



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014

	As at end of Current Quarter 31/03/2014 (unaudited) RM'000	As at Preceding Financial Year End 31/03/2013 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	110,873	101,985
Prepaid lease payments	1,601	1,639
Investment properties	1,512	1,859
Investment in associate	125,969	117,982
Intangible assets	33,283	30,235
	273,238	253,700
Current Assets		
Trade and other receivables	80,301	61,503
Derivative financial assets	163	-
Inventories	103,999	101,154
Current tax assets	247	10
Cash and cash equivalents	77,824	42,348
	262,534	205,015
TOTAL ASSETS	535,772	458,715
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	116,733	116,247
Treasury shares	(1,844)	(1,844)
Reserves	320,893	270,645
	435,782	385,048
Non-controlling interests	31	90
Total Equity	435,813	385,138
Non-Current Liabilities		
Deferred tax liabilities	8,584	7,383
Bank borrowings	4,714	-
	13,298	7,383
Current Liabilities		
Trade and other payables	52,199	34,637
Bank borrowings	19,089	18,067
Current tax liabilities	4,802	4,222
Dividend payable	10,571	9,268
	86,661	66,194
Total Liabilities	99,959	73,577
TOTAL EQUITY AND LIABILITIES	535,772	458,715
Net Assets Per Share (sen)	374.60	332.38

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 THE YEAR ENDED 31 MARCH 2014**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31/03/2014 RM'000	Preceding year Corresponding Quarter 31/03/2013 RM'000	Current Year to Date 31/03/2014 RM'000	Preceding year Corresponding Period 31/03/2013 RM'000
Revenue	106,098	81,655	365,879	323,384
Operating Expenses	(89,834)	(70,621)	(300,076)	(271,605)
Other Operating Income	874	37	1,371	422
Profit from Operations	17,138	11,071	67,174	52,201
Finance cost	(74)	(83)	(247)	(406)
Investing Results	98	68	525	497
Shares of profit of associate	1,241	745	9,128	3,834
Profit before tax	18,403	11,801	76,580	56,126
Taxation	(3,951)	(3,432)	(16,032)	(12,886)
Profit for the period	14,452	8,369	60,548	43,240
Other comprehensive income/(loss), net of tax Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(385)	(2,314)	12,065	(2,606)
Share of other comprehensive income of associates	127	(1,106)	654	(973)
Other Comprehensive income/(loss) for the period net of tax	(258)	(3,420)	12,719	(3,579)
Total comprehensive income/(loss) for the period	14,194	4,949	73,267	39,661

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 THE YEAR ENDED 31 MARCH 2014

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31/03/2014 RM'000	Preceding year Corresponding Quarter 31/03/2013 RM'000	Current Year to Date 31/03/2014 RM'000	Preceding year Corresponding Period 31/03/2013 RM'000
Profit attributable to:				
Equity holders of the Company	14,432	8,020	60,525	42,891
Non-controlling interests	20	349	23	349
Profit for the period	14,452	8,369	60,548	43,240
Total comprehensive income / (loss) attributable to:				
Equity holders of the Company	14,174	4,859	73,286	39,570
Non-controlling interests	20	90	(19)	90
Total comprehensive income / (loss) for the period	14,194	4,949	73,267	39,661
Earnings per share attributable to equity holders of the Company:				
i) Basic earnings per ordinary share (sen) Note B13	12.43	7.07	52.17	37.05
ii) Fully diluted earnings per ordinary share (sen) Note B13	12.18	7.05	51.62	36.85

