

PANSAR BERHAD (Company No. 18904-M)

INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

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PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31.3.2013 RM'000	Preceding year corresponding quarter 31.3.2012 RM'000	Current year to date 31.3.2013 RM'000	Preceding year corresponding year to date 31.3.2012 RM'000
Revenue	100,186	92,031	429,644	399,104
Cost of sales	(85,822)	(78,171)	(370,691)	(342,958)
Gross profit	14,364	13,860	58,953	56,146
Other income	616	585	3,309	7,266
Selling and distribution expenses	(2,414)	(2,172)	(9,292)	(8,324)
Administrative expenses	(7,590)	(6,978)	(27,626)	(27,577)
Other operating expenses	(532)	(2,905)	(1,137)	(4,894)
Finance costs	(180)	(79)	(872)	(951)
Profit before taxation	4,264	2,311	23,335	21,666
Income tax expense	(1,079)	(856)	(5,770)	(5,861)
Profit after taxation	3,185	1,455	17,565	15,805
Other comprehensive income, net of tax:-				
Cash flow hedge	371	(231)	49	(3)
Foreign currency translation	(66)	(28)	260	151
	305	(259)	309	148
Total comprehensive income for the year	3,490	1,196	17,874	15,953
Profit after taxation attributable to owners of the Company	3,185	1,455	17,565	15,805
Total comprehensive income attributable to owners of the Company	3,490	1,196	17,874	15,953
Weighted average number of shares in issue ('000)	280,000	280,000	280,000	280,000
Earnings per ordinary share (sen):-				
- Basic	1.14	0.52	6.27	5.64
- Diluted	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012; and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2013

	31.3.2013	31.03.2012
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	4,025	3,707
Intangible assets	201	198
Deferred tax assets	136	176
	<u>4,362</u>	<u>4,081</u>
Current assets		
Inventories	46,253	39,579
Trade and other receivables	135,371	136,141
Derivative assets	84	267
Tax refundable	290	37
Deposits, cash and bank balances	15,547	19,663
	<u>197,545</u>	<u>195,687</u>
TOTAL ASSETS	<u>201,907</u>	<u>199,768</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Reserves	3,846	(9,128)
Total equity attributable to owners of the Company	<u>143,846</u>	<u>130,872</u>
Non-current liabilities		
Deferred tax liabilities	5	11
Current liabilities		
Trade and other payables	42,574	44,199
Derivative liabilities	119	424
Bank borrowings:-		
- bank overdrafts	6,437	12,441
- other borrowings	6,000	9,000
Provision for employee benefits	2,100	1,269
Provision for taxation	826	1,552
	<u>58,056</u>	<u>68,885</u>
Total liabilities	<u>58,061</u>	<u>68,896</u>
TOTAL EQUITY AND LIABILITIES	<u>201,907</u>	<u>199,768</u>
Net assets per ordinary share (RM)	<u>0.51</u>	<u>0.47</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012; and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR TO DATE ENDED 31 MARCH 2013**

12-month period ended 31.3.2013	←-----Non-Distributable-----→				←Distributable→	
	Share capital RM'000	Reverse acquisition reserve RM'000	Foreign exchange translation reserve RM'000	Cash flow hedge reserve RM'000	Retained profits RM'000	Total equity RM'000
Balance at 1.4. 2012	140,000	(116,732)	1,269	22	106,313	130,872
Profit after taxation for the period	-	-	-	-	17,565	17,565
Other comprehensive income for the period, net of tax:-						
- Foreign currency translation	-	-	260	-	-	260
- Cash flow hedge	-	-	-	49	-	49
Total comprehensive income for the period	-	-	260	49	17,565	17,874
Contribution by and distribution to owners of the Company:-						
- Dividends	-	-	-	-	(4,900)	(4,900)
Balance at 31.3.2013	140,000	(116,732)	1,529	71	118,978	143,846

