

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Financial Position
as at 31 January 2014

	As at 31 January 2014 RM'000	As at 30 April 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	209,261	213,602
Intangible assets	2	2
Investment in an associate	486	1,760
Other investments	700	450
	<u>210,449</u>	<u>215,814</u>
Current assets		
Inventories	62,470	54,344
Trade and other receivables	80,149	89,432
Derivative financial asset	-	-
Current tax assets	36	-
Short term deposits	20,022	16,943
Cash and bank balances	12,399	4,603
	<u>175,076</u>	<u>165,322</u>
TOTAL ASSETS	<u>385,525</u>	<u>381,136</u>
EQUITY AND LIABILITIES		
Equity attributable to ordinary shareholders		
Share capital	124,243	124,243
Share premium	1,528	1,528
Reserves		
Exchange reserve	1,171	436
Retained earnings	125,944	114,389
Total equity	<u>252,886</u>	<u>240,596</u>
Non-current liabilities		
Bank borrowings (unsecured)	20,000	33,000
Deferred tax liabilities	22,495	22,188
	<u>42,495</u>	<u>55,188</u>
Current liabilities		
Trade and other payables	32,538	32,263
Derivative financial liabilities	91	13
Bank borrowings (unsecured)	56,197	52,588
Current tax liabilities	1,318	488
	<u>90,144</u>	<u>85,352</u>
TOTAL LIABILITIES	<u>132,639</u>	<u>140,540</u>
TOTAL EQUITY AND LIABILITIES	<u>385,525</u>	<u>381,136</u>
	RM	RM
Net assets per share	<u>1.02</u>	<u>0.97</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2013)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 31 January 2014

	Current quarter ended		Cumulative period ended	
	31 January 2014 RM'000	31 January 2013 RM'000	31 January 2014 RM'000	31 January 2013 RM'000
Revenue	96,618	99,308	309,686	293,230
Operating expenses	(90,779)	(93,033)	(291,206)	(278,215)
Other operating income	1,022	191	2,614	848
Profit from operations	6,861	6,466	21,094	15,863
Finance costs	(816)	(943)	(2,546)	(2,830)
Share of profit in an associate	14	11	37	75
Profit before taxation	6,059	5,534	18,585	13,108
Taxation	(1,178)	(661)	(2,682)	(2,174)
Net profit for the year	4,881	4,873	15,903	10,934
Other comprehensive income				
-Foreign currency translations	338	35	735	209
Total comprehensive income for the period, net of tax, attributable to owners of parent	5,219	4,908	16,638	11,143
Basic earnings per share attributable to owners of the parent (sen)				
-Basic	1.96	1.96	6.40	4.40
-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 Statement for the year ended 30 April 2013)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Changes In Equity
For the financial period ended 31 January 2014

	Share capital RM'000	Share premium RM'000	Exchange reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 May 2012, restated	124,243	1,528	435	101,595	227,801
Total comprehensive income for the period	-	-	209	10,934	11,143
Dividend paid	-	-	-	(4,348)	(4,348)
Balance as at 31 January 2013	<u>124,243</u>	<u>1,528</u>	<u>644</u>	<u>108,181</u>	<u>234,596</u>
Balance as at 1 May 2013	124,243	1,528	436	114,389	240,596
Total comprehensive income for the period	-	-	735	15,903	16,638
Dividend paid	-	-	-	(4,348)	(4,348)
Balance as at 31 January 2014	<u>124,243</u>	<u>1,528</u>	<u>1,171</u>	<u>125,944</u>	<u>252,886</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 April 2013)

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 January 2014

	Period ended 31 January 2014 RM'000	Period ended 31 January 2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	18,585	13,108
Adjustments for		
Depreciation of property, plant and equipment	12,379	14,978
Dividend income from quoted share in Malaysia	(34)	-
Fair value adjustments on :		
-derivatives	78	(492)
-other investment	(250)	110
(Gain)/Loss on disposal of property, plant and equipment, net	(27)	25
Property, plant and equipment written off	314	120
Impairment losses on receivables	1,578	1,885
Reversal of impairment loss on receivables	(1,055)	(125)
Inventories written down	213	478
Inventories written off	274	578
Interest income	(459)	(92)
Interest expense	2,546	2,830
Unrealised loss on foreign exchange	462	22
Share of profit in an associate	(37)	(75)
Operating profit before working capital changes	34,567	33,350
Increase in inventories	(8,607)	(11,031)
Decrease/(Increase) in receivables	9,477	(8,078)
(Decrease)/Increase in payables	(63)	4,140
Cash generated from operations	35,374	18,381
Interest paid	(6)	(12)
Tax paid	(1,613)	(598)
Net cash from operating activities	33,755	17,771

