

**LB ALUMINIUM BERHAD (138535-V)**  
**Condensed Consolidated Statement of Financial Position**  
**As at 31 July 2014**

	As at 31 July 2014 RM'000	As at 30 April 2014 RM'000
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	210,962	209,125
Intangible assets	-	2
Investment in an associate	480	486
Deferred tax asset	-	4
Other investments	975	915
	<u>212,417</u>	<u>210,532</u>
Current assets		
Inventories	62,010	54,104
Trade and other receivables	97,876	96,581
Derivative financial asset	29	-
Current tax assets	214	137
Short term deposits	25,641	28,084
Cash and bank balances	7,651	7,017
	<u>193,421</u>	<u>185,923</u>
<b>TOTAL ASSETS</b>	<u>405,838</u>	<u>396,455</u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to ordinary shareholders		
Share capital	124,243	124,243
Share premium	1,528	1,528
Reserves		
Exchange reserve	877	1,095
Retained earnings	137,394	132,121
Total equity	<u>264,042</u>	<u>258,987</u>
Non-current liabilities		
Bank borrowings (unsecured)	15,000	15,000
Deferred tax liabilities	21,926	22,065
	<u>36,926</u>	<u>37,065</u>
Current liabilities		
Trade and other payables	50,450	47,258
Derivative financial liabilities	-	23
Bank borrowings (unsecured)	53,102	52,000
Current tax liabilities	1,318	1,122
	<u>104,870</u>	<u>100,403</u>
<b>TOTAL LIABILITIES</b>	<u>141,796</u>	<u>137,468</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>405,838</u>	<u>396,455</u>
	<b>RM</b>	<b>RM</b>
Net assets per share	<u>1.06</u>	<u>1.04</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2014)

**LB ALUMINIUM BERHAD (138535-V)****Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income  
For the financial period ended 31 July 2014**

	Current quarter ended		Cumulative period ended	
	31 July 2014 RM'000	31 July 2013 RM'000	31 July 2014 RM'000	31 July 2013 RM'000
Revenue	110,029	107,110	110,029	107,110
Operating expenses	(103,768)	(100,883)	(103,768)	(100,883)
Other operating income	512	674	512	674
Profit from operations	6,773	6,901	6,773	6,901
Finance costs	(736)	(897)	(736)	(897)
Share of (loss)/profit in an associate	(6)	4	(6)	4
Profit before taxation	6,031	6,008	6,031	6,008
Taxation	(758)	(686)	(758)	(686)
Net profit for the year	5,273	5,322	5,273	5,322
Other comprehensive income				
-Foreign currency translations	(218)	408	(218)	408
Total comprehensive income for the period, net of tax, attributable to owners of parent	5,055	5,730	5,055	5,730
Basic earnings per share attributable to owners of the parent (sen)				
-Basic	2.12	2.14	2.12	2.14
-Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2014)

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

	Share capital RM'000	Share premium RM'000	Exchange reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 May 2013	124,243	1,528	436	114,389	240,596
Total comprehensive income for the period	-	-	408	5,322	5,730
Balance as at 31 July 2013	<u>124,243</u>	<u>1,528</u>	<u>844</u>	<u>119,711</u>	<u>246,326</u>
Balance as at 1 May 2014	124,243	1,528	1,095	132,121	258,987
Total comprehensive income for the period	-	-	(218)	5,273	5,055
Balance as at 31 July 2014	<u>124,243</u>	<u>1,528</u>	<u>877</u>	<u>137,394</u>	<u>264,042</u>

**(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2014)**

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

	Period ended 31 July 2014 RM'000	Period ended 31 July 2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	6,031	6,008
Adjustments for		
Depreciation of property, plant and equipment	4,054	4,378
Fair value adjustments on :		
-derivatives	(52)	(1)
-other investment	(60)	(180)
Loss on disposal of property, plant and equipment, net	-	10
Property, plant and equipment written off	-	302
Intangible asset written off	2	-
Impairment loss on receivables	1,302	119
Reversal of impairment loss on receivables	(151)	(130)
Inventories written down	-	201
Inventories written off	43	217
Reversal of inventories written off	-	-
Interest expense	736	897
Unrealised (gain)/loss on foreign exchange	(21)	197
Share of loss/(profit) in an associate	6	(4)
Operating profit before working capital changes	11,696	11,875
(Increase)/Decrease in inventories	(7,951)	5,711
Increase in receivables	(2,563)	(8,542)
Increase in payables	3,204	8,551
Cash generated from operations	4,386	17,595
Interest paid	-	(3)
Tax refund	-	1
Tax paid	(761)	(388)
Net cash from operating activities	3,625	17,205

