

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statements of Comprehensive Income For The Financial Year Ended 30 September 2016 - Unaudited

	Note	Individual Period		Cumulative Period	
		3 months ended		9 months ended	
		30.9.2016 RM'000	30.9.2015 RM'000	30.9.2016 RM'000	30.9.2015 RM'000
<b>Revenue</b>	9	24,189	31,717	69,891	91,923
Cost of sales		(16,794)	(23,819)	(49,961)	(68,337)
<b>Gross profit</b>		7,395	7,898	19,930	23,586
Other items of income:					
– Interest income		907	1,061	2,851	2,968
– Other income		1,036	1,450	53	2,371
Operating expenses		(2,765)	(2,353)	(8,368)	(8,722)
<b>Operating profit</b>		6,573	8,056	14,466	20,203
Finance costs		(15)	(18)	(51)	(45)
<b>Profit before taxation</b>	9 & 19	6,558	8,038	14,415	20,158
Taxation	20	(1,789)	(2,275)	(4,482)	(5,832)
<b>Profit for the period</b>		4,769	5,763	9,933	14,326
<b>Other comprehensive profit, net of tax</b>					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		529	3,785	(1,558)	5,843
<b>Total comprehensive income for the period</b>		5,298	9,548	8,375	20,169

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statements of Comprehensive Income For The Financial Year Ended 30 September 2016 - Unaudited (Continued)

		Individual Period		Cumulative Period	
	Note	3 months ended		9 months ended	
		30.9.2016	30.9.2015	30.9.2016	30.9.2015
		RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to:</b>					
Owners of the Company		4,487	5,827	9,641	14,295
Non-controlling interests		282	(64)	292	31
<b>Profit for the period</b>					
		4,769	5,763	9,933	14,326
<b>Total comprehensive profit attributable to:</b>					
Owners of the Company		5,016	9,612	8,083	20,138
Non-controlling interests		282	(64)	292	31
<b>Total comprehensive income for the period</b>					
		5,298	9,548	8,375	20,169
<b>Earnings per share attributable to owners of the Company:</b>					
- Basic	25	1.62	2.11	3.49	5.17
- Diluted	25	N/A	N/A	N/A	N/A

### Notes:

“N/A” – Not applicable

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement of Financial Position As at 30 September 2016 - Unaudited

	Note	<u>Unaudited</u> As at 30.9.2016 RM'000	<u>Audited</u> As at 31.12.2015 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	62,218	68,969
Investment properties		23,594	23,641
Other investments		200	195
Goodwill		4,932	4,932
		<hr/>	<hr/>
		90,944	97,737
		<hr/>	<hr/>
<b>Current assets</b>			
Inventories		12,578	11,906
Property development costs		73,248	69,005
Trade and other receivables		29,957	36,431
Accrued billings		-	10,018
Prepaid expenses		959	867
Tax recoverable		36	34
Deposits with licensed banks		109,363	85,776
Cash and bank balances		45,398	45,706
		<hr/>	<hr/>
		271,539	259,743
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>	9	<u>362,483</u>	<u>357,480</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		139,357	139,357
Share premium		1,281	1,281
Treasury shares		(947)	(947)
Capital reserve		308	308
Currency translation reserve		4,435	5,993
Retained profits		169,087	162,991
		<hr/>	<hr/>
		313,521	308,983
<b>Non-controlling interests</b>		<hr/>	<hr/>
		1,362	1,634
		<hr/>	<hr/>
<b>Total equity</b>		<u>314,883</u>	<u>310,617</u>

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement of Financial Position As at 30 September 2016 - Unaudited (Continued)

	Note	<u>Unaudited</u> As at 30.9.2016 RM'000	<u>Audited</u> As at 31.12.2015 RM'000
<b>Non-current liabilities</b>			
Finance lease liabilities	22	808	1,120
Deferred tax liabilities		21,503	22,455
		<hr/>	<hr/>
		22,311	23,575
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade and other payables		22,740	21,555
Finance lease liabilities	22	1,374	461
Provision for taxation		1,175	1,272
		<hr/>	<hr/>
		25,289	23,288
		<hr/>	<hr/>
<b>Total liabilities</b>		47,600	46,863
		<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>		362,483	357,480
		<hr/> <hr/>	<hr/> <hr/>
<b>Net assets per share</b>			
<b>attributable to owners of the Company (RM)</b>		1.13	1.12
		<hr/> <hr/>	<hr/> <hr/>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement Of Changes In Equity For The Financial Year Ended 30 September 2016 - Unaudited

