



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	As at end of Current Quarter 31/12/2013 (unaudited) RM'000	As at Preceding Financial Year End 31/03/2013 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	113,467	101,985
Prepaid lease payments	1,610	1,639
Investment properties	1,821	1,859
Investment in associate	124,647	117,982
Intangible assets	33,458	30,235
	275,003	253,700
Current Assets		
Trade and other receivables	75,012	61,503
Inventories	110,953	101,154
Current tax assets	5	10
Cash and cash equivalents	47,984	42,348
	233,954	205,015
TOTAL ASSETS	508,957	458,715
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	116,508	116,247
Treasury shares	(1,844)	(1,844)
Reserves	305,675	270,645
	420,339	385,048
Non-controlling interests	51	90
Total Equity	420,390	385,138
Non-Current Liabilities		
Deferred tax liabilities	8,626	7,383
Bank borrowings	5,085	-
	13,711	7,383
Current Liabilities		
Trade and other payables	37,501	34,637
Bank borrowings	22,108	18,067
Current tax liabilities	4,792	4,222
Dividend payable	10,455	9,268
	74,856	66,194
Total Liabilities	88,567	73,577
TOTAL EQUITY AND LIABILITIES	508,957	458,715
Net Assets Per Share (sen)	362.07	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 NINE MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31/12/2013 RM'000	Preceding year Corresponding Quarter 31/12/2012 RM'000	Current Year to Date 31/12/2013 RM'000	Preceding year Corresponding Period 31/12/2012 RM'000
Revenue	93,457	78,872	259,781	241,729
Operating Expenses	(76,281)	(67,326)	(210,242)	(200,984)
Other Operating Income	325	108	497	385
Profit from Operations	17,501	11,654	50,036	41,130
Finance cost	(65)	(115)	(173)	(323)
Investing Results	165	211	427	429
Shares of profit of associate	2,100	1,194	7,887	3,089
Profit before tax	19,701	12,944	58,177	44,325
Taxation	(4,265)	(2,590)	(12,081)	(9,454)
Profit for the period	15,436	10,354	46,096	34,871
Other comprehensive income/(loss), net of tax Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	3,216	902	12,450	(292)
Share of other comprehensive income of associates	29	(6)	527	133
Other Comprehensive income/(loss) for the period net of tax	3,245	896	12,977	(159)
Total comprehensive income/(loss) for the period	18,681	11,250	59,073	34,712

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 NINE MONTHS PERIOD ENDED 31 DECEMBER 2013

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31/12/2013 RM'000	Preceding year Corresponding Quarter 31/12/2012 RM'000	Current Year to Date 31/12/2013 RM'000	Preceding year Corresponding Period 31/12/2012 RM'000
Profit attributable to:				
Equity holders of the Company	15,430	10,354	46,093	34,871
Non-controlling interests	6	-	3	-
Profit for the period	15,436	10,354	46,096	34,871
Total comprehensive income / (loss) attributable to:				
Equity holders of the Company	18,689	11,250	59,112	34,712
Non-controlling interests	(8)	-	(39)	-
Total comprehensive income / (loss) for the period	18,681	11,250	59,073	34,712
Earnings per share attributable to equity holders of the Company:				
i) Basic earnings per ordinary share (sen)				
Note B13	13.30	8.94	39.76	30.13
ii) Fully diluted earnings per ordinary share (sen) Note B13	13.16	8.89	39.52	29.95