12-month period ended 31.3.2012	←-----Non-Distributable-----→				←Distributable→	
	Share capital RM'000	Reverse acquisition reserve RM'000	Foreign exchange translation reserve RM'000	Cash flow hedge reserve RM'000	Retained profits RM'000	Total equity RM'000
Balance at 1.4. 2011	140,000	(116,732)	1,118	25	94,708	119,119
Profit after taxation for the period	-	-	-	-	15,805	15,805
Other comprehensive income for the period, net of tax:-						
- Foreign currency translation	-	-	151	-	-	151
- Cash flow hedge	-	-	-	(3)	-	(3)
Total comprehensive income for the period	-	-	151	(3)	15,805	15,953
Contribution by and distribution to owners of the Company:-						
- Dividends	-	-	-	-	(4,200)	(4,200)
Balance at 31.3.2012	140,000	(116,732)	1,269	22	106,313	130,872

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012; and the accompanying explanatory notes attached to the interim financial statements.

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR TO DATE ENDED 31 MARCH 2013

	Current year to date 31.3.2013 RM'000	Preceding year corresponding period 31.3.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,335	21,666
Adjustments for:-		
Allowance for impairment loss on receivables	942	4,750
Allowance for impairment loss on receivables no longer required	(1,336)	(1,445)
Amortisation of intangible assets	4	3
Bad debts written off	99	144
Depreciation of property, plant and equipment	1,312	1,318
Fair value gain on derivatives	(116)	(82)
Gain on disposal of property, plant and equipment	(139)	(68)
Interest expense	872	951
Interest income	(314)	(4,286)
Inventories written down	96	-
Inventories written off	-	40
Provision for employee benefits	2,014	1,248
Unrealised loss/(gain) on foreign exchange	264	(66)
Operating profit before changes in working capital	27,033	24,173
(Increase)/decrease in inventories	(6,731)	6,565
Decrease in trade and other receivables	1,321	8,344
Decrease in trade and other payables	(1,537)	(6,108)
Employee benefits paid	(1,185)	(1,132)
Cash from operations	18,901	31,842
Interest paid	(872)	(951)
Interest received	308	4,280
Income tax paid	(6,989)	(4,607)
Income tax refunded	272	-
Net cash from operating activities	11,620	30,564

PANSAR BERHAD (Company No. 18904-M)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR TO DATE ENDED 31 MARCH 2013

	Current year to date 31.3.2013 RM'000	Preceding year corresponding period 31.3.2012 RM'000
CASH FLOWS FOR INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	149	78
Purchase of intangible assets	(4)	(13)
Purchase of property, plant and equipment	(1,639)	(871)
Net cash for investing activities	(1,494)	(806)
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividend paid	(4,900)	(4,200)
Proceeds from bankers' acceptance	18,800	24,100
Repayment of bankers' acceptance	(21,800)	(38,846)
Repayment of revolving credit	-	(2,000)
Net cash for financing activities	(7,900)	(20,946)
Net increase in cash and cash equivalents	2,226	8,812
Effect of exchange rate changes on cash and cash equivalents	(338)	(57)
Cash and cash equivalents at beginning of the financial year	7,222	(1,533)
Cash and cash equivalents at end of the financial year	9,110	7,222
Analysis of cash and cash equivalents:-		
Deposits, cash and bank balances	15,547	19,663
Bank overdrafts	(6,437)	(12,441)
	9,110	7,222

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012; and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of preparation

The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board and Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012. These explanatory notes attached to the interim financial statements 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 financial year ended 31 March 2012.

For the period up to and including the year ended 31 March 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS"). This Condensed Report is the Group's first Malaysian Financial Reporting Standards ("MFRS") compliant Condensed Report and hence MFRS 1: First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Condensed Report are consistent with those of the audited financial statements for the year ended 31 March 2012. The adoption of the MFRS did not have any material impact on the Group's financial statements.

A2 Comments about seasonality or cyclical nature of operations

The business of the Group is not subject to seasonal or cyclical fluctuations.

A3 Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size, or incidence during the current quarter under review.

