



Sapura Industrial Berhad (17547-W)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30 APRIL 2015

The unaudited financial results of Sapura Industrial Berhad Group
for the period ended 30 April 2015

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SAPURA INDUSTRIAL BERHAD (17547-W)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2015
THE FIGURES HAVE NOT BEEN AUDITED

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Quarter Ended 30.4.2015 RM'000	Comparative Quarter Ended 30.4.2014 RM'000	3 months Cumulative Totdate 30.4.2015 RM'000	3 months Cumulative Totdate 30.4.2014 RM'000
Revenue	58,924	57,861	58,924	57,861
Cost of sales	<u>(50,712)</u>	<u>(48,946)</u>	<u>(50,712)</u>	<u>(48,946)</u>
Gross profit	8,212	8,915	8,212	8,915
Other income	1,390	849	1,390	849
Operating expenses	(7,452)	(7,490)	(7,452)	(7,490)
Finance costs	(579)	(525)	(579)	(525)
Profit before tax	<u>1,571</u>	<u>1,749</u>	<u>1,571</u>	<u>1,749</u>
Tax expense	(385)	(528)	(385)	(528)
Profit for the period	<u>1,186</u>	<u>1,221</u>	<u>1,186</u>	<u>1,221</u>
Total comprehensive income for the period	<u>1,186</u>	<u>1,221</u>	<u>1,186</u>	<u>1,221</u>
Profit for the period attributable to:				
Owners of the parent	1,214	1,245	1,214	1,245
Non-controlling interest	<u>(28)</u>	<u>(24)</u>	<u>(28)</u>	<u>(24)</u>
	<u>1,186</u>	<u>1,221</u>	<u>1,186</u>	<u>1,221</u>
Total comprehensive income for the period attributable to:				
Owners of the parent	1,214	1,245	1,214	1,245
Non-controlling interest	<u>(28)</u>	<u>(24)</u>	<u>(28)</u>	<u>(24)</u>
	<u>1,186</u>	<u>1,221</u>	<u>1,186</u>	<u>1,221</u>
Earnings per share attributable to owners of the parent (sen):				
Basic, for profit from operations	<u>1.67</u>	<u>1.71</u>	<u>1.67</u>	<u>1.71</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the Interim Financial Statements)

SAPURA INDUSTRIAL BERHAD (17547-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2015

	Unaudited 30.4.2015 RM'000	Audited 31.1.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	89,086	90,845
Development expenditure	2,749	2,757
	<u>91,835</u>	<u>93,602</u>
Current assets		
Inventories	25,669	22,326
Tax recoverable	2,386	2,278
Trade and other receivables	42,229	54,620
Cash and bank balances	21,477	6,316
	<u>91,761</u>	<u>85,540</u>
TOTAL ASSETS	<u>183,596</u>	<u>179,142</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	72,776	72,776
Share premium	2,200	2,200
Retained profits	27,917	26,703
	<u>102,893</u>	<u>101,679</u>
Minority interest	<u>(1,407)</u>	<u>(1,379)</u>
Total equity	<u>101,486</u>	<u>100,300</u>
Non-current liabilities		
Retirement benefit obligations	4,722	4,566
Loans and borrowings	8,089	11,447
Deferred tax liabilities	8,819	8,819
	<u>21,630</u>	<u>24,832</u>
Current liabilities		
Retirement benefit obligations	17	17
Income tax payable	-	-
Trade and other payables	33,049	31,562
Loans and borrowings	27,414	22,431
	<u>60,480</u>	<u>54,010</u>
Total liabilities	<u>82,110</u>	<u>78,842</u>
TOTAL EQUITY AND LIABILITIES	<u>183,596</u>	<u>179,142</u>
Net assets per share (RM)	1.41	1.40

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the Interim Financial Statements)

SAPURA INDUSTRIAL BERHAD (17547-W)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2015

	← Attributable to owners of the parent →			Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	← Non-Distributable → Share capital RM'000	Share premium RM'000	Distributable Retained profits RM'000			
For The 3 Month Period Ended 30 April 2015						
As at 1 February 2014	72,776	2,200	26,703	101,679	(1,379)	100,300
Total comprehensive income for the period	-	-	1,214	1,214	(28)	1,186
As at 30 April 2015	<u>72,776</u>	<u>2,200</u>	<u>27,917</u>	<u>102,893</u>	<u>(1,407)</u>	<u>101,486</u>
For The 3 Month Period Ended 30 April 2014						
As at 1 February 2013	72,776	2,200	26,464	101,440	(1,159)	100,281
Total comprehensive income for the period	-	-	1,245	1,245	(24)	1,221
As at 30 April 2014	<u>72,776</u>	<u>2,200</u>	<u>27,709</u>	<u>102,685</u>	<u>(1,183)</u>	<u>101,502</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited
Financial Statements for the year ended 31 January 2015 and the accompanying explanatory
notes attached to the Interim Financial Statements)**

SAPURA INDUSTRIAL BERHAD (17547-W)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2015

