

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Financial Position
As at 31 January 2015

	As at 31 January 2015 RM'000	As at 30 April 2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	218,581	209,125
Intangible assets	-	2
Investment in an associate	468	486
Deferred tax asset	-	4
Other investments	803	915
	<u>219,852</u>	<u>210,532</u>
Current assets		
Inventories	90,138	54,104
Trade and other receivables	98,696	96,581
Current tax assets	285	137
Short term deposits	8,321	28,084
Cash and bank balances	13,013	7,017
	<u>210,752</u>	<u>185,923</u>
TOTAL ASSETS	<u>430,604</u>	<u>396,455</u>
EQUITY AND LIABILITIES		
Equity attributable to ordinary shareholders		
Share capital	124,243	124,243
Share premium	1,528	1,528
Reserves		
Exchange reserve	1,555	1,095
Retained earnings	137,717	132,121
Total equity	<u>265,043</u>	<u>258,987</u>
Non-current liabilities		
Bank borrowings (unsecured)	-	15,000
Deferred tax liabilities	21,838	22,065
	<u>21,838</u>	<u>37,065</u>
Current liabilities		
Trade and other payables	50,432	47,258
Derivative financial liabilities	-	23
Bank borrowings (unsecured)	92,815	52,000
Current tax liabilities	476	1,122
	<u>143,723</u>	<u>100,403</u>
TOTAL LIABILITIES	<u>165,561</u>	<u>137,468</u>
TOTAL EQUITY AND LIABILITIES	<u>430,604</u>	<u>396,455</u>
	RM	RM
Net assets per share	<u>1.07</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 January 2015

	Current quarter ended		Cumulative period ended	
	31 January 2015 RM'000	31 January 2014 RM'000	31 January 2015 RM'000	31 January 2014 RM'000
Revenue	116,588	96,618	337,691	309,686
Operating expenses	(114,033)	(90,779)	(324,324)	(291,206)
Other operating income	607	1,022	1,443	2,614
Profit from operations	3,162	6,861	14,810	21,094
Finance costs	(855)	(816)	(2,363)	(2,546)
Share of (loss)/profit in an associate	(6)	14	(18)	37
Profit before taxation	2,301	6,059	12,429	18,585
Taxation	(299)	(1,178)	(1,863)	(2,682)
Net profit for the year	2,002	4,881	10,566	15,903
Other comprehensive income				
-Foreign currency translations	698	338	460	735
Total comprehensive income for the period, net of tax, attributable to owners of parent	2,700	5,219	11,026	16,638
Basic earnings per share attributable to owners of the parent (sen)				
-Basic	0.81	1.96	4.25	6.40
-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 January 2015

	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	-	-	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>
Balance as at 1 May 2014	124,243	1,528	1,095	132,121	258,987
Total comprehensive income for the period	-	-	460	10,566	11,026
Dividend paid	-	-	-	(4,970)	(4,970)
Balance as at 31 January 2015	<u>124,243</u>	<u>1,528</u>	<u>1,555</u>	<u>137,717</u>	<u>265,043</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 January 2015

	Period ended 31 January 2015 RM'000	Period ended 31 January 2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	12,429	18,585
Adjustments for		
Depreciation of property, plant and equipment	12,342	12,379
Dividend income from quoted share in Malaysia	(34)	(34)
Fair value adjustments on :		
-derivatives	(323)	78
-other investment	113	(250)
Loss/(gain) on disposal of property, plant and equipment, net	13	(27)
Property, plant and equipment written off	818	314
Intangible asset written off	2	-
Impairment loss on:		
-on receivables	2,095	1,578
-property, plant and equipment	1	-
Reversal of impairment loss on receivables	(334)	(1,055)
Inventories written down	-	213
Inventories written off	71	274
Interest income	(490)	(459)
Interest expense	2,363	2,546
Unrealised loss on foreign exchange	1,160	462
Share of loss/(profit) in an associate	18	(37)
	<hr/>	<hr/>
Operating profit before working capital changes	30,244	34,567
Increase in inventories	(36,102)	(8,607)
Decrease/(increase) in receivables	(3,401)	9,477
Increase/(decrease) in payables	2,847	(63)
	<hr/>	<hr/>
Cash generated from operations	(6,412)	35,374
Interest paid	-	(6)
Tax paid	(2,896)	(1,613)
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Net cash (used in)/generated from operating activities	<u>(9,308)</u>	<u>33,755</u>