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

	Period ended 31 July 2014 RM'000	Period ended 31 July 2013 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	30
Purchases of property, plant and equipment	(5,911)	(2,898)
Interest received	194	139
Net cash used in investing activities	<u>(5,717)</u>	<u>(2,729)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown/(Repayment) of		
-bankers' acceptances, net	5,133	(5,630)
-import foreign currency loans, net	(4,201)	(3,089)
Interest paid	(736)	(894)
Net cash generated from/(used in) financing activities	<u>196</u>	<u>(9,613)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,896)	4,863
Effect of exchange rate changes on cash and cash equivalents	(82)	109
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	35,101	21,540
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>33,123</u>	<u>26,512</u>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Short term deposits with licensed financial institutions	25,641	18,349
Cash and bank balances	7,651	8,377
Bank overdrafts	(169)	(214)
	<u>33,123</u>	<u>26,512</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 April 2014)**

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

**A Explanatory Notes**

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**A1 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.

The condensed financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2014. 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 2014.

**A2 Significant accounting policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 April 2014 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 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 136: Recoverable Amount Disclosures for Non-financial Assets  
Amendments to MFRS 132: Financial Instruments: Presentation-Offsetting Financial Assets and Financial Liabilities  
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting  
IC Interpretation 21 Levies

The adoption of the above amendments to existing standards and IC Interpretation have no significant financial impact on the financial statements of the Group.

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**A2 Significant accounting policies (continued)**

**(b) MFRSs and Amendments to MFRSs issued but not yet effective**

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

**(i) Effective for the financial periods beginning on or after 1 July 2014**

Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions  
Annual Improvements to MFRSs 2010 – 2012 Cycle  
Annual Improvements to MFRSs 2011 – 2013 Cycle

**(ii) Effective for the financial periods beginning on or after 1 January 2016**

MFRS 14 Regulatory Deferral Accounts  
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations  
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

**(iii) Effective for the financial periods beginning on or after 1 January 2017**

MFRS 15 Revenue from Contracts with Customers

**(iv) MFRSs and Amendments to MFRSs issued but effective date not yet announced**

MFRS 9 (2009) Financial Instruments  
MFRS 9 (2010) Financial Instruments  
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9 and MFRS 139)  
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures

**A3 Qualification of financial statements**

There was no qualification in the audited financial statements for the financial year ended 30 April 2014.

**A4 Seasonal or cyclical factors**

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

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**A5 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.

**A6 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.

**A7 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.

**A8 Dividend paid**

No dividend has been paid during the current quarter under review and financial period to date.



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**For the period ended 31 July 2014**

**A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income**

	Quarter ended 31 July		Year-to-date ended 31 July	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
<b>Income/(expense):</b>				
Depreciation of property, plant and equipment	(4,054)	(4,378)	(4,054)	(4,378)
Loss on disposal of property, plant and equipment, net	-	(10)	-	(10)
Property, plant and equipment written off	-	(302)	-	(302)
Intangible asset written off	(2)	-	-	-
Bad debts recovery	2	-	2	-
Impairment losses on				
- receivables	(1,302)	(119)	(1,302)	(119)
Reversal of impairment loss on				
- receivables	151	130	151	130
Inventories written down	-	(201)	-	(201)
Inventories written off	(43)	(217)	(43)	(217)
Interest income	194	139	194	139
Interest expense	(736)	(897)	(736)	(897)
Fair value adjustment on:				
- derivatives	52	1	52	1
- other investment	60	180	60	180
Foreign exchange gain/(loss), net				
- realised	(47)	108	(47)	108
- unrealised	21	(197)	21	(197)

**LB ALUMINIUM BERHAD (138535-V)**  
**Notes To The Financial Statements**  
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**A10 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
<b>Revenue</b>					
External	80,023	15,942	14,064	-	110,029
Inter-segment	2,358	13,245	-	(15,603)	-
Total revenue	82,381	29,187	14,064	(15,603)	110,029
Profit from operations					6,773
Finance costs					(736)
Share of loss in an associate					(6)
Profit before taxation					6,031
<b>Other information</b>					
Segment assets	423,387	18,587	-	(36,830)	405,144

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

**A11 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.

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

**A12 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.

**A13 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 July 2014	30 April 2014
	RM'000	RM'000
Corporate guarantee in respect of banking facilities utilised by a subsidiary	11,033	10,367

The Company has provided corporate guarantees for banking facilities granted to four of its wholly-owned subsidiaries totaling RM24.1 million (30.4.2014: RM26.0 million).

The Company has also provided corporate guarantee to a creditor of a wholly-owned subsidiary for supply of goods of up to RM2.0 million (30.4.2014: RM2.0 million).