	3 MONTHS ENDED 30.4.2015 RM'000	3 MONTHS ENDED 30.4.2014 RM'000
Operating activities		
Profit before tax	1,571	1,749
Adjustments for:		
Depreciation of property, plant and equipment	2,965	3,199
Property, plant and equipment written off	-	18
Amortisation of development expenditure	219	223
Interest income	(106)	(151)
Impairment loss on trade receivables	-	33
Net unrealised gain on foreign exchange	(56)	(31)
Increase in liability for defined benefit plan	155	77
Inventories written off	-	19
Interest expense	579	525
Operating profit before working capital changes	<u>5,327</u>	<u>5,661</u>
(Increase)/decrease in inventories	(3,343)	2,207
Decrease in trade and other receivables	12,391	9,235
Increase/(decrease) in trade and other payables	<u>1,542</u>	<u>(4,362)</u>
Cash generated from operations	15,917	12,741
Interest paid	(579)	(525)
Taxes paid	(493)	(1,369)
Retirement benefits paid	-	(18)
Net cash generated from operating activities	<u>14,845</u>	<u>10,829</u>

SAPURA INDUSTRIAL BERHAD (17547-W)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2015

(contd.)

	3 MONTHS ENDED 30.4.2015 RM'000	3 MONTHS ENDED 30.4.2014 RM'000
Investing activities		
Purchase of property, plant and equipment	(1,204)	(1,861)
Interest received	106	151
Development expenditure incurred	(211)	(160)
Net cash used in investing activities	<u>(1,309)</u>	<u>(1,870)</u>
Financing activities		
Net repayment of term loans	(1,113)	(2,677)
Net drawdown/(repayment)of short term borrowings	2,837	(8,322)
Net (repayment)/drawdown of hire purchase and lease financing	(99)	225
Net cash generated from/(used in) financing activities	<u>1,625</u>	<u>(10,774)</u>
Net increase/(decrease) in cash and cash equivalents	15,161	(1,815)
Cash and cash equivalents at beginning of period	<u>6,026</u>	<u>17,254</u>
Cash and cash equivalents at end of period	<u><u>21,187</u></u>	<u><u>15,439</u></u>
Analysis of cash and cash equivalents:		
Deposits, cash and bank balances	21,477	15,934
Bank overdrafts	(290)	(495)
Cash and cash equivalents at end of period	<u><u>21,187</u></u>	<u><u>15,439</u></u>

**(The Consolidated Statement of Cash Flows should be read in conjunction with the
Financial Statements for the year ended 31 January 2015 and the accompanying
explanatory notes attached to the Interim Financial Statements)**

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015

Part A - EXPLANATORY NOTES

A1. Basis of preparation

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which 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.

A2. Changes in Accounting Policies

On 1 February 2014, the Group and the Company adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 February 2014.

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 3	Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
Amendments to MFRS 8	Operating Segments (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2011-2013 Cycle)
Amendments to MFRS 116	Amendments to MFRS 116 Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)
Amendments to MFRS 119	Employee Benefits - Defined Benefit Plans: Employee Contributions
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 2010-2013 Cycle)

Standards and interpretations issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective.

Amendments to MFRS 119	Employee Benefits (Annual Improvements 2012-2014 Cycle)
Amendments to MFRS 127	Amendments to MFRS 127 Separate Financial Statements: Equity Method in Separate Financial Statements
Amendments to MFRS 128	Amendments to MFRS 128 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 134	Amendments to MFRS 134 Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)

Amendments to MFRS 138	Amendments to MFRS 138 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants
Amendments to MFRS 101 MFRS 14	Disclosure Initiatives Regulatory Deferral Accounts
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception

Effective for annual periods beginning on or after 1 January 2017

MFRS 15 Revenue from Contracts with Customers

Effective for annual periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments (2014)

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application.

A3. Seasonal and Cyclical Factors

The Group's results were not materially affected by any major seasonal or cyclical factors.

A4. Unusual Items Due To Their Nature, Size or Incidence

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A5. Material Changes in Estimates

There were no material changes in estimates reported in the the financial period under review.

A6. Issuance and Repayment of Debt and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Company during the financial period under review.

A7. Dividends Paid

No dividends were paid during the financial period under review.

A8. Segmental Information

Analysis of the Group's revenue and results by business are as follows:-

	Individual Quarter 3 months ended 31 April 2015		Cumulative Quarter 3 months ended 31 April 2015	
	Revenue RM'000	Profit/(loss) before taxation RM'000	Revenue RM'000	Profit before taxation RM'000
Investment Holding	4,703	21	4,703	21
Manufacturing	60,245	1,557	60,245	1,557
Others	929	(7)	929	(7)
	<u>65,877</u>	<u>1,571</u>	<u>65,877</u>	<u>1,571</u>
Eliminations	<u>(6,953)</u>	<u>-</u>	<u>(6,953)</u>	<u>-</u>
	<u>58,924</u>	<u>1,571</u>	<u>58,924</u>	<u>1,571</u>

No geographical segment is presented as the Group's activities are carried out in Malaysia.

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015 (cont'd)

Part A - EXPLANATORY NOTES (CONTD.)