LB ALUMINIUM BERHAD (138535-V)
Condensed Consolidated Statement of Cash Flows
For the financial period ended 31 January 2015

	Period ended 31 January 2015 RM'000	Period ended 31 January 2014 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	28	90
Purchases of property, plant and equipment	(22,612)	(8,330)
Dividend received	34	34
Proceeds from capital reduction in associate	-	1,311
Interest received	490	459
Net cash used in investing activities	<u>(22,060)</u>	<u>(6,436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(4,970)	(4,348)
Drawdown/(Repayment) of		
-bankers' acceptances, net	33,000	(6,480)
-import foreign currency loans, net	4,625	2,234
-term loan	(13,000)	(2,000)
-revolving credit	-	(4,000)
Interest paid	(2,363)	(2,540)
Net cash generated from/(used in) financing activities	<u>17,292</u>	<u>(17,134)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(14,076)	10,185
Effect of exchange rate changes on cash and cash equivalents	149	175
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	35,101	21,540
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>21,174</u>	<u>31,900</u>
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits with licensed financial institutions	8,321	20,022
Cash and bank balances	13,013	12,399
Bank overdrafts	(160)	(521)
	<u>21,174</u>	<u>31,900</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 January 2015

A Explanatory Notes

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 has 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 10 and MFRS 128: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities – Applying the Consolidation Exception
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations
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

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

MFRS 15 Revenue from Contracts with Customers

(iv) Effective for the financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments

A3 Qualification of financial statements

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

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For the period ended 31 January 2015

A4 Seasonal or cyclical factors

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

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

A first and final tax exempt dividend of 2.00 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 2014, amounting to RM4,969,727 was paid on 19 November 2014.

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Notes To The Financial Statements
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A9 Notes to the Statements of Profit or Loss and Other Comprehensive Income

	Quarter ended 31 January		Year-to-date ended 31 January	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Income/(expense):				
Depreciation of property, plant and equipment	(4,170)	(3,327)	(12,342)	(12,379)
(Loss)/Gain on disposal of property, plant and equipment, net	-	21	(13)	27
Property, plant and equipment written off	(596)	(12)	(818)	(314)
Intangible asset written off	-	-	(2)	-
Bad debts recovery	-	-	2	-
Impairment losses on				
- property, plant and equipment	(1)	-	(1)	-
- receivables	-	(530)	(2,095)	(1,578)
Reversal of impairment loss on				
- receivables	63	897	334	1,055
Inventories written down	-	-	-	(213)
Inventories written off	(4)	(28)	(71)	(274)
Interest income	94	163	490	459
Interest expense	(855)	(816)	(2,363)	(2,546)
Dividend income from quoted share in Malaysia	34	34	34	34
Fair value adjustment on:				
- derivatives	326	(198)	323	(78)
- other investment	(158)	40	(113)	250
Foreign exchange gain/(loss), net				
- realised	(422)	327	(789)	324
- unrealised	(887)	(845)	(1,160)	(462)

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Notes To The Financial Statements
For the period ended 31 January 2015

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
Revenue					
External	249,439	38,838	49,414	-	337,691
Inter-segment	7,680	33,207	-	(40,887)	-
Total revenue	257,119	72,045	49,414	(40,887)	337,691
Profit from operations					14,810
Finance costs					(2,363)
Share of profit in an associate					(18)
Profit before taxation					12,429
Other information					
Segment assets	462,978	20,212	-	(53,340)	429,850

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.