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 January 2014

	Period ended 31 January 2014 RM'000	Period ended 31 January 2013 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	90	183
Purchases of property, plant and equipment	(8,330)	(8,240)
Dividend received from an associate	-	2,480
Dividend received	34	-
Proceeds from capital reduction in associate	1,311	-
Interest received	459	92
Net cash used in investing activities	<u>(6,436)</u>	<u>(5,485)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(4,348)	(4,348)
Drawdown/(Repayment) of		
-bankers' acceptances, net	(6,480)	8,450
-import foreign currency loans, net	2,234	(9,410)
-term loan	(2,000)	-
-revolving credit	(4,000)	(2,000)
Interest paid	(2,540)	(2,818)
Net cash used in financing activities	<u>(17,134)</u>	<u>(10,126)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,185	2,160
Effect of exchange rate changes on cash and cash equivalents	175	46
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	21,540	7,053
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>31,900</u>	<u>9,259</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits with licensed financial institutions	20,022	3,171
Cash and bank balances	12,399	7,078
Bank overdrafts	(521)	(990)
	<u>31,900</u>	<u>9,259</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2013)

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
For the period ended 31 January 2014

A Selected Explanatory Notes: FRS 134 Paragraph 16

A 1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”)’s Listing Requirements. This Interim Financial Statements also complies with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2013. The explanatory notes to these 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 year ended 30 April 2013.

A 2 Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 April 2013 except for the adoption of the following new/revised MFRSs, Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”):

(a) Adoption of MFRSs, Amendments to MFRSs and IC Interpretation

(i) Effective for the financial periods beginning on or after 1 July 2012

Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

The adoption of Amendments MFRS 101 has no significant financial impact on the financial statements of the Group.

(ii) Effective for the financial periods beginning on or after 1 January 2013

New and amendments to existing standards

MFRS 10: Consolidated Financial Statements

MFRS 11: Joint Arrangements

MFRS 12: Disclosure of interests in Other Entities

MFRS 13: Fair Value Measurements

MFRS 119: Employee Benefits

MFRS 127: Separate Financial Statements

MFRS 128: Investments in Associates and Joint Ventures

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A 2 Significant accounting policies (continued)

(a) Adoption of MFRSs, Amendments to MFRSs and IC Interpretation (continued)

(ii) Effective for the financial periods beginning on or after 1 January 2013 (continued)

Amendments to MFRS 7: "Financial Instruments: Disclosures" on Disclosures-Offsetting
Financial Assets and Financial Liabilities

Amendments to MFRS 10, 11 and 12 on Consolidation Financial Statements, Joint
Arrangement and Disclosure of Interest in Other Entities: Transition Guidance

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual improvements 2009-2011 Cycle

MFRS 1: First-time adoption of MFRS

MFRS 101: Presentation of Financial Statements

MFRS 116: Property, Plant and Equipment

MFRS 132: Financial Instruments: Presentation

MFRS 134: Interim Financial Reporting

The adoption of the above standards and amendments/annual improvements has no
significant financial impact on the financial statements of the Group.

(b) MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

The following MFRSs, Amendments to MFRSs and IC Interpretation issued by the MASB
are relevant to the Group. However, they have not been early adopted in this set of financial
statements.

(i) Amendments effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 10: Consolidated Financial Statements: Investment Entities

Amendments to MFRS 12: Disclosure of Interest in Other Entities: Investment Entities

Amendments to MFRS 127: Separate Financial Statements: Investment Entities

Amendments to MFRS 132: Financial Instruments: Presentation-Offsetting Financial
Assets and Financial Liabilities

**(ii) MFRSs and Amendments effective for financial periods beginning on or after 1
January 2015**

MFRS 9: Financial Instruments (IFRS 9 issued by IASB in November 2009)

MFRS 9: Financial Instruments (IFRS 9 issued by IASB in October 2010)

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A 3 Qualification of financial statements

There was no qualification in the audited financial statements for the financial year ended 30 April 2013.

A 4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A 5 Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter under review and financial period to date.

A 6 Change in estimates

There were no significant changes in estimates that have a material effect for the current quarter under review and financial period to date.