**A14 Capital commitments**

	Group	
	31 July 2014	30 April 2014
	RM'000	RM'000
<b>Property, plant and equipment</b>		
Contracted but not provided for	5,216	463
Authorised but not contracted for	39,539	37,759

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**B Additional information required by the Bursa Securities' Listing Requirements**

**B 1 Review of performance**

	Quarter ended 31 July		Increase/(Decrease)	
	2014	2013	RM'000	%
	RM'000	RM'000		
Revenue				
- Malaysia	80,023	77,630	2,393	3.1
- Singapore	15,942	14,805	1,137	7.7
- Other countries	14,064	14,675	(611)	(4.2)
Total Revenue	110,029	107,110	2,919	2.7
Profit Before Tax	6,031	6,008	23	0.4
Profit After Tax	5,273	5,322	(49)	(0.9)

The Group's revenue for the quarter ended 31 July 2014 increased by 2.7% to RM110.0 million compared to RM107.1 million for the preceding year corresponding quarter due mainly to both higher average selling price and business volume.

Profit before taxation also increased slightly by 0.4% to RM6.03 million from RM6.01 million for the previous corresponding quarter in line with the higher revenue offset by higher expenses.

Profit after taxation decreased by 0.9% due to higher tax expense.

**B2 Variance of results against preceding quarter**

	Current Quarter	Preceding Quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	80,023	78,001	2,022	2.6
- Singapore	15,942	14,335	1,607	11.2
- Other countries	14,064	14,336	(272)	(1.9)
Total Revenue	110,029	106,672	3,357	3.1
Profit Before Tax	6,031	6,358	(327)	(5.1)
Profit After Tax	5,273	6,177	(904)	(14.6)

**B2 Variance of results against preceding quarter (continued)**

The Group's revenue increased by 3.1% from RM106.7 million to RM110.0 million compared to the preceding quarter due mainly to higher business volume.

However, despite the higher revenue, profit before taxation decreased by 5.1% from RM6.4 million to RM6.0 million due to an impairment loss on receivables of RM1.3 million in the current quarter.

Profit after taxation decreased by 14.6% from RM6.2 million in the last quarter to RM5.3 million for the current quarter due to a combination of the abovementioned impairment loss and higher tax expense.

**B3 Current year prospects**

Global economic activity continued to expand at a moderate pace in the second quarter of 2014. The US has resumed its recovery after a slowdown in the previous quarter. In Asia, most economies continued to expand moderately. However, country-specific developments may hinder growth in these economies. Meanwhile, geopolitical tensions in Ukraine as well as the Middle East has heightened security concerns and threatened the lacklustre recovery in Europe.

The Malaysian economy registered a strong growth of 6.4% in the second quarter of 2014, underpinned by higher exports and continued strength in private domestic demand. However, the planned implementation of Goods and Services Tax in April 2015 and the possible review of the minimum wage policy in January next year has posed challenges to businesses to cope with higher operating costs.

Despite the challenges ahead, the Malaysian economy is expected to register a steady growth forecast of 5.3% in the year 2014, taking into account the ongoing fiscal consolidation process and the tighter monetary policy stance. The construction sector will continue to lead growths in the country, driven by domestic investment particularly from the private sector. This augurs well with the Group's forward strategy in maintaining growths through continuous efforts in improving efficiency and competitiveness.

Barring unforeseen circumstances, the Board remains optimistic that the Group would maintain its profitability in the coming quarter.

**B4 Profit forecast**

Not applicable as no profit forecast was published.

**LB ALUMINIUM BERHAD (138535-V)**  
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**B5 Taxation**

	Quarter ended 31 July		Year-to-date ended 31 July	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Current income tax	891	811	891	811
Deferred tax	(133)	(125)	(133)	(125)
	758	686	758	686

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.

**B6 Status of corporate proposals announced**

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

**B7 Borrowings and debt securities**

	31 July 2014	30 April 2014
	RM'000	RM'000
<b>Short term borrowings (unsecured)</b>		
Bankers acceptances	34,933	29,800
Bank overdrafts	169	-
Import foreign currency loans: (31 July 2014: nil ; 30 April 2014: USD1.29 million)	-	4,200
Term loans	18,000	18,000
	53,102	52,000
<b>Long term borrowings (unsecured)</b>		
Term loans	15,000	15,000

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

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

**B8 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.

**B9 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.

	<b>31 July 2014</b>	<b>30 April 2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Group:		
- Realised	162,614	157,738
- Unrealised	(24,558)	(24,836)
	138,056	132,902
Total share of retained earnings from an associate:		
- Realised	215	221
- Unrealised	(13)	(13)
	202	208
Less: Consolidation adjustments	(864)	(989)
Total Group retained earnings	137,394	132,121

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

**B 11 Earnings per share**

	<b>Current quarter</b>	<b>Year-to-date</b>
	<b>RM'000</b>	<b>RM'000</b>
Net profit for the period attributable to ordinary shareholders	5,273	5,273
<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)	2.12	2.12

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: 23 September 2014