA 7009143)

Ong Tze-En (MAICSA 7026537)

Joint Company Secretaries

29 November 2013

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