A4 Changes in estimates

There were no changes in the estimates that have had a material effect in the current quarter under review.

A5 Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter.

A6 Dividend paid

There was no dividend paid by the Company during the current quarter under review.

A7 Segmental information

The following is an analysis of the Group's revenue and results by reportable segments:-

(a) Business segments

	Marine & Industrial RM'000	Building Products RM'000	Wood Engineering & Supplies RM'000	Electrical & Office Automation RM'000	Mechanical & Electrical RM'000	Year to date 31.3.2013 RM'000
Revenue						
External revenue	160,215	147,758	40,398	37,079	46,762	432,212
Inter-segment revenue	(777)	(71)	-	(1,658)	(62)	(2,568)
Consolidated revenue	<u>159,438</u>	<u>147,687</u>	<u>40,398</u>	<u>35,421</u>	<u>46,700</u>	<u>429,644</u>
Results						
Segment results	21,116	9,960	3,283	3,997	6,584	44,940
Eliminations	-	-	-	-	1,444	1,444
	<u>21,116</u>	<u>9,960</u>	<u>3,283</u>	<u>3,997</u>	<u>8,028</u>	<u>46,384</u>
Unallocated income						633
Unallocated expenses						(23,682)
Consolidated profit before taxation						<u>23,335</u>

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A7 Segmental information (cont'd)

	Marine & Industrial RM'000	Building Products RM'000	Wood Engineering & Supplies RM'000	Electrical & Office Automation RM'000	Mechanical & Electrical RM'000	Year to date 31.3.2013 RM'000
Assets						
Segment assets	73,361	44,040	18,179	16,744	32,921	185,245
Unallocated assets						16,526
Deferred tax assets						136
Consolidated total assets						201,907
Revenue						
External revenue	148,607	128,675	38,678	34,165	51,185	401,310
Inter-segment revenue	(402)	(67)	-	(1,592)	(145)	(2,206)
Consolidated revenue	148,205	128,608	38,678	32,573	51,040	399,104
Results						
Segment results	16,466	6,958	3,610	2,523	12,273	41,830
Eliminations	-	-	-	-	1,327	1,327
	16,466	6,958	3,610	2,523	13,600	43,157
Unallocated income						2,345
Unallocated expenses						(23,836)
Consolidated profit before taxation						21,666
Assets						
Segment assets	70,860	37,483	22,211	15,884	35,347	181,785
Unallocated assets						17,807
Deferred tax assets						176
Consolidated total assets						199,768

(b) Geographical segments

	31.3.2013 RM'000	Year to date 31.3.2012 RM'000
Total revenue from external customers		
- Malaysia	416,280	388,290
- Singapore	13,364	10,814
	429,644	399,104

A8 Property, plant and equipment

a) Acquisition and disposal of property, plant and equipment

There was no material acquisition or disposal of property, plant and equipment since the end of last financial year.

b) Impairment losses

Neither loss from impairment of property, plant and equipment nor reversal of such impairment losses was recognised since the end of last financial year.

c) Valuation

As at 31 March 2013, the Group did not have any revalued assets.

A9 Subsequent events

There were no material subsequent events as at 16 May 2013.

PANSAR BERHAD (Company No. 18904-M)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

A10 Changes in the composition of the Group

There were no changes in the composition of the Group for the year ended 31 March 2013.

A11 Contingent liabilities or contingent assets

As at 16 May 2013, there were no material contingent liabilities or contingent assets which, upon being enforceable, might have a material impact on the financial position or business of the Group.

A12 Capital commitment

There were no commitments in respect of the Group since the last annual reporting date to the date of this report.

A13 Significant related party transactions

	Quarter ended		Year to date	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	RM'000	RM'000	RM'000	RM'000
Transactions with holding company	492	370	1,974	1,419
Transactions with other related parties	14,684	9,643	48,014	40,188

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD**

B1 Review of performance

The Group's revenue surged by RM30.5 million to RM429.6 million in FY13, which was 7.7% higher than the revenue of RM399.1 million reported in FY12. Building Products segment and Marine & Industrial segment were the key contributors to the Group's revenue in the current financial year, with 14.8% and 7.6% increase in revenue contribution respectively despite a drop in revenue from M & E segment of 8.5% for the financial year under review.

