



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2014**

	As at end of Current Quarter 30/09/2014 (unaudited) RM'000	As at Preceding Financial Year End 31/03/2014 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	107,862	110,873
Prepaid lease payments	1,581	1,601
Investment properties	1,491	1,512
Investment in associate	126,474	125,969
Intangible assets	32,836	33,283
	270,244	273,238
<b>Current Assets</b>		
Trade and other receivables	69,531	80,764
Derivative financial assets	-	163
Inventories	105,645	103,999
Current tax assets	5	247
Cash and cash equivalents	103,330	78,155
	278,511	263,328
<b>TOTAL ASSETS</b>	<b>548,755</b>	<b>536,566</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	118,361	116,733
Treasury shares	(1,846)	(1,845)
Reserves	328,806	320,895
	445,321	435,783
Non-controlling interests	41	31
<b>Total Equity</b>	<b>445,362</b>	<b>435,814</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	7,756	8,584
Bank borrowings	3,735	4,714
	11,491	13,298
<b>Current Liabilities</b>		
Trade and other payables	41,725	52,993
Bank borrowings	27,078	19,089
Current tax liabilities	7,134	4,801
Dividend payable	15,965	10,571
	91,902	87,454
<b>Total Liabilities</b>	103,393	100,752
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>548,755</b>	<b>536,566</b>
Net Assets Per Share ( sen )	377.52	374.60

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2014.



**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 2014**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30/09/2014 RM'000	Preceding year Corresponding Quarter 30/09/2013 RM'000	Current Year to Date 30/09/2014 RM'000	Preceding year Corresponding Period 30/09/2013 RM'000
Revenue	92,021	83,192	196,343	166,324
Operating Expenses	(78,976)	(67,272)	(166,234)	(133,961)
Other Operating Income	243	76	371	172
Profit from Operations	13,288	15,996	30,480	32,535
Finance cost	(84)	(46)	(156)	(108)
Investing Results	182	195	400	262
Shares of profit of associate	581	1,786	2,290	5,787
Profit before tax	13,967	17,931	33,014	38,476
Taxation	(3,165)	(3,985)	(7,242)	(7,816)
Profit for the period	10,802	13,946	25,772	30,660
<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	(4,814)	5,947	(6,203)	9,234
Share of other comprehensive income of associates	26	553	47	498
<b>Other Comprehensive income/(loss) for the period net of tax</b>	(4,788)	6,500	(6,156)	9,732
<b>Total comprehensive income/(loss) for the period</b>	6,014	20,446	19,616	40,392

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2014.



**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 2014**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30/09/2014 RM'000	Preceding year Corresponding Quarter 30/09/2013 RM'000	Current Year to Date 30/09/2014 RM'000	Preceding year Corresponding Period 30/09/2013 RM'000
<b>Profit attributable to:</b>				
Equity holders of the Company	10,793	14,073	25,754	30,663
Non-controlling interests	9	(127)	18	(3)
<b>Profit for the period</b>	<u>10,802</u>	<u>13,946</u>	<u>25,772</u>	<u>30,660</u>
<b>Total comprehensive income / (loss) attributable to:</b>				
Equity holders of the Company	6,015	20,591	19,606	40,423
Non-controlling interests	(1)	(145)	10	(31)
<b>Total comprehensive income / (loss) for the period</b>	<u>6,014</u>	<u>20,446</u>	<u>19,616</u>	<u>40,392</u>
<b>Earnings per share attributable to equity holders of the Company:</b>				
i) Basic earnings per ordinary share (sen) Note B13	9.17	12.15	21.88	26.47
ii) Fully diluted earnings per ordinary share (sen) Note B13	9.01	12.09	21.49	26.36

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2014.



**ASIA FILE CORPORATION BHD. ( 313192-P)**  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	← Attributable to owners of the Company →						Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	← Non-distributable →			Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Retained Profits RM'000			
<b>Quarter ended 30 September 2014</b>									
At 1 April 2014,	116,733	(1,845)	19,723	7,487	3,478	290,207	435,783	31	435,814
Profit for the period	-	-	-	-	-	25,754	25,754	18	25,772
Other comprehensive income/(loss) for the period	-	-	-	(6,393)	-	245	(6,148)	(8)	(6,156)
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	(6,393)	-	25,999	19,606	10	19,616
Treasury shares acquired	-	(1)	-	-	-	-	(1)	-	(1)
Transfer to share premium for share options exercised	-	-	1,093	-	(1,093)	-	-	-	-
Transfer from share option reserve for option lapsed	-	-	-	-	(76)	76	-	-	-
Share-based payments under ESOS	-	-	-	-	362	-	362	-	362
Issue of shares pursuant to ESOS	1,628	-	3,908	-	-	-	5,536	-	5,536
Post-acquisition reserve - associate	-	-	-	-	-	-	-	-	-
Effect arising from changes in composition via the associate	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(15,965)	(15,965)	-	(15,965)
<b>At 30 September 2014</b>	<b>118,361</b>	<b>(1,846)</b>	<b>24,724</b>	<b>1,094</b>	<b>2,671</b>	<b>300,317</b>	<b>445,321</b>	<b>41</b>	<b>445,362</b>
<b>Quarter ended 30 September 2013</b>									
At 1 April 2013,	116,247	(1,844)	18,332	(4,657)	2,844	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>(1,845)</b>	<b>18,438</b>	<b>4,996</b>	<b>2,977</b>	<b>269,891</b>	<b>410,729</b>	<b>59</b>	<b>410,788</b>

The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2014.