Note	Attributable to shareholders of the Company						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
<b>Unaudited</b>									
<b>At 1 January 2016</b>	139,357	1,281	(947)	308	5,993	162,991	308,983	1,634	310,617
Total comprehensive (loss)/income for the period	-	-	-	-	(1,558)	9,641	8,083	292	8,375
<u>Transactions with owners:</u>									
Increase/(Decrease) in equity interest in subsidiary company	-	-	-	-	-	604	604	(564)	40
Dividends on ordinary shares	-	-	-	-	-	(4,149)	(4,149)	-	(4,149)
<b>At 30 September 2016</b>	139,357	1,281	(947)	308	4,435	169,087	313,521	1,362	314,883

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement Of Changes In Equity For The Financial Year Ended 30 September 2016 - Unaudited (Continued)

Note	Attributable to shareholders of the Company						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000			
<b>At 1 January 2015</b>	139,357	1,281	(947)	308	1,828	149,941	291,768	1,645	293,413
Total comprehensive income for the period	-	-	-	-	5,843	14,295	20,138	31	20,169
<b>At 30 September 2015</b>	139,357	1,281	(947)	308	7,671	164,236	311,906	1,676	313,582

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement of Cash Flows For The Financial Year Ended 30 September 2016 - Unaudited

	Cumulative Period	
	9 months ended	
	30.9.2016	30.9.2015
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	14,415	20,158
Adjustments for non-cash items	4,352	4,217
Operating profit before working capital changes	18,767	24,375
Working capital changes		
Inventories	(672)	2,776
Property development costs	(4,243)	(809)
Receivables, deposits and prepayments	16,400	8,549
Payables and accruals	1,185	5,733
Cash generated from operations	31,437	40,624
Interest paid	(51)	(45)
Interest received	2,851	2,968
Income tax paid	(5,533)	(6,053)
Income tax recovered	-	31
<b>Net cash from operating activities</b>	<b>28,704</b>	<b>37,525</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(837)	(876)
Proceeds from disposal of property, plant and equipment	-	50
Proceeds from issue of ordinary share	40	-
Purchase of other investments	(5)	(5)
<b>Net cash used in investing activities</b>	<b>(802)</b>	<b>(831)</b>

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Condensed Consolidated Statement of Cash Flows For The Financial Year Ended 30 September 2016 - Unaudited (Continued)

	Cumulative Period	
	9 months ended 30.9.2016 RM'000	30.9.2015 RM'000
<b>Cash flows from financing activities</b>		
Repayment of finance lease liabilities	(344)	(258)
Dividends paid on ordinary shares	(4,149)	(4,149)
<b>Net cash used in financing activities</b>	<b>(4,493)</b>	<b>(4,407)</b>
<b>Net increase in cash and cash equivalents</b>	<b>23,409</b>	<b>32,287</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>131,482</b>	<b>108,171</b>
<b>Effects of foreign exchange rate changes</b>	<b>(1,075)</b>	<b>4,117</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>153,816</b>	<b>144,575</b>
<b>Cash and cash equivalents comprise:</b>		
Deposits with licensed banks	109,363	100,665
Cash and bank balances	45,398	45,246
Bank overdrafts	(945)	(1,336)
	<b>153,816</b>	<b>144,575</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



# **HIL INDUSTRIES BERHAD**

(Company No: 8812-M)

## **Notes To The Unaudited Condensed Consolidated Interim Financial Statements**

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

Hil Industries Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 August 2016.

### **1. Basis of Preparation**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (“MASB”). These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2015. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

### 2. Significant Accounting Policies and Application of MFRS 1

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2015, except for the adoption of Amendments to Standards and Issue Committee (IC) interpretations effective as of 1 January 2016.

#### 2.1 Adoption of Amendments to Standards and IC Interpretations

The Group has adopted the following Amendments to Standards and IC Interpretations, with a date of initial application of 1 January 2016.

MFRS 14	Regulatory Deferral Accounts
Amendments for MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments for MFRS 10 and MFRS 12	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Venture
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 and MFRS 141	Agriculture - Bearer Plants
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Annual Improvements to MFRSs 2012 - 2014 Cycle	

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

#### 2.2 Standard issued but not yet effective

At the date of authorisation of the condensed consolidated interim financial statements, the following Standards were issued but not yet effective and have not been adopted by the Group:

##### **Effective for financial periods beginning on or after 1 January 2017**

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

# **HIL INDUSTRIES BERHAD**

(Company No: 8812-M)

## **Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)**

In compliance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting

### **2. Significant Accounting Policies and Application of MFRS 1 (Continued)**

#### 2.2 Standard issued but not yet effective (Continued)

##### **Effective for financial periods beginning on or after 1 January 2018**

MFRS 9	Financial Instruments (IFRS 9 as issued by International Accounting Standards Board ("IASB") in July 2014
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The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application, other than for MFRS 9 Financial Instruments. The Group will assess the financial implications of MFRS 9 Financial Instruments when full standard is issued.