A9. Property, Plant and Equipment

The carrying amounts of property, plant and equipment have been brought forward without amendment from the previous audited financial statements.

A10. Material Events Subsequent to the End of the Period

There were no material events subsequent to the end of the financial period under review.

A11. Changes in Composition of the Group

There were no changes in the Group's composition during the financial period under review.

A12. Contingent Liabilities

There was no contingent liability for the Group during the financial period under review.

A13. Capital Commitments

	As at 30 April 2015 RM'000	As at 31 January 2015 RM'000
Capital expenditure		
Property, plant and equipment:		
Approved and contracted for	-	-
Approved but not contracted for	<u>4,367</u>	<u>10,010</u>

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015 (cont'd)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded revenue of RM58.9 million for the current quarter against RM57.9 million in the previous year corresponding quarter. Net profit at RM1.2 million comparable to the previous year corresponding quarter.

B2. Result against Preceding Quarter

The Group's revenue of RM58.9 million for the current quarter was higher compared to the immediate preceding quarter of RM54.5 million. Net profit for the current quarter was RM1.2 million as compared to RM1.4 million for the immediate preceding quarter.

B3. Prospects

Total industry volume is projected to grow by 2% from 666,465 in 2014 to 680,000 car sets in 2015. Moving forward, the Group is cautious that market conditions will continue to be challenging for the automotive sector. As such, the Group has intensified its efforts to further strengthen operational efficiency.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

B5. Tax Expense

	Current Quarter RM'000	Year to date RM'000
Current income tax	<u>385</u>	<u>385</u>
Effective tax rate	24.5%	24.5%

The effective tax rates for the current quarter and year to date approximate the statutory tax rate

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as the date of issue of this report.

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015 (cont'd)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)

B7. Borrowings

The Group borrowings are as follows:

	As at 30 April 2015 RM'000	As at 31 January 2015 RM'000
Current		
Secured		
Bank Overdrafts	290	290
Term Loans	6,825	4,726
Obligations under finance leases	406	359
	<u>7,521</u>	<u>5,375</u>
Unsecured		
Bankers' Acceptances	9,693	7,856
Revolving Credits	10,200	9,200
Term Loans	-	-
	<u>19,893</u>	<u>17,056</u>
Total current	<u>27,414</u>	<u>22,431</u>
Non - Current		
Secured		
Term Loans	7,595	10,807
Obligations under finance leases	494	640
Total non- current	<u>8,089</u>	<u>11,447</u>
Total		
Bank Overdrafts	290	290
Revolving Credits	10,200	9,200
Bankers' Acceptances	9,693	7,856
Term Loans	14,420	15,533
Obligations under finance leases	900	999
	<u>35,503</u>	<u>33,878</u>

The Group borrowings are denominated in the following currencies:

	As at 31 January 2015 RM'000	As at 31 January 2015 RM'000
Ringgit Malaysia	25,810	26,845
United States Dollar	9,693	7,033
	<u>35,503</u>	<u>33,878</u>

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015 (cont'd)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)

B8. Dividend Declared

No dividend has been proposed or declared for the current financial period ended 30 April 2015.

B9. Earnings Per Share

	Current Quarter 30.4.2015	Year To Date 30.4.2015
Net profit from operations attributable to owners of the parent (RM'000)	<u>1,214</u>	<u>1,214</u>
a) Basic		
Weighted average no. of shares (000)	72,776	72,776
Basic earnings per share for: -		
Profit for the period (sen)	1.67	1.67
b) Diluted		
Weighted average no. of shares (000)	72,776	72,776
Adjusted weighted average no. of shares (000)	<u>72,776</u>	<u>72,776</u>
Profit for the period (sen)	<u>1.67</u>	<u>1.67</u>

B10. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's preceding annual financial statements was not qualified.

B11. Additional Information

The following items are included in the statement of comprehensive income:-

	Current Quarter 30.4.2015 RM'000	Year To Date 30.4.2015 RM'000
Profit before taxation is stated after (crediting)/charging:-		
- Interest income	(106)	(106)
- Interest expense	579	579
- Depreciation of property, plant and equipment	2,965	2,965
- Amortisation of development expenditure	219	219
- Unrealised foreign exchange gain	(56)	(56)
- Realised foreign exchange loss	21	21
- Inventories written off	-	-
- Property, plant and equipment written off	-	-
- Gain on disposal of property, plant and equipment	-	-
- Bad debt recovered	-	-
	<u>-</u>	<u>-</u>

SAPURA INDUSTRIAL BERHAD (17547-W)

Notes to the Interim Financial Statements - 30 April 2015 (cont'd)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONTD.)

B12. Breakdown of retained profits/(accumulated losses) into realised and unrealised

	As at 30.4.2015 RM'000	As at 31.1.2015 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries		
- Realised	(61,141)	(65,596)
- Unrealised	<u>(8,763)</u>	<u>(8,862)</u>
	(69,904)	(74,458)
Less: Consolidation adjustments	<u>97,821</u>	<u>101,161</u>
Retained profits as per financial statements	<u>27,917</u>	<u>26,703</u>

B13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 June 2015.