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2014

	30-Sep-14 RM'000	30-Sep-13 RM'000
Profit before tax	33,014	38,476
Adjustment for:		
Non-cash items	3,890	(293)
Non-operating items	(352)	(163)
Operating profit before changes in working capital	<u>36,552</u>	<u>38,020</u>
Changes in working capital		
Net Change in current assets	4,382	3,853
Net Change in current liabilities	<u>(13,853)</u>	<u>(10,428)</u>
Net cash flows from operating activities	<u>27,081</u>	<u>31,445</u>
Investing activities		
Equity investments	1,833	1,710
Other investments	<u>(4,733)</u>	<u>(3,991)</u>
	<u>(2,900)</u>	<u>(2,281)</u>
Financing activities		
Dividend paid	(10,571)	(9,268)
Purchase of own shares	(1)	(1)
Proceed from issue of shares	5,536	80
Bank borrowings, net	7,480	(2,862)
Interest paid	(118)	(81)
	<u>2,326</u>	<u>(12,132)</u>
Net Change in Cash & Cash Equivalents	26,507	17,032
Cash & Cash Equivalents at beginning of year	78,122	42,249
Effects of exchange rates on Cash & Cash Equivalents	(1,320)	1,913
Cash & Cash Equivalent at end of year	<u>103,309</u>	<u>61,194</u>

**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	103,330	61,272
Bank overdrafts ( Refer Notes B9 (b) )	<u>(21)</u>	<u>(78)</u>
	<u>103,309</u>	<u>61,194</u>

**The condensed financial statement should be read in conjunction with the most recent audited financial statements for the financial year ended 31 March 2014.**



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

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 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 2014. 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 2014.

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 2014 except for the adoption of the following new and revised MFRSs.

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

MFRSs, Interpretations and 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  
Amendments to MFRS 136, Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 2, Share-based Payment (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 3, Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)  
Amendments to MFRS 8, Operation Segments (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 13, Fair Value Measurement (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 116, Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 124, Related Party Disclosures (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 138, Intangible Assets (Annual Improvements 2010-2012 Cycle)  
Amendments to MFRS 140, Investment Property (Annual Improvements 2011-2013 Cycle)

MFRSs, Interpretations and amendments shall be effective subject to the date to be confirmed

MFRS 9, Financial Instruments (2009)  
MFRS 9, Financial Instruments (2010)  
MFRS 9, Financial Instruments (2013.)  
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 2014 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**

199,950 and 1,627,770 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 2014, 335,300 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 400,100 shares was retained as treasury shares as at 30 September 2014.

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

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

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.

**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 2014 for the Company are corporate guarantees for banking facilities granted to subsidiaries of RM 125.42 million (31 March 2014: RM 113.47 million) and also corporate guarantee of RM 10.64 million provided to a supplier of the subsidiary in UK.

**A13 Capital commitments approved and contracted for**

	<b>30-Sep-2014</b>
	<b>RM'000</b>
Machinery	<u>258</u>

**Lease commitments**

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

	<b>30-Sep-2014</b>
	<b>RM'000</b>
Less than one year	1,415

**A14 Intangible assets**

	<b>30-Sep-2014</b>	<b>31-Mar-2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Goodwill	30,235	30,235
Other intangible assets with finite life *	2,601	3,048
	<u>32,836</u>	<u>33,283</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)**

	<b>30-Sep-2014</b>	<b>31-Mar-2014</b>
Shareholders' Fund (RM'000)	445,321	435,783
Share Capital (000)	118,361	116,733
Treasury Shares (000)	(400)	(400)
	<u>117,961</u>	<u>116,333</u>
Net assets per share (sen)	377.52	374.60

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

During the quarter, the Group recorded a total sales revenue of RM 92.0 million which was 10.6% higher than RM 83.2 million achieved in the corresponding quarter last year. The active participation by the Group in various new projects in Europe since late last year has resulted in consistently higher sales figure generated from this market segment.

The increased sales has helped in improving the economy of scales of operation at the Group's various operating units in Europe. However, the unfavorable exchange rate movement in both Pound and Euro against RM has affected the operating margin of the group during the quarter. In addition, the shares of profit of its associate dropped from RM 1.8 million (for the quarter ended 30 September 2013) to only RM 581,000 during the quarter. As a result, a lower pretax profit of RM 14.0 million was achieved during the quarter as compared to RM 17.9 million registered in the corresponding quarter last year. Excluding the negative impact from the exchange factor, the Group's operating margin would have improved from 15.42% to 17.0% when compared to the corresponding quarter in 2013.