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Notes To The Financial Statements
For the period ended 31 January 2015

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 January 2015	30 April 2014
	RM'000	RM'000
Corporate guarantee in respect of banking facilities utilised by a subsidiary	2,000	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 January 2015	30 April 2014
	RM'000	RM'000
Property, plant and equipment		
Contracted but not provided for	12,222	463
Authorised but not contracted for	16,813	37,759

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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)	
	2015	2014		
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	84,367	71,329	13,038	18.3
- Singapore	11,297	12,161	(864)	(7.1)
- Other countries	20,924	13,128	7,796	59.4
Total Revenue	116,588	96,618	19,970	20.7
Profit Before Tax	2,301	6,059	(3,758)	(62.0)
Profit After Tax	2,002	4,881	(2,879)	(59.0)

The Group's revenue for the quarter ended 31 January 2015 increased by 20.7% to RM116.6 million compared to RM96.6 million for the preceding year corresponding quarter due mainly to higher business volume as well as higher average selling prices.

However, profit before taxation and profit after taxation decreased by 62.0% and 59.0% to RM2.3 million and RM2.0 million from RM6.1 million and RM4.9 million respectively attributed to lower profit margins due to the increase in aluminium prices as well as the weak Malaysian Ringgit which resulted in higher raw material costs.

B2 Variance of results against preceding quarter

	Current Quarter	Preceding Quarter	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	84,367	85,049	(682)	(0.8)
- Singapore	11,297	11,599	(302)	(2.6)
- Other countries	20,924	14,426	6,498	45.0
Total Revenue	116,588	111,074	5,514	5.0
Profit Before Tax	2,301	4,096	(1,795)	(43.8)
Profit After Tax	2,002	3,290	(1,288)	(39.1)

LB ALUMINIUM BERHAD (138535-V)
Notes To The Financial Statements
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B2 Variance of results against preceding quarter (continued)

The Group's revenue increased by 5.0% from RM111.0 million to RM116.6 million compared to the preceding quarter due mainly to higher average selling prices attributable to higher raw material costs.

However, despite the higher revenue, profit before taxation and profit after taxation decreased by 43.8% and 39.1% from RM4.1 million and RM3.3 million to RM2.3 million and RM2.0 million respectively due to lower profit margins for the reasons mentioned in B1 above.

B3 Current year prospects

The Malaysian economy registered a growth of 5.8% in the fourth quarter of 2014, driven mainly by stronger private sector demand. On the supply side, growth in the construction sector remained strong, driven by the activities in the non-residential and residential sub-sectors. Moving forward, the Malaysian economy is expected to remain on a steady growth path supported by domestic as well as external growths. Domestic demand is expected to remain favourable amidst lower crude oil prices.

Meanwhile, the rise in aluminium prices and the weak Malaysian Ringgit continued to exert pressure on the Group's profit margin. The Group will continue to adjust its selling prices accordingly to reflect the higher raw material costs and to remain focus on improving efficiency and productivity to mitigate these adverse impacts. Barring unforeseen circumstances, the Board remains optimistic that the Group would remain profitable 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 January		Year-to-date ended 31 January	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Current income tax	6	453	2,087	2,376
Deferred tax	293	725	(224)	306
	299	1,178	1,863	2,682

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 January 2015	30 April 2014
	RM'000	RM'000
Short term borrowings (unsecured)		
Bankers acceptances	62,800	29,800
Bank overdrafts	160	-
Import foreign currency loans: (31 January 2015: USD2.7 million ; 30 April 2014: USD1.3 million)	9,855	4,200
Term loans	20,000	18,000
	92,815	52,000
Long term borrowings (unsecured)		
Term loans	-	15,000

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

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For the period ended 31 January 2015

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.

	31 January 2015	30 April 2014
	RM'000	RM'000
Total retained profits of the Group:		
- Realised	163,921	157,738
- Unrealised	(25,550)	(24,836)
	138,371	132,902
Total share of retained earnings from an associate:		
- Realised	203	221
- Unrealised	(13)	(13)
	190	208
Less: Consolidation adjustments	(844)	(989)
Total Group retained earnings	137,717	132,121

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B 11 Earnings per share

	Current quarter	Year-to-date
	RM'000	RM'000
Net profit for the period attributable to ordinary shareholders	2,002	10,566
<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)	0.81	4.25

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: 27 March 2015