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 31 DECEMBER 2013

	← Attributable to owners of the Company →					Distributable	Total	Non-Controlling	Total Equity
	Share Capital	Treasury Shares	Non-distributable		Share Option Reserve				
	RM'000	RM'000	Share Premium	Translation Reserve	RM'000	RM'000	RM'000	RM'000	RM'000
Quarter ended 31 December 2013									
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	-	-	-	-	-	46,093	46,093	3	46,096
Other comprehensive income/(loss) for the period	-	-	-	12,757	-	262	13,019	(42)	12,977
Total comprehensive income/(loss) for the period	-	-	-	12,757	-	46,355	59,112	(39)	59,073
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	180	-	(180)	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	-	-	(71)	71	-	-	-
Share-based payments under ESOS	-	-	-	-	376	-	376	-	376
Issue of shares pursuant to ESOS	261	-	551	-	-	-	812	-	812
Post-acquisition reserve - associate	-	-	37	-	(32)	-	5	-	5
Effect arising from changes in composition via the associate	-	-	-	-	-	(45)	(45)	-	(45)
Dividends	-	-	-	-	-	(24,968)	(24,968)	-	(24,968)
At 31 December 2013	116,508	(1,844)	19,100	8,100	2,936	275,539	420,339	51	420,390
Quarter ended 31 December 2012									
At 1 April 2012,	116,026	(1,843)	17,678	(2,371)	2,321	237,147	368,958	-	368,958
Profit for the period	-	-	-	-	-	34,871	34,871	-	34,871
Other comprehensive income/(loss) for the period	-	-	-	(159)	-	-	(159)	-	(159)
Total comprehensive income/(loss) for the period	-	-	-	(159)	-	34,871	34,712	-	34,712
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	85	-	(85)	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	-	-	(23)	23	-	-	-
Share-based payments under ESOS	-	-	-	-	540	-	540	-	540
Issue of shares pursuant to ESOS	177	-	377	-	-	-	554	-	554
Post-acquisition reserve - associate	-	-	61	-	(52)	-	9	-	9
Dividends	-	-	-	-	-	(24,898)	(24,898)	-	(24,898)
At 31 December 2012	116,203	(1,844)	18,201	(2,530)	2,701	247,143	379,874	-	379,874

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)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR NINE MONTHS PERIOD ENDED 31 DECEMBER 2013

	31-Dec-13	31-Dec-12
	RM'000	RM'000
Profit before tax	58,177	44,325
Adjustment for:		
Non-cash items	824	5,588
Non-operating items	(353)	(166)
Operating profit before changes in working capital	58,648	49,747
Changes in working capital		
Net Change in current assets	(8,819)	(7,539)
Net Change in current liabilities	(17,729)	(18,168)
Net cash flows from operating activities	32,100	24,040
Investing activities		
Equity investments	1,710	1,277
Other investments	(16,749)	(23,087)
	(15,039)	(21,810)
Financing activities		
Dividend paid	(23,781)	(24,883)
Purchase of own shares	(1)	(1)
Proceed from issue of shares	812	554
Bank borrowings, net	9,126	1,876
Interest paid	(145)	(271)
	(13,989)	(22,725)
Net Change in Cash & Cash Equivalents	3,072	(20,495)
Cash & Cash Equivalents at beginning of financial period	42,249	57,046
Effects of exchange rates on Cash & Cash Equivalents	2,564	(100)
Cash & Cash Equivalent at end of financial period	47,885	36,451

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	47,984	44,147
Bank overdrafts (Refer Notes B9 (b))	(99)	(7,696)
	47,885	36,451

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 31 DECEMBER 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

235,600 and 261,100 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 31 December 2013, 224,900 ordinary shares were issued pursuant to the Employee Share Option Scheme.

200 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 400,000 shares was retained as treasury shares as at 31 December 2013.

There was no shares purchased and retained as treasury shares subsequent to the financial quarter ended 31 December 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

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.

A final dividend of 12.5% on 116,108,030 ordinary shares of RM1 each totalling RM 14,513,504 for the financial year ended 31 March 2013 was paid on 24 December 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 31 December 2013 for the Company are corporate guarantees for banking facilities granted to subsidiaries of RM 113.61 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

	31-Dec-2013
	RM'000
Machinery	<u>614</u>

Lease commitments

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

	31-Dec-2013
	RM'000
Less Than one year	1,442
One to five years	1,081

A14 Intangible assets

	31-Dec-2013 RM'000	31-Mar-2013 RM'000
Goodwill	30,235	30,235
Other intangible assets with finite life *	3,223	-
	<u>33,458</u>	<u>30,235</u>

* This was in relation to securing of manufacturing contract from customer. Amortisation will be charged to profit or loss over the contract period.

A15 Net assets per share (sen)

	31-Dec-2013	31-Mar-2013
Shareholders' Fund (RM'000)	420,390	385,138
Share Capital (000)	116,508	116,247
Treasury Shares (000)	(400)	(400)
	<u>116,108</u>	<u>115,847</u>
Net assets per share (sen)	362.07	332.45

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

Sales performance during the quarter was very encouraging with total turnover exceeded RM 93 million. This represented an increase of 18.5% when compared to the corresponding quarter in 2012 (Dec'13: RM 93.5 M; Dec'12: RM 78.9 M).