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

Profit before tax for the quarter dropped from RM 19.05 million in the preceding quarter to RM 14.0 million in the current quarter.

Sales revenue generated in the current quarter of RM 92.0 million was 11.8% lower than that achieved in preceding quarter of RM 104.3 million. Other than the reduction in sales revenue, profit before taxation for the quarter was also affected by the unfavorable exchange factor and lower profit contribution from its associate (September 2014: RM 581,000; June 2014: RM 1.7 million).

**B3 Current year prospects**

For the cumulative quarters of six months' period, the Group registered a total profit before taxation of RM 33.0 million based on total sales revenue of RM 196.3 million. The Board is confident that the Group's performance will remain profitable for the remaining quarters.

**B4 Profit forecast or profit guarantee**

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

**B5 Tax expense**

	<b>6 months ended</b>	
	<b>30-Sep</b>	
	<b>2014</b>	<b>2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Current year tax expense		
- Based on results for the year	7,905	6,472
- (Over)/under provision in respect of prior year	9	(80)
	7,914	6,392
Withholding Tax	16	17
Deferred tax expense		
- Current year	(688)	1,407
	<u>7,242</u>	<u>7,816</u>



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

The retained profits as at 30 September 2014 is analysed as follows:

	<b>As at 30-Sep-2014 RM'000</b>	<b>As at 31-Mar-2014 RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	259,870	247,901
- Unrealised	(9,781)	(6,837)
	<u>250,089</u>	<u>241,064</u>
Total share of retained profits from associates:		
- Realised	30,441	31,388
- Unrealised	1,894	2,072
	<u>32,335</u>	<u>33,460</u>
Add: Consolidation adjustment	17,893	15,683
Total Group retained profits as per consolidated accounts	<u><u>300,317</u></u>	<u><u>290,207</u></u>

**B7 Sale of unquoted investments and properties**

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

**B8 Status of corporate proposal announced**

On 6 August 2014, Asia File Corporation Berhad proposed to undertake a bonus issue of up to 71,762,460 new Asia File shares to be credited as fully paid-up on the basis of three (3) new shares for every five (5) existing shares held on an entitlement date to be determined later.

As announced on 20 August 2014, the listing application in relation to the proposed bonus issue has been submitted to Bursa Malaysia Securities Berhad on 20 August 2014.

As of 28 August 2014, Bursa Securities had, vide its letter dated 27 August 2014 resolved to approve the listing and quotation of up to 71,762,460 Bonus Shares to be issued pursuant to the proposed bonus issue.

The shareholders of the Company had, at its EGM held on 29 September 2014, approved the resolution on the above corporate proposal as prescribed in the Notice of the EGM contained in the circular to shareholders.

As announced on 14 October 2014, the Company may undertake further shares buy-back or to resell treasury shares in the open market prior to the entitlement date.

**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.

	<b>As at 30-Sep-2014 RM'000</b>
a) Bank borrowing - Non-current Term Loan	<u><u>3,735</u></u>
b) Bank borrowing - Current	
Bank overdraft	21
Foreign currency loan	25,812
Portion of term loan due within one year	1,245
	<u><u>27,078</u></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**

At the Annual General Meeting held on 29 September 2014, the shareholders of Asia File Corporation Bhd had approved a final single tier dividend of 13.5% (2013: 12.5% single tier) in respect of the financial year ended 31 March 2014. The dividend will be paid on 26 December 2014.

**B13 Earnings per share**

	Current Quarter ended 30-Sep-2014	Current Year to Date 30-Sep-2014
<b>Basic earnings per share</b>		
Profit attributable to equity holders of the Company	10,793	25,754
Weighted average number of ordinary shares ('000)	117,688	117,725
Basic earnings per share (sen)	9.17	21.88
	Current Quarter ended 30-Sep-14	Current Year to Date 30-Sep-14
<b>Diluted earnings per share</b>		
Profit attributable to equity holders of the Company	10,793	25,754
Weighted average number of ordinary shares ('000)	117,688	117,725
Adjustment for share options ('000)	2,143	2,119
Weighted average number of ordinary shares for diluted earnings per share ('000)	119,831	119,844
Diluted earnings per share (sen)	9.01	21.49

**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 30-Sep-14 RM'000	Cumulative Year To Date 30-Sep-14 RM'000
a) interest income	182	400
b) other income including investment income	241	371
c) interest expense	(84)	(156)
d) depreciation and amortisation	(2,836)	(5,655)
e) provision for and write off of receivables	31	15
f) provision for and write off of inventories	-	-
g) gain or (loss) on disposal of quoted or unquoted investments or properties	110	108
h) impairment of assets	-	-
i) foreign exchange gains	(2,401)	(1,983)
j) gain or (loss) on derivatives	-	31
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 November 2014.

**By Order of The Board**

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

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