

DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BHD (12994-W)

Quarterly Report for the third quarter ended September 30, 2014

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the third quarter ended September 30, 2014. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 Months ended		9 Months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	RM'000	RM'000	RM'000	RM'000
Revenue	83,090	87,293	260,458	230,139
Operating profit	7,172	10,363	25,157	28,210
Finance costs	(529)	(264)	(1,417)	(713)
Share of results of an associate	31	(17)	176	158
Profit before tax	6,674	10,082	23,916	27,655
Income tax expense	(1,658)	(2,682)	(6,080)	(7,128)
Profit for the period	5,016	7,400	17,836	20,527
Other comprehensive income for the period, net of tax:				
Exchange differences arising on translation of foreign operations	(370)	145	(177)	(252)
Total comprehensive income for the period	4,646	7,545	17,659	20,275
Earnings per ordinary share attributable to owners of the Company				
- Basic (sen)	4.42	6.52	15.68	18.08

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Report for the financial year ended December 31, 2013 and the accompanying explanatory notes attached to the interim financial statements.)

DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BHD (12994-W)

Quarterly Report for the third quarter ended September 30, 2014

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As Of 30.09.2014 RM'000	Audited As Of 31.12.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	124,851	110,001
Land held for property development	-	2,807
Investment in an associate	23,932	23,756
Deferred tax assets	59	60
Total non-current assets	148,842	136,624
Current assets		
Inventories	57,433	57,349
Trade and other receivables	73,074	72,844
Tax recoverable	63	-
Derivative financial assets	129	118
Short-term deposits, cash and bank balances	4,930	13,669
	135,629	143,980
Asset classified as held for sale	2,807	-
Total current assets	138,436	143,980
Total assets	287,278	280,604
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	113,853	113,853
Share premium	2,941	2,910
Treasury shares	(1,717)	(167)
Translation reserve	(365)	(188)
Retained earnings	51,003	45,678
Total equity	165,715	162,086
Non-current liabilities		
Trade and other payables	85	75
Borrowings		
- interest bearing	15,256	11,546
Deferred tax liabilities	10,526	8,270
Total non-current liabilities	25,867	19,891
Current liabilities		
Trade and other payables	44,514	50,591
Derivative financial liabilities	42	-
Borrowings		
- bank overdraft (interest bearing)	3,030	211
- others (interest bearing)	47,906	45,969
Tax payable	204	1,856
Total current liabilities	95,696	98,627
Total liabilities	121,563	118,518
Total equity and liabilities	287,278	280,604

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the financial year ended December 31, 2013 and the accompanying explanatory notes attached to the interim financial statements.)

DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BHD (12994-W)

Quarterly Report for the third quarter ended September 30, 2014

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributable to Owners of The Company</u>					Total Equity
	Issued Capital	Treasury Shares	Non-Distributable Reserves -		Distributable	
			Share Premium	Translation Reserve	Reserve - Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as of January 1, 2014	113,853	(167)	2,910	(188)	45,678	162,086
Total comprehensive income for the financial period	-	-	-	(177)	17,836	17,659
Transactions with owners :						
Dividends paid to owners of the Company	-	-	-	-	(12,511)	(12,511)
Share buy-back	-	(1,934)	-	-	-	(1,934)
Disposal of treasury shares	-	384	31	-	-	415
Total transactions with owners	-	(1,550)	31	-	(12,511)	(14,030)
Balance as of September 30, 2014	113,853	(1,717)	2,941	(365)	51,003	165,715
Balance as of January 1, 2013	113,853	(1,052)	2,687	237	34,695	150,420
Total comprehensive income for the financial period	-	-	-	(252)	20,527	20,275
Transactions with owners :						
Dividends paid to owners of the Company	-	-	-	-	(11,927)	(11,927)
Share buy-back	-	(3,176)	-	-	-	(3,176)
Disposal of treasury shares	-	3,050	80	-	-	3,130
Total transactions with owners	-	(126)	80	-	(11,927)	(11,973)
Balance as of September 30, 2013	113,853	(1,178)	2,767	(15)	43,295	158,722

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the financial year ended December 31, 2013 and the accompanying explanatory notes attached to the interim financial statements.)

DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BHD (12994-W)

Quarterly Report for the third quarter ended September 30, 2014

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 9 Months ended 30.09.2014 RM'000	Unaudited 9 Months ended 30.09.2013 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Cash receipts from customers and other receivables	264,107	214,664
Cash paid to suppliers, employees and other payables	(237,276)	(195,524)
Cash generated from operations	26,831	19,140
Interest received	8	12
Interest paid	(722)	(392)
Tax paid	(5,523)	(6,424)
Net Cash From Operating Activities	20,594	12,336
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Interest received	44	64
Acquisition of a subsidiary	#	-
Purchase of property, plant and equipment	(23,064)	(12,772)
Proceeds from disposal of property, plant and equipment	22	156
Net Cash Used In Investing Activities	(22,998)	(12,552)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Share buy-back	(1,934)	(3,176)
Proceeds from disposal of treasury shares	415	3,130
Drawdown of term loans	10,999	4,338
Repayment of term loans	(7,469)	(4,501)
Dividends paid to owners of the Company	(12,511)	(11,927)
Interest paid	(695)	(321)
Proceeds from short-term borrowings (net)	2,325	14,210
Repayment of finance leases	(208)	(197)
Net Cash (Used In)/From Financing Activities	(9,078)	1,556
Net (decrease)/increase in cash and cash equivalents	(11,482)	1,340
Cash and cash equivalents at beginning of financial year	13,458	4,796
Effect of exchange differences	(76)	(1)
Cash and cash equivalents at end of financial period	1,900	6,135
* Cash and cash equivalents at end of financial period consist of:-		
Short-term deposits with licensed banks	-	1,027
Cash and bank balances	4,930	4,982
Housing Development Account with licensed bank	-	166
Bank overdrafts	(3,030)	(40)
	1,900	6,135

Denotes RM3

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the financial year ended December 31, 2013 and the accompanying explanatory notes attached to the interim financial statements.)

DAIBOCHI PLASTIC AND PACKAGING INDUSTRY BHD (12994 - W)
UNAUDITED QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE FINANCIAL
QUARTER ENDED SEPTEMBER 30, 2014

NOTES TO THE QUARTERLY FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended December 31, 2013. These explanatory notes attached to the interim 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 financial year ended December 31, 2013.

The significant accounting policies and presentation adopted by the Group for the interim financial statements are consistent with those of the Group's consolidated audited financial statements for the financial year ended December 31, 2013 except for the adoption of the following:

Amendments to FRSs		Effective date
Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities	January 1, 2014
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	January 1, 2014
Amendments to FRS 136	Recoverable Amount Disclosure for Non-Financial Assets	January 1, 2014
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting	January 1, 2014

The adoption of the amendments to FRSs does not have significant financial impact on the financial statements of the Group and of the Company.

Malaysian Financial Reporting Standards ("MFRSs")

On November 19, 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the MFRS Framework.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual financial periods beginning on or after January 1, 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual financial periods beginning on or after January 1, 2013. On July 4, 2012, the MASB has decided to allow Transitioning Entities to defer the adoption of the MFRS Framework for another year. The MFRS Framework will therefore be mandated for all companies for annual financial periods beginning on or after January 1, 2014. On August 7, 2013, the MASB has decided to extend the transitional period for another year, i.e. the adoption of the MFRS Framework by all entities for annual financial periods beginning on or after January 1, 2015.

On September 2, 2014, with the issuance of MFRS 15 Revenue from Contracts with Customers and Agriculture: Bearer Plants (Amendments to MFRS 116 and MFRS 141), the MASB announced that Transitioning Entities are required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017.

A subsidiary and an associate of the Group fall within the scope of definition of Transitioning Entities and have opted to defer the adoption of the new MFRS Framework and accordingly, the Group will be required to prepare its first set of financial statements using the MFRS Framework for the financial year ending December 31, 2017.

The three subsidiaries which are not Transitioning Entities had adopted MFRS on January 1, 2012.

A2 Audit report

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or cyclical factors

The operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A4 Unusual items

There were no items during this quarter affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

A5 Changes in estimates

The same estimates reported in the previous financial year were used in preparing the financial statements for the period under review.

A6 Debt and Equity Securities

During the current quarter, the Company repurchased 282,900 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM1,237,765 including transaction costs and has been deducted from equity. The repurchased transactions were financed by internally generated funds and the average price paid for the shares was RM4.38. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

A7 Dividend Paid

	9 months ended	
	30.9.2014	30.9.2013
	RM'000	RM'000
Fourth interim single tier dividend paid for the financial year 2013: 4.00 sen per ordinary share paid on March 28, 2014. (2013: 3.50 sen tax exempt per ordinary share for the financial year 2012 paid on April 12, 2013).	4,552	3,977
First interim single tier dividend paid for the financial year 2014: 3.50 sen per ordinary share paid on June 26, 2014. (2013: 4.00 sen tax exempt per ordinary share for the financial year 2013 paid on June 7, 2013).	3,982	4,553
Second interim single tier dividend paid for the financial year 2014: 3.50 sen per ordinary share paid on September 11, 2014. (2013: 3.00 sen tax exempt per ordinary share for the financial year 2013 paid on September 27, 2013).	3,977	3,397
	=====	=====

A8 Related party transactions

There were no significant related party transactions for the period under review.

A9 Contingent liabilities

There were no contingent liabilities as at the date of this quarterly report.