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 YEAR ENDED 31 MARCH 2014

	Attributable to owners of the Company					Distributable Retained Profits RM'000	Total RM'000	Non-Controlling		Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Non-distributable		Share Option Reserve RM'000			Interest RM'000	Total Equity RM'000	
			Share Premium RM'000	Translation Reserve RM'000						
Quarter ended 31 March 2014										
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	-	-	-	-	-	60,525	60,525	23	60,548	
Other comprehensive income/(loss) for the period	-	-	-	12,385	-	376	12,761	(42)	12,719	
Total comprehensive income/(loss) for the period	-	-	-	12,385	-	60,901	73,286	(19)	73,267	
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)	
Transfer to share premium for share options exercised	-	-	327	-	(327)	-	-	-	-	
Transfer from share option reserve for option lapsed	-	-	-	-	(71)	71	-	-	-	
Share-based payments under ESOS	-	-	-	-	1,065	-	1,065	-	1,065	
Issue of shares pursuant to ESOS	486	-	1,027	-	-	-	1,513	-	1,513	
Changes in ownership interest in subsidiary	-	-	-	(241)	-	281	40	(40)	-	
Post-acquisition reserve - associate	-	-	37	-	(32)	-	5	-	5	
Effect arising from changes in composition via the associate	-	-	-	-	-	(90)	(90)	-	(90)	
Dividends	-	-	-	-	-	(25,084)	(25,084)	-	(25,084)	
At 31 March 2014	116,733	(1,844)	19,723	7,487	3,478	290,205	435,782	31	435,813	
Quarter ended 31 March 2013										
At 1 April 2012,	116,026	(1,843)	17,678	(2,371)	2,321	237,147	368,958	-	368,958	
Profit for the period	-	-	-	-	-	42,891	42,891	349	43,240	
Other comprehensive income/(loss) for the period	-	-	-	(2,286)	-	(1,034)	(3,320)	(259)	(3,579)	
Total comprehensive income/(loss) for the period	-	-	-	(2,286)	-	41,857	39,571	90	39,661	
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)	
Transfer to share premium for share options exercised	-	-	116	-	(116)	-	-	-	-	
Transfer from share option reserve for option lapsed	-	-	-	-	(23)	23	-	-	-	
Share-based payments under ESOS	-	-	-	-	720	-	720	-	720	
Issue of shares pursuant to ESOS	221	-	471	-	-	-	692	-	692	
Post-acquisition reserve - associate	-	-	67	-	(58)	-	9	-	9	
Dividends	-	-	-	-	-	(24,901)	(24,901)	-	(24,901)	
At 31 March 2013	116,247	(1,844)	18,332	(4,657)	2,844	254,126	385,048	90	385,138	

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 THE YEAR ENDED 31 MARCH 2014

	31-Mar-14	31-Mar-13
	RM'000	RM'000
Profit before tax	76,580	56,126
Adjustment for:		
Non-cash items	3,108	7,828
Non-operating items	(894)	(100)
Operating profit before changes in working capital	78,794	63,854
Changes in working capital		
Net Change in current assets	(7,306)	(7,651)
Net Change in current liabilities	(7,275)	(17,366)
Net cash flows from operating activities	64,213	38,837
Investing activities		
Equity investments	1,710	1,197
Other investments	(16,212)	(24,008)
	(14,502)	(22,811)
Financing activities		
Dividend paid	(23,781)	(24,883)
Purchase of own shares	(1)	(1)
Proceed from issue of shares	1,513	692
Bank borrowings, net	5,803	(5,169)
Interest paid	(221)	(407)
	(16,687)	(29,768)
Net Change in Cash & Cash Equivalents	33,024	(13,742)
Cash & Cash Equivalents at beginning of year	42,248	57,046
Effects of exchange rates on Cash & Cash Equivalents	2,519	(1,056)
Cash & Cash Equivalent at end of year	77,791	42,248

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	77,824	42,348
Bank overdrafts (Refer Notes B9 (b))	(33)	(100)
	77,791	42,248

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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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

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

224,900 and 486,000 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 March 2014, 1,120,970 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 March 2014.

There was no shares purchased and retained as treasury shares subsequent to the financial quarter ended 31 March 2014.

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 9% on 117,453,800 ordinary shares of RM1 each totalling RM10,570,842 in respect of the financial year ended 31 March 2014 was paid on 23 May 2014.

A final single-tier 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.

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

During the current quarter and financial year to date, new allotment of 400,000 ordinary shares and 1,200,000 non-redeemable preference shares by Premier Stationery Ltd was subscribed by the Group via the capitalisation of RM8.688 million (GBP1.6 million). Accordingly, the Group's equity interest in Premier Stationery Ltd increased from 75% to 95%.

A12 Changes in contingent liabilities/assets

The total contingent liabilities as at 31 March 2014 for the Company are corporate guarantees for banking facilities granted to subsidiaries of RM 113.47 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-Mar-2014
	RM'000
Machinery	<u>347</u>
Office Equipment	<u>83</u>

Lease commitments

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

	31-Mar-2014
	RM'000
Less Than one year	1,444
One to five years	722

A14 Intangible assets

	31-Mar-2014	31-Mar-2013
	RM'000	RM'000
Goodwill	30,235	30,235
Other intangible assets with finite life *	3,048	-
	<u>33,283</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-Mar-2014	31-Mar-2013
Shareholders' Fund (RM'000)	435,782	385,048
Share Capital (000)	116,733	116,247
Treasury Shares (000)	(400)	(400)
	<u>116,333</u>	<u>115,847</u>
Net assets per share (sen)	374.60	332.38

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

For the quarter under review, the Group achieved its highest quarterly revenue with total turnover valued at RM 106.10 million. This represented an increase of 29.94% when compared to the corresponding quarter last year of RM 81.65 million.

Europe remains as the major growth driver for the Group with continued sales expansion recorded from this market segment as a result of the various new sales contracts concluded in the earlier periods.