The improvement in sales was mainly attributable to the Group's strengthening position in Europe. In addition, favourable exchange rates for GBP and EURO against our local currency has contributed positively to the overall revenue figure.

Profit before tax for the group increased by a significant quantum of 53% from RM 12.9 million in the quarter ended December 2012 to RM 19.7 million in the current quarter.

The expansion in sales has increased the Group's efficiency in terms of utilization of its resources. As a result, it has improved the Group's overall productivity and cost efficiency.

B2 Comparison of profit before taxation with preceding quarter

Profit before tax increased by 9.9% to RM 19.7 million when compared to RM 17.9 million registered in the preceding quarter. The increased was in line with the increased in revenue (Q3/2013: RM 93.5 million and Q2/2013: RM 83.2 million).

B3 Current year prospects

For the cumulative quarters of nine months, the financial performance of the Group registered an improvement of 31.4% as its pre tax profit increased from RM 44.3 million in the corresponding period last year to RM 58.2 million during the current financial period.

In view of the above and also the encouraging position of its current order book, the Group is confident of delivering a positive result for the financial year ending 31 March 2014.

B4 Profit forecast or profit guarantee

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

B5 Tax expense

	9 months ended 31-Dec	
	2013 RM'000	2012 RM'000
Current year tax expense		
- Based on results for the year	11,115	9,907
- (Over)/under provision in respect of prior year	(105)	(732)
	11,010	9,175
Withholding Tax	26	-
Deferred tax expense		
- Current year	1,045	279
	<u>12,081</u>	<u>9,454</u>

B6 Disclosure of Realised and Unrealised Profit/ Losses

The retained profits as at 31 December 2013 is analysed as follows:

	As at 31-Dec-2013 RM'000	As at 30-Sep-2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	234,146	229,902
- Unrealised	(5,836)	(5,150)
	<u>228,310</u>	<u>224,752</u>
Total share of retained profits from associates:		
- Realised	29,931	29,132
- Unrealised	2,219	216
	<u>32,150</u>	<u>29,348</u>

Add: Consolidation adjustment	15,079	15,791
Total Group retained profits as per consolidated accounts	<u>275,539</u>	<u>269,891</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 31-Dec-2013 RM'000
a) Bank borrowing - Non-current Term Loan	<u>5,085</u>
b) Bank borrowing - Current Bank overdraft	99
Foreign currency loan	20,653
Portion of term loan due within one year	<u>1,356</u>
	<u>22,108</u>

B10 Off balance sheet financial instruments

During the period under review, the Group has not entered into any contract involving off balance sheet financial instruments.

B11 Changes in material litigation

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

B12 Dividends Proposed

After taking into consideration of the net cash position, the Group decided to recommend a single tier interim dividend of 9% for the quarter under review and financial year to date (previous corresponding quarter: a single tier dividend of 8%). The dividend will be paid at a date to be determined later.

B13 Earnings per share

	Current Quarter ended 31-Dec-2013	Current Year to Date 31-Dec-2013
Basic earnings per share		
Profit attributable to equity holders of the Company	15,430	46,093
Weighted average number of ordinary shares ('000)	116,014	115,915
Basic earnings per share (sen)	<u>13.30</u>	<u>39.76</u>
	Current Quarter ended 31-Dec-13	Current Year to Date 31-Dec-13
Diluted earnings per share		
Profit attributable to equity holders of the Company	15,430	46,093
Weighted average number of ordinary shares ('000)	116,014	115,915
Adjustment for share options ('000)	1,197	715
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>117,211</u>	<u>116,630</u>

Diluted earnings per share (sen)

13.16

39.52

B14 Notes to the Condensed Consolidated Statement of Comprehensive Income

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

	Current Quarter Ended 31-Dec-13 RM'000	Cumulative Year To Date 31-Dec-13 RM'000
a) interest income	165	427
b) other income including investment income	235	398
c) interest expense	(65)	(173)
d) depreciation and amortisation	(3,099)	(8,335)
e) provision for and write off of receivables	(42)	(135)
f) provision for and write off of inventories	-	-
g) gain or (loss) on disposal of quoted or unquoted investments or properties	90	99
h) impairment of assets	-	-
i) foreign exchange gains	1,364	6,789
j) gain or (loss) on derivatives	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 28 February 2014.

By Order of The Board

Tai Yit Chan (MAICSA 7009143)

Ong Tze-En (MAICSA 7026537)

Joint Company Secretaries

28 February 2014