A 7 Debt and equity securities

There was no issuance or repayment of debt and equity securities nor any shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares for the current quarter under review and financial period to date.

A 8 Dividend paid

A first and final tax exempt dividend of 1.75 sen per ordinary share based on the issued and paid up share capital of RM124,243,167 comprising 248,486,334 ordinary shares of RM0.50 each in respect of the financial year ended 30 April 2013, amounting to RM4,348,511 was paid on 20 November 2013.

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A 9 Notes to the Statements of Comprehensive Income

	Quarter ended 31 January		Year-to-date ended 31 January	
	2014	2013	2014	2013
Income / (expense):	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	(3,327)	(5,135)	(12,379)	(14,978)
Gain/(Loss) on disposal of property, plant and equipment, net	21	-	27	(25)
Property, plant and equipment written off	(12)	(26)	(314)	(120)
Impairment losses on receivables	(530)	(1,154)	(1,578)	(1,885)
Reversal of impairment loss on receivables	897	93	1,055	125
Inventories written down	-	(478)	(213)	(478)
Inventories written off	(28)	(505)	(274)	(578)
Interest income	163	26	459	92
Interest expense	(816)	(944)	(2,546)	(2,830)
Fair value adjustments on:				
- derivatives	(198)	189	(78)	492
- other investment	40	(240)	250	(110)
Foreign exchange gain/(loss), net				
- realised	327	24	324	31
- unrealised	(845)	160	(462)	(22)

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A 10 Segmental information

i. Business segments

No business segment information has been provided as the Group is principally engaged in the business of manufacturing, marketing and trading of aluminium products.

ii. Geographical segments

The Group operates mainly in Malaysia. The revenue disclosed in geographical segments is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of assets.

	Malaysia	Singapore	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External	225,827	40,667	43,192	-	309,686
Inter-segment	7,947	34,278	-	(42,225)	-
Total revenue	233,774	74,945	43,192	(42,225)	309,686
Profit from operations					21,094
Finance costs					(2,546)
Share of profit in an associate					37
Profit before taxation					18,585
Other information					
Segment assets	401,745	15,931	-	(32,673)	385,003

Inter segment pricing is determined on an arm's length basis under terms, conditions and prices not materially different from transactions with unrelated parties.

A 11 Material events subsequent to the end of the current quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review and financial period to date.

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Notes To The Financial Statements
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A 12 Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter under review and financial period to date.

A 13 Changes in contingent liabilities and contingent assets

Save as set out below, there were no changes in contingent liabilities and contingent assets since the last date of statement of financial position.

Outstanding as at :	Company	
	31 January 2014	30 April 2013
	RM'000	RM'000
Corporate guarantee in respect of banking facilities utilised by a subsidiary	10,367	10,300

The Company has provided corporate guarantees for banking facilities granted to four of its wholly-owned subsidiaries totaling RM25.97 million (30.4.2013: RM25.62 million).

The Company has also provided corporate guarantee to a creditor of a wholly-owned subsidiary for supply of goods of up to RM2.00 million (30.4.2013: RM2.0 million).

A 14 Capital commitments

	Group	
	31 January 2014	30 April 2013
	RM'000	RM'000
Property, plant and equipment		
Contracted but not provided for	2,694	-
Authorised but not contracted for	569	-

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B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter ended 31 January		Increase/(Decrease)	
	2014	2013		
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	71,329	76,619	(5,290)	(6.9)
- Singapore	12,161	11,464	697	6.1
- Other countries	13,128	11,225	1,903	17.0
Total Revenue	96,618	99,308	(2,690)	(2.7)
Profit Before Taxation	6,059	5,534	525	9.5
Profit After Taxation	4,881	4,873	8	0.2

The Group's revenue for the quarter ended 31 January 2014 decreased by 2.7% to RM96.6 million from RM99.3 million for the preceding year corresponding quarter due mainly to lower business volume as well as lower average selling prices.

However, despite lower revenue, profit before taxation increased by 9.5% to RM6.1 million from RM5.5 million for the previous year corresponding quarter due mainly to lower impairment loss on receivables.

Profit after taxation also increased slightly by 0.2% in line with the above.