During the quarter, the Group recorded a total pre tax profit of RM 18.40 million as compared to RM11.80 million achieved in the corresponding quarter last year. Pre tax margin has also improved from 14.45% (March 2013 quarter) to 17.34% this quarter.

The improvement in pre tax margin was mainly due to increase in sales which resulted in economy of scales in terms of resource utilization and absorption of fixed operating costs.

B2 Comparison of profit before taxation with preceding quarter

Profit before tax for the quarter was slightly lower than the preceding quarter (March 2014: RM 18.40 million, Dec 2013: RM 19.70 million).

In line with the past trends, the last quarter registered the lowest margin due to increase in certain operating expenses such as payment of bonuses to employees, share option cost and etc.

B3 Current year prospects

For the financial year ended 31 March 2014, total revenue and profit before tax for the Group has increased by 13.14% and 36.44% respectively when compared to the previous financial year.

To strengthen its position in the industry in particular in the Europe market, the Group will continue to penetrate new market and also to include new product categories in its sales to the existing customers. In view of the various encouraging developments, the Group is very confident that its future financial performance will remain positive.

B4 Profit forecast or profit guarantee

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

B5 Tax expense

	Year ended 31-Mar	
	2014 RM'000	2013 RM'000
Current year tax expense		
- Based on results for the year	15,091	13,672
- (Over)/under provision in respect of prior year	(105)	(737)
	14,986	12,935
Withholding Tax	34	-
Deferred tax expense		
- Current year	1,012	(49)
	<u>16,032</u>	<u>12,886</u>

B6 Disclosure of Realised and Unrealised Profit/ Losses

The retained profits as at 31 March 2014 is analysed as follows:

	As at 31-Mar-2014 RM'000	As at 31-Mar-2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	247,900	222,099
- Unrealised	(6,837)	(9,811)
	<u>241,063</u>	<u>212,288</u>
Total share of retained profits from associates:		
- Realised	31,387	26,139
- Unrealised	2,072	1,722
	<u>33,459</u>	<u>27,861</u>
Add: Consolidation adjustment	15,683	10,089
Total Group retained profits as per consolidated accounts	<u>290,205</u>	<u>250,238</u>

B7 Sale of unquoted investments and properties

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

A gain of RM 413k was recorded for disposal of property by a subsidiary company 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-Mar-2014 RM'000
a) Bank borrowing - Non-current Term Loan	<u>4,714</u>
b) Bank borrowing - Current	
Bank overdraft	33
Foreign currency loan	17,709
Portion of term loan due within one year	<u>1,347</u>
	<u>19,089</u>

B10 Off balance sheet financial instruments

The Group measured the financial instruments based on market approach valuation technique (Level 2) with inputs of valuation technique that are observable directly or indirectly as at reporting date.

Details of outstanding derivative financial instruments as at 31 March 2014:-

	As at 31-Mar-2014 RM'000 Level 2
Financial assets at fair value through profit or loss	
- Derivatives	<u>163</u>

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 for the current financial year ended 31 March 2014, the Group decided to recommend a final single-tier dividend of 13.5% (2013: 12.5%) subject to approval by shareholders. The payment date for the recommended final dividend shall be determined by the Directors and to be announced at a later date.

B13 Earnings per share

	Current Quarter ended 31-Mar-2014	Current Year to Date 31-Mar-2014
Basic earnings per share		
Profit attributable to equity holders of the Company	14,432	60,525
Weighted average number of ordinary shares ('000)	116,082	116,004
Basic earnings per share (sen)	12.43	52.17

	Current Quarter ended 31-Mar-14	Current Year to Date 31-Mar-14
Diluted earnings per share		
Profit attributable to equity holders of the Company	14,432	60,525
Weighted average number of ordinary shares ('000)	116,082	116,004
Adjustment for share options ('000)	2,375	1,236
Weighted average number of ordinary shares for diluted earnings per share ('000)	118,457	117,240
Diluted earnings per share (sen)	12.18	51.62

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-Mar-14 RM'000	Cumulative Year To Date 31-Mar-14 RM'000
a) interest income	98	525
b) other income including investment income	357	755
c) interest expense	(74)	(247)
d) depreciation and amortisation	(3,000)	(11,335)
e) provision for and write off of receivables	(40)	(175)
f) provision for and write off of inventories	-	-
g) gain or (loss) on disposal of quoted or unquoted investments or properties	517	616
h) impairment of assets	-	-
i) foreign exchange gains	534	7,323
j) gain or (loss) on derivatives	163	163
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 May 2014.

By Order of The Board

Tai Yit Chan (MAICSA 7009143)
Ong Tze-En (MAICSA 7026537)
Joint Company Secretaries
29 May 2014