### **3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2015 was not qualified.

# **HIL INDUSTRIES BERHAD**

(Company No: 8812-M)

## **Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)**

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

### **4. Comments about Seasonal or Cyclical Factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors during the quarter under review.

### **5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period-to-date.

### **6. Changes in Estimates**

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date results.

### **7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period-to-date.

### **8. Dividends Paid**

On 18 August 2016, the Company paid a first and final single tier dividend of 3% or 1.5 sen per ordinary share of RM0.50 each, amounting to RM4,149,258 in respect of the financial year ended 31 December 2015.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

### 9. Operating Segments

Segment information is presented in respect of the Group’s business segments.

	<b>Cumulative Period</b>	
	<b>9 months ended</b>	
	<b>30.9.2016</b>	<b>30.9.2015</b>
	<b>RM’000</b>	<b>RM’000</b>
<b>Segment Revenue</b>		
Revenue from:		
Manufacturing	43,945	64,174
Property development and management	26,237	28,040
	<hr/>	<hr/>
Total revenue including inter-segment revenue	70,182	92,214
Elimination of inter-segment revenue	(291)	(291)
	<hr/>	<hr/>
Revenue from external customers	69,891	91,923
	<hr/> <hr/>	<hr/> <hr/>
<b>Segment Results (External)</b>		
Results from:		
Manufacturing	23	7,134
Property development and management	14,394	13,025
Trading, services and others	(2)	(1)
	<hr/>	<hr/>
Profit before tax	14,415	20,158
	<hr/> <hr/>	<hr/> <hr/>

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

### 9. Operating Segments (Continued)

	Cumulative Period	
	9 months ended	
	30.9.2016	30.9.2015
	RM'000	RM'000
<b>Segment Assets</b>		
Segment assets of:		
Manufacturing	189,632	217,282
Property development and management	167,868	152,423
Trading, services and others	14	14
	<hr/>	<hr/>
	357,514	369,719
Unallocated assets	4,969	4,966
	<hr/>	<hr/>
Total consolidated assets	362,483	374,685
	<hr/> <hr/>	<hr/> <hr/>

### 10. Property, Plant and Equipment

#### *Acquisitions and disposals*

During the nine months ended 30 September 2016, the Group acquired items of property, plant and equipment with a cost of RM837,000 (nine months ended 30 September 2015: RM1,612,000). Items of property, plant and equipment with a net book value of RM Nil were disposed of during the nine months ended 30 September 2016 (nine months ended 30 September 2015: RM Nil), resulting in a gain on disposal of RM Nil (nine months ended 30 September 2015: gain on disposal of RM50,000).

#### *Valuation*

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

# **HIL INDUSTRIES BERHAD**

(Company No: 8812-M)

## **Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)**

In compliance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting

### **11. Subsequent Events**

There were no material events subsequent to the end of the financial period-to-date.

### **12. Changes in Composition of the Group**

There were no changes in the composition of the Group in the current financial period-to-date.

### **13. Changes in Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2015.

### **14. Capital Commitments**

There were no capital commitments as at 30 September 2016.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

### 15. Performance Review

The revenue and profit before tax recorded by the Group for the financial period-to-date was RM69.891 million and RM14.415 million respectively.

This represented a decrease of RM22.032 million in revenue or 23.97% of the revenue for the same period in the previous financial year ended 31 December 2015. The decrease in revenue was mainly due to lower sales from major customers subsequent to the slow down in the general market condition for both our Malaysia and overseas subsidiary's products.

For the cumulative nine months ended 30 September 2016, the decrease in the results for the financial period-to-date was RM5.743 million or 28.49% of the results for the same period in the previous financial year ended 31 December 2015. The decrease was mainly attributed from the corresponding drop in revenue as explained above. The drop in foreign currency exchange gain of RM3.219 million subsequent to the strengthening of Ringgit Malaysia against United States Dollar has also decreased the result.

The performance of the respective operating segments for the financial period-to-date as compared to the corresponding financial period-to-date in the preceding financial year is analysed as follows:

#### a) Manufacturing segment

The manufacturing segment registered a decrease in revenue and results for the current financial period-to-date of 31.52% and 99.68% respectively as compared to the revenue and results in the corresponding financial period-to-date in the preceding financial year. Certain models for some of our customers in Malaysia and China have reached their end of life, whilst their replacement models have not started yet. The general soft market sentiment for the local automotive industry, stiff competition and sluggish market in our overseas' electronics industry also affected our sales for this period. The drop in foreign currency exchange gain has also affected our results.

