

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 or 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 (IFRS 9 Financial Instruments as issued by IASB in July 2014)

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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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.

No dividend was paid during the quarter under review.

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

	Quarter ended 30 April		Year-to-date ended 30 April	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Income/(expense):				
Depreciation of property, plant and equipment	(4,209)	(4,135)	(16,551)	(16,514)
(Loss)/Gain on disposal of property, plant and equipment, net	-	(26)	(13)	1
Property, plant and equipment written off	(5)	(16)	(823)	(330)
Intangible asset written off	-	-	(2)	-
Bad debts recovery	-	-	2	-
Impairment losses on				
- property, plant and equipment	-	(1,560)	(1)	(1,560)
- receivables	(279)	(378)	(2,374)	(1,956)
Reversal of impairment loss on				
- receivables	113	345	447	1,400
Inventories written down	-	-	-	(213)
Inventories written off	(19)	274	(90)	-
Interest income	76	165	566	624
Interest expense	(1,016)	(732)	(3,379)	(3,278)
Dividend income from quoted share in Malaysia	-	-	34	34
Fair value adjustment on:				
- derivatives	(185)	68	138	(10)
- other investment	8	215	(105)	465
Foreign exchange gain/(loss), net				
- realised	(808)	(107)	(1,597)	217
- unrealised	1,029	282	(131)	(180)

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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
Revenue					
External	334,954	48,449	71,058	-	454,461
Inter-segment	10,913	41,495	-	(52,408)	-
Total revenue	345,867	89,944	71,058	(52,408)	454,461
Profit from operations					18,575
Finance costs					(3,379)
Share of profit in an associate					19
Profit before taxation					15,215
Other information					
Segment assets	487,275	20,774	-	(56,943)	451,106

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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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	
	30 April 2015	30 April 2014
	RM'000	RM'000
Corporate guarantee in respect of banking facilities utilised by a subsidiary	1,700	10,367

The Company has provided corporate guarantees for banking facilities granted to four of its wholly-owned subsidiaries totaling RM14.1 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	
	30 April 2015	30 April 2014
	RM'000	RM'000
Property, plant and equipment		
Contracted but not provided for	493	463
Authorised but not contracted for	17,215	37,759

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B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

	Quarter ended 30 April		Increase/(Decrease)	
	2015	2014		
	RM'000	RM'000	RM'000	%
Revenue				
- Malaysia	85,515	78,001	7,514	9.6
- Singapore	9,611	14,335	(4,724)	(33.0)
- Other countries	21,644	14,336	7,308	51.0
Total Revenue	116,770	106,672	10,098	9.5
Profit Before Tax	2,785	6,358	(3,573)	(56.2)
Profit After Tax	2,624	6,177	(3,553)	(57.5)

The Group's revenue for the quarter ended 30 April 2015 increased by 9.5% to RM116.8 million compared to RM106.7 million for the preceding year corresponding quarter due mainly to higher average selling prices.

However, profit before taxation and profit after taxation decreased by 56.2% and 57.5% to RM2.8 million and RM2.6 million from RM6.4 million and RM6.2 million respectively attributed to lower profit margins owing 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	85,515	84,367	1,148	1.4
- Singapore	9,611	11,297	(1,686)	(14.9)
- Other countries	21,644	20,924	720	3.4
Total Revenue	116,770	116,588	182	0.2
Profit Before Tax	2,785	2,301	484	21.0
Profit After Tax	2,624	2,002	622	31.1

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B2 Variance of results against preceding quarter (continued)

The Group's revenue increased slightly by 0.2% from RM116.6 million to RM116.8 million compared to the preceding quarter due mainly to higher average selling prices.

Profit before taxation increased by 21.0% from RM2.3 million to RM2.8 million as a result of the reduction in operating expenses in the current quarter.

Profit after taxation also increased by 31.1% from RM2.0 million in the last quarter to RM2.6 million for the quarter under review in line with the above.

B3 Current year prospects

Global economic activity expanded with divergent growth momentum across economies in the first quarter of 2015. The US economy has continued to show broader signs of improvements while growth in the Europe and Japan progressed at a moderate pace. In Asia, growth was sustained by the continued expansion in economic demand.

The Malaysian economy registered a growth of 5.6% in the first quarter of 2015, 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. Private consumption is expected to be moderate as households adjust to the introduction of Goods and Services Tax.

Meanwhile, the rise in aluminium prices and the weak Malaysian Ringgit continue to exert pressure on the Group's profit margins. 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.

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B5 Taxation

	Quarter ended 30 April		Year-to-date ended 30 April	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Current income tax	(252)	614	1,835	2,990
Deferred tax	413	(433)	189	(127)
	161	181	2,024	2,863

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

	30 April 2015	30 April 2014
	RM'000	RM'000
Short term borrowings (unsecured)		
Bankers acceptances	77,600	29,800
Bank overdrafts	12	-
Import foreign currency loans: (30 April 2015: nil ; 30 April 2014: USD1.3 million)	-	4,200
Term loans	15,000	18,000
	92,612	52,000
Long term borrowings (unsecured)		
Term loans	17,500	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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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 have recommended a first and final tax exempt dividend of 2.00 sen per share (2014: 2.00 sen per share) based on the paid up and share capital of RM124,243,167 comprising of 248,486,334 ordinary shares of RM0.50 each (2014: 248,486,334 ordinary shares of RM0.50 each) in respect of the Company's financial year ended 30 April 2015 amounting to RM4,969,727 (2014: RM4,969,727).

The proposed dividend is subject to the approval of shareholders at the annual general meeting to be held on a date which shall be announced later. The date of payment of the dividend and the date for the determination of dividend entitlement would also be announced later.

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.

	30 April 2015	30 April 2014
	RM'000	RM'000
Total retained profits of the Group:		
- Realised	164,731	157,738
- Unrealised	(23,755)	(24,836)
	140,976	132,902
Total share of retained earnings from an associate:		
- Realised	240	221
- Unrealised	(13)	(13)
	227	208
Less: Consolidation adjustments	(861)	(989)
Total Group retained earnings	140,342	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	2,624	13,191
<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)	1.06	5.31

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: 26 June 2015