With this significant increase in revenue, the Group posted a PAT of 17.6 million, which was 38.5% increase from the previous financial year, excluding interest income recognised in FY12.

Marine & Industrial segment

Quarterly results

Marine and Industrial segment continued to contribute positively to the Group by registering a 10.8% revenue growth from RM32.7 million in 4QFY12 to RM36.3 million in 4QFY13.

In line with the increase in revenue, the segment's PBT increased to RM5.8 million in the current quarter as compared to RM4.5 million in 4QFY12. This improvement in profit was broadly a result of higher gross profit achieved. Contribution margins for the segment was higher vis-à-vis previous corresponding quarter as a result of favourable exchange rates.

Financial year-to-date

Despite the challenging economic environment, Marine & Industrial segment delivered a commendable set of results for the full year ended 31 March 2013. Sales from this business segment remained the Group's top revenue contributor, accounting for 37.1% of total revenue with RM159.4 million in FY13, expanded from RM148.2 million in FY12. This improvement in revenue was mainly underpinned by the increased demand for marine engines.

PBT for the segment rose by a commendable 28.2% to RM21.1 million from RM16.5 million posted a year ago. The higher PBT vis-à-vis previous year was mainly contributed by higher gross profit achieved and lower impairment loss on receivables in FY13.

Building Products segment

Quarterly results

For 4QFY13, Building Products segment registered a PBT of RM1.7 million on a revenue of RM35.1 million, versus a PBT of RM0.1 million on a revenue of RM31.7 million in 4QFY12.

Compared to the corresponding quarter of previous year, the PBT increased by RM1.6 million due mainly to the improved gross profit as a result of higher revenue and gross profit margin as well as lower allowance for impairment loss on receivables in the current quarter.

Financial year-to-date

Building Products segment, being the second largest segment in terms of revenue contribution to the Group, generated a 14.8% expansion in revenue from RM128.6 million in the prior year to RM147.7 million in the current year under review. The higher revenue was driven largely by the stronger sales volume from structural building products.

PBT for FY13 was RM10.0 million, an increase of 43.1% over FY12. The variance in PBT was broadly a result of the higher gross profit achieved as well as significantly lower allowance made for doubtful debts in FY13.

Wood Engineering and Supplies Segment

Quarterly results

For 4QFY13, Wood Engineering and Supplies segment posted a lower revenue of RM8.1 million on the back of lower sales volume from steel products.

In tandem with the decrease in revenue, PBT for the quarter was RM0.6 million, a decrease of 16.0% compared to 4QFY12.

Financial year-to-date

In FY13, the segment's revenue grew by 4.4% to RM40.4 million from RM38.7 million in the previous year. However, the segment saw a lower PBT of RM3.3 million in FY13, compared with RM3.6 million posted in FY12. This decrease was due largely to pricing and cost pressures which narrowed margins.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B1 Review of performance (cont'd)

Electrical & Office Automation Segment

Quarterly results

Electrical & Office Automation segment posted a higher PBT of RM1.2 million on the back of improved revenue of RM8.8 million for 4QFY13 as compared to previous corresponding quarter's loss of RM0.4 million on revenue of RM6.2 million. A significant amount of impairment loss on receivables made in the corresponding quarter of the preceding year dragged down the segment's performance.

Financial year-to-date

Compared to FY12, the segment's revenue increased by 8.7% to RM35.4 million from RM32.6 million and PBT increased by 58.4% to RM4.0 million from RM2.5 million. Better sales mix of higher margin products and lower impairment loss on receivables in FY13 contributed to profit improvement.