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B 2 Variance of results against preceding quarter

	Current Quarter	Preceding Quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	71,329	76,868	(5,539)	(7.2)
- Singapore	12,161	13,701	(1,540)	(11.2)
- Other countries	13,128	15,389	(2,261)	(14.7)
Total Revenue	96,618	105,958	(9,340)	(8.8)
Profit Before Taxation	6,059	6,518	(459)	(7.0)
Profit After Taxation	4,881	5,700	(819)	(14.4)

The Group's revenue decreased by 8.8% from RM105.9 million to RM96.6 million compared to the preceding quarter due mainly to lower business volume.

Meanwhile, profit before taxation and profit after taxation also decreased by 7.0% and 14.4% from RM6.5 million and RM5.7 million to RM6.1 million and RM4.9 million respectively in line with the lower revenue.

B 3 Current year prospects

Global economic activities improved in the fourth quarter of 2013 amid the gradual recovery in major economies. Despite lingering fiscal uncertainties, the US economy registered stronger growth as consumption and investment improved. Growth across Asia continued as moderating domestic demand was offset by better export performance. Similarly, the Malaysian economy expanded by 5.1% in the same quarter, supported by private sector demand and improvement in exports. On the supply side, the manufacturing sector expanded further, supported by higher growth in both export and domestic oriented industries. Growth in the construction sector remained firm, underpinned by activities in the non-residential and residential sub-sectors.

In spite of the escalating manufacturing costs, the Group has been able to cope through its focus on efficiency and productivity. While the recent hike in electricity tariff has adversely impacted the manufacturing sector, the Board remains confident that the Group can sustain its performance. Hence, barring unforeseen circumstances, the Board expects the Group to remain profitable for the next quarter.

B 4 Profit forecast

Not applicable as no profit forecast was published.

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B 5 Taxation

	Quarter ended 31 January		Year-to-date ended 31 January	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Current income tax	492	721	2,412	1,861
Deferred tax	350	(60)	(69)	313
	842	661	2,343	2,174
(Over)/Under provision in prior years				
- Current income tax	(39)	-	(36)	-
- Deferred tax	375	-	375	-
	1,178	661	2,682	2,174

The Group's effective tax rate for the quarter under review and period to date are lower than the statutory tax rate due principally to the availability of non-taxable income and unabsorbed reinvestment allowances brought forward which arose from capital expenditures in previous financial years.

B 6 Status of corporate proposals announced

There is no corporate proposal announced but not completed as at the date of this report.

B 7 Borrowings and debt securities

	As at 31 January 2014	As at 30 April 2013
	RM'000	RM'000
Short term borrowings (unsecured)		
Bankers' acceptances	31,000	37,480
Revolving credit	-	4,000
Bank overdrafts	521	6
Import foreign currency loans: (31 Jan 2014:USD2.59 million; 30 April 2013: USD2.01 million)	8,676	6,102
Short term loans	16,000	5,000
	56,197	52,588
Long term borrowings (unsecured)		
Long term loans	20,000	33,000

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Notes To The Financial Statements
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B 7 Borrowings and debt securities (continued)

All borrowings are denominated in Ringgit Malaysia except for import foreign currency loans which are denominated in US Dollar.

B 8 Changes in material litigation

There is no material litigation involving the Group, which is not in the ordinary course of business as at the date of this report.

B 9 Dividend

The Directors do not recommend the payment of any interim dividend in respect of the current quarter under review and financial period to date.

B10 Realised and unrealised profits or losses

The following analysis is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants (“MIA Guidance”) and the directive of Bursa Malaysia Securities Berhad.

	As at 31 January 2014	As at 30 April 2013
	RM'000	RM'000
Total retained profits of the Group:		
- Realised	150,907	139,376
- Unrealised	(25,235)	(24,506)
	125,672	114,870
Total share of retained earnings from an associate:		
- Realised	208	184
- Unrealised	-	(13)
	208	171
Add/(Less): Consolidation adjustments	64	(652)
Total Group retained earnings	125,944	114,389

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For the period ended 31 January 2014

B 11 Earnings per share

	Current quarter	Year-to-date
Net profit for the period attributable to ordinary shareholders (RM'000)	4,881	15,903
<i>Basic earnings per share</i>		
<i>Weighted average number of ordinary shares</i>		
Issued ordinary shares at beginning of the period ('000)	248,486	248,486
Effect of shares issued ('000)	-	-
Weighted average number of ordinary shares ('000)	248,486	248,486
Basic earnings per share (sen)	1.96	6.40

There are no potential dilution effects on ordinary shares of the Company for the current quarter under review and financial period to date.

By Order of the Board

Ng Bee Lian
 Company Secretary
 Date: 21 March 2014