#### b) Property development and management segment

The property development and management segment registered an increase in results for the current financial period-to-date of 10.51% as compared to the results in the corresponding financial period-to-date in the preceding financial year.

#### c) Trading, services and others segment

This segment is not active.



# **HIL INDUSTRIES BERHAD**

(Company No: 8812-M)

## **Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)**

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

### **16. Variation of Results Against Preceding Quarter**

The revenue and profit before tax for the current quarter were RM24.189 million and RM6.558 million respectively compared to revenue of RM23.381 million and profit before tax of RM4.320 million for the immediate preceding quarter ended 30 June 2016. The higher revenue and profit in the third quarter was mainly due to higher profit recognition in property division. Besides, foreign currency exchange gain has also contributed to the improve in revenue.

### **17. Current Year Prospects**

Given the unstable global economic outlook, we expect 2016 to be a very challenging year. However, the group is cautiously optimistic that we will still be able to achieve satisfactory results for the year ending 31 December 2016.

The manufacturing division performance would be dependent on orders from existing customers and the expected gradual recovery of the global economy. Nevertheless, the group will persevere in its business initiatives to secure more projects, continuously looking for new business opportunities and to streamline its manufacturing process to achieve cost optimization through greater efficiency.

As for the property division, revenue is expected to decrease subsequent to the completion of the two on-going projects. Reduced consumer sentiment and stringent lending policies are also expected to impact the performance of the property division. Despite this, we have launched new projects in Bukit Kemuning in this quarter and are planning further launches by end of the financial year. As such, the management is confident that the property division will contribute satisfactorily to the group's performance as we are developing properties that are within the affordable range in the Shah Alam area.

### **18. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

### 19. Profit before taxation

	<b>Current Quarter 3 months ended 30.9.2016 RM'000</b>	<b>Year-To- Date 9 months ended 30.9.2016 RM'000</b>
Profit before taxation is arrived at after charging:		
Depreciation of property, plant and equipment and investment properties	2,368	7,151
Interest expense	15	51
Net foreign exchange loss:		
– Realised	(35)	98
– Unrealised	(971)	(102)

### 20. Taxation

	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.9.2016</b>	<b>30.9.2015</b>	<b>30.9.2016</b>	<b>30.9.2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
In respect of current financial year:				
– Malaysian income tax	2,003	2,399	5,430	6,251
– Deferred tax	(218)	(119)	(952)	(414)
	1,785	2,280	4,478	5,837
In respect of prior financial years:				
– Malaysian income tax	4	(3)	4	(3)
– Deferred tax	-	(2)	-	(2)
	4	(5)	4	(5)
	1,789	2,275	4,482	5,832

The effective tax rate for the current quarter and the financial period-to-date was higher than the statutory tax rate principally due to the losses of certain subsidiary companies which cannot be set off against the taxable profits made by other subsidiary companies, and certain expenses which are not deductible for tax purposes.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

### 21. Status of Corporate Proposals

There were no corporate proposals announced.

### 22. Borrowings

	As at 30.9.2016 RM'000	As at 31.12.2015 RM'000
<b>Non-current</b>		
– Secured	808	1,120
<b>Current</b>		
– Secured	429	461
– Unsecured	945	-
	<hr/> 2,182	<hr/> 1,581
	<hr/> <hr/>	<hr/> <hr/>

### 23. Material Litigation

As at the reporting date, there was no material litigation against the Group.

### 24. Dividend

No dividend has been declared for the financial period ended 30 September 2016.

# HIL INDUSTRIES BERHAD

(Company No: 8812-M)

## Notes To The Unaudited Condensed Consolidated Interim Financial Statements (Continued)

In compliance with Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A

### 25. Earnings Per Share

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Period		Cumulative Period	
	3 months ended		9 months ended	
	30.9.2016	30.9.2015	30.9.2016	30.9.2015
Profit for the period attributable to owners of the Company (RM'000)	4,487	5,827	9,641	14,295
Weighted average number of ordinary shares in issue ('000)	276,617	276,617	276,617	276,617
Basic earnings per share (sen)	1.62	2.11	3.49	5.17

#### (b) Diluted earnings per share

Diluted earnings per share is not disclosed as it is not applicable.

### 26. Breakdown of retained profits into realised and unrealised profits or losses

The breakdown of the retained profits of the Group as at the reporting date, into realised and unrealised profits or losses, is as follows:

	As at 30.9.2016 RM'000	As at 31.12.2015 RM'000
Realised and unrealised profits of the Company and its subsidiaries:		
- Realised	206,634	199,932
- Unrealised	(6,238)	(5,065)
	200,396	194,867
Less: Consolidation adjustments	(31,309)	(31,876)
Total retained profits	169,087	162,991