Mechanical & Electrical Segment

Quarterly results

Although Mechanical & Electrical segment's revenue for the current quarter was marginally higher than the previous corresponding quarter, PBT for this segment however decreased by 62.4% from RM3.0 million in 4QFY12 to RM1.1 million in 4QFY13. The lower PBT vis-à-vis previous corresponding quarter was mainly attributed to the completion of several major projects with higher profit margins in 4QFY12.

Financial year-to-date

For the financial year under review, Mechanical & Electrical segment posted revenue of RM46.7 million, down RM4.3 million from RM51.0 million in FY12 due mainly to different projects and the timing of project milestones. As a result of the lower revenue and change in projects mix, the gross profit and gross profit margins in FY13 were lower than that of FY12.

The segment posted a lower PBT of RM8.0 million in FY13 compared to PBT of RM13.6 million in FY12 which included a RM3.0 million other operating income in relation to interest charged on overdue debts.

B2 Material changes in profit before tax for the quarter

For the quarter under review, the Group achieved a lower profit before tax (PBT) of RM4.3 million on the back of lower revenue of RM100.2 million as compared to PBT of RM4.9 million and revenue of RM113.0 million in the immediate preceding quarter. The decrease in PBT was primarily due to higher operating costs on the back of lower business volume.

B3 Commentary on prospects

Although earlier risks of an acute euro area crisis and forced U.S. slowdown have largely diminished, overall global economic uncertainties nonetheless continue to linger with fears of a sluggish outlook as the third quarter approaches; growing divergence is now apparent in the economic performance around the world : recession in euro area, the recovery in the U.S. restrained by fiscal tightening, and slowing growth in China. Asia's biggest threats are financial imbalances and rising asset prices, fuelled by strong credit growth and easy financing conditions, and despite these risks having such buffers as generally sound banking and corporate sector balance sheets, careful monitoring and supervision are still required.

In Malaysia, with the 13th General Election finally over and the incumbent ruling coalition returned to power means that political uncertainty is now removed. With investors welcoming the continuity in supporting projects and investments already in the pipeline, the country's economy is expected to grow stronger moving into the second half of the year.

Riding on this momentum, our main business divisions - namely Marine and Industrial, Building Products, Wood Engineering, and Electrical and Office Automation - are expected to continue registering reliable growth.

With increasing keen competition and the resultant tightening of margins, we remain vigilant on our cost structure and resource allocations in all spheres of our business even as we continue building our market reputation as a trusted solutions provider backed by high quality service.

PANSAR BERHAD (Company No. 18904-M)
 NOTES TO THE INTERIM FINANCIAL STATEMENTS
 FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B4 Profit forecast and profit guarantee

Not applicable as no profit forecast was announced.

B5 Income tax expense

	Quarter ended		Year to date	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Income tax:-				
- Malaysian tax	994	1,097	6,219	5,971
- Foreign tax	32	6	92	49
	<u>1,026</u>	<u>1,103</u>	<u>6,311</u>	<u>6,020</u>
Over provision in the previous financial year:-				
- Malaysian tax	-	(2)	(575)	(6)
	<u>1,026</u>	<u>1,101</u>	<u>5,736</u>	<u>6,014</u>
Deferred tax:-				
- Origination and reversal of temporary differences	53	(217)	(293)	(142)
- (Over)/under provision in the previous financial year	-	(28)	327	(11)
	<u>53</u>	<u>(245)</u>	<u>34</u>	<u>(153)</u>
	<u>1,079</u>	<u>856</u>	<u>5,770</u>	<u>5,861</u>

B6 Corporate proposals

As at 16 May 2013, there were no corporate proposals announced.

B7 Short-term borrowings

The Group's borrowings as at 31 March 2013 were as follows:-

	RM'000
Bank overdrafts, secured	21
Bank overdrafts, unsecured	6,416
Bankers' acceptance, unsecured	2,000
Revolving credit, secured	4,000
	<u>12,437</u>

B8 Derivative financial instruments

The outstanding foreign currency forward contracts as at 31 March 2013 were as follows:-

	Contract/notional	Assets	Liabilities
	amount RM'000	RM'000	RM'000
<u>Derivatives not designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	4,752	21	(119)
<u>Derivatives designated as hedging instruments:-</u>			
Forward foreign currency contracts			
- Less than 1 year	5,290	63	-
		<u>84</u>	<u>(119)</u>

PANSAR BERHAD (Company No. 18904-M)
 NOTES TO THE INTERIM FINANCIAL STATEMENTS
 FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B8 Derivative financial instruments (cont'd)

The Group enters into foreign currency forward contracts to hedge against the Group's exposure to foreign currency risks as a result of purchases denominated in currencies other than its functional currency for which firm commitments existed at the end of the reporting period.

There were no cash requirements for these derivatives and they are not subject to significant credit risk, market risk and liquidity risk.

In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments. These derivatives and their underlying exposures will be monitored on an on-going basis.

With respect to derivatives not designated as hedging instruments, they are stated at fair value, with any gains/losses arising on remeasurement recognised in profit or loss. These fair value changes are attributable to changes in foreign exchange spot and forward rates.

For those derivatives designated as hedging instruments (cash flow hedge), the effective portion of changes in fair value of those derivatives is recognised in other comprehensive income. The gain or loss in relation to ineffective portion is recognised immediately in profit or loss.

B9 Gains/(losses) arising from fair value changes of financial liabilities

	Current quarter loss	Year to date gain
	RM'000	RM'000
Foreign currency forward contracts	(35)	305

B10 Breakdown of realised and unrealised profits

The breakdown of retained profits of the Group as at 31 March 2013 into realised and unrealised profits are presented as follows:-

	RM'000
Total retained profits:-	
- Realised	115,724
- Unrealised	(240)
	<u>115,484</u>
Add: Consolidation adjustments At 31 March 2013	<u>3,494</u>
	<u>118,978</u>

B11 Changes in material litigation

As at 16 May 2013, there was no material litigation against the Group.

B12 Dividend payable

No interim dividend has been declared for the financial year ended 31 March 2013.

B13 Earnings per share

a) Basic earnings per share

	Quarter ended		Year to date	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Profit for the year attributable to owners of the Company (RM'000)	3,185	1,455	17,565	15,805
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	280,000	280,000	280,000	280,000
Basic earnings per share based on the weighted average number of shares in issue (sen)	1.14	0.52	6.27	5.64

b) Diluted earnings per share

Not applicable as at 31 March 2013.

PANSAR BERHAD (Company No. 18904-M)
 NOTES TO THE INTERIM FINANCIAL STATEMENTS
 FOR THE 4TH QUARTER AND YEAR TO DATE ENDED 31 MARCH 2013

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

B14 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the Company and its subsidiaries for the financial year ended 31 March 2012 was not subject to any qualification.

B15 Profit for the year

Profit before taxation is arrived at after charging/(crediting):-

	Quarter ended		Year to date	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	RM'000	RM'000	RM'000	RM'000
Interest income	(76)	(103)	(314)	(4,286)
Interest expense	180	79	872	951
Depreciation and amortisation	353	338	1,316	1,321
Bad debts written off	3	44	99	144
Collective impairment losses on receivables	44	(191)	195	166
Collective impairment losses on receivables no longer required	(25)	(166)	(180)	(968)
Individual impairment losses on receivables	486	3,053	747	4,584
Individual impairment losses on receivables no longer required	(24)	(145)	(1,156)	(477)
Inventories written down	-	-	96	-
Inventories written off	-	35	-	40
Gain on disposal of property, plant and equipment	(21)	(2)	(139)	(68)
Realised foreign exchange gain	(46)	(48)	(336)	(249)
Unrealised foreign exchange loss/(gain)	376	(299)	264	(66)
Realised fair value (gain)/loss on derivatives	(2)	44	(11)	(2)
Unrealised fair value loss on derivatives	26	449	98	214

Other than the above, there were no gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, and exceptional items for the current quarter and financial year ended 31 March 2013.