A10 Segmental analysis

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- Packaging - manufacture and marketing of flexible packaging materials
- Property development - development of land into residential and commercial building properties

Segment Revenue and Results

Segment information for the nine months ended September 30, 2014 was as follows:

	<u>Packaging</u> RM'000	<u>Property development</u> RM'000	<u>Eliminations</u> RM'000	<u>Group</u> RM'000
2014				
Revenue	258,996	1,462	-	260,458
	=====	=====	=====	=====
Results				
Segment results	25,252	218	-	25,470
Unallocated costs				(313)

Profit from operations				25,157
Finance costs	(1,417)	-	-	(1,417)
Share of results of an associate	-	176	-	176

Profit before tax				23,916
				=====

Segment information for the nine months ended September 30, 2013 was as follows:

	<u>Packaging</u> RM'000	<u>Property development</u> RM'000	<u>Eliminations</u> RM'000	<u>Group</u> RM'000
2013				
Revenue	221,404	8,735	-	230,139
	=====	=====	=====	=====
Results				
Segment results	27,698	806	-	28,504
Unallocated costs				(294)

Profit from operations				28,210
Finance costs	(713)	-	-	(713)
Share of results of an associate	-	158	-	158

Profit before tax				27,655
				=====

Unallocated costs represent common costs and expenses incurred in dormant subsidiaries.

Segment Assets and Liabilities

Segment assets and liabilities for the nine months ended September 30, 2014 were as follows:

	<u>Packaging</u>	<u>Property</u>	<u>Eliminations</u>	<u>Group</u>
	<u>RM'000</u>	<u>development</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>RM'000</u>		
<u>2014</u>				
Assets				
Segment assets	280,437	3,246	(20,459)	263,224
Investment in an associate	-	23,932	-	23,932
Unallocated assets				122

Consolidated total assets				287,278
				=====
Liabilities				
Segment liabilities	117,128	14,159	(20,459)	110,828
Unallocated liabilities				10,735

Consolidated total liabilities				121,563
				=====

Segment assets and liabilities for the nine months ended September 30, 2013 were as follows:

	<u>Packaging</u>	<u>Property</u>	<u>Eliminations</u>	<u>Group</u>
	<u>RM'000</u>	<u>development</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>RM'000</u>		
<u>2013</u>				
Assets				
Segment assets	250,247	5,096	(23,771)	231,572
Investment in an associate	-	23,494	-	23,494
Unallocated assets				100

Consolidated total assets				255,166
				=====
Liabilities				
Segment liabilities	93,492	16,282	(23,771)	86,003
Unallocated liabilities				10,441

Consolidated total liabilities				96,444
				=====

Segment assets consist primarily of property, plant and equipment, land held for development, inventories, operating receivables and cash, and exclude investment, tax recoverable, deferred tax assets and cash and bank balances for dormant subsidiaries. Segment liabilities comprise operating liabilities and exclude items such as tax payable, deferred tax liabilities and accrued expenses for dormant subsidiaries.

Geographical Information

The Group operates in three principal geographical areas - Malaysia (country of domicile), Australia and New Zealand.

The Group's revenue from continuing operations from external customers and information about its non-current assets* by geographical location information for the nine months ended are as follows:

	Group	
	30.9.2014	30.9.2013
	RM'000	RM'000
Revenue		
Malaysia	228,446	199,948
Australia	30,976	30,191
New Zealand	1,036	-
	260,458	230,139
Non-current assets *		
Malaysia	124,708	93,044
Australia	137	220
New Zealand	6	-
	124,851	93,264

* Non-current assets excluding investment in an associate and deferred tax assets.

A11 Capital Commitments

Capital commitments not provided for in the financial statements as of September 30, 2014 were as follows: -

	RM'000
Property, plant and equipment	
- Authorised and contracted for	2,934
- Authorised but not contracted for	158
	=====

A12 Subsequent events

There were no material events subsequent to September 30, 2014 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

A13 Changes in the Composition of the Group

On March 28, 2014, the Company incorporated a wholly-owned subsidiary in New Zealand, namely Daibochi New Zealand Limited with a paid up capital of New Zealand Dollar ("NZD") 1 comprising 1 ordinary share of NZD1.00 each.

There were no other changes in the composition of the Group including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring and discontinuing operations as at September 30, 2014.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of Performance

The Group's performance is primarily derived from the packaging segment as the property segment is being phased out. Thus, the review of the results will be focussed on the packaging segment.

The Group's performance for the quarter under review compared with the corresponding quarter of the previous financial year is as tabled below:

	Packaging			Property			Total		
	3Q14 RM'000	3Q13 RM'000	% Change	3Q14 RM'000	3Q13 RM'000	% Change	3Q14 RM'000	3Q13 RM'000	% Change
Revenue	82,710	80,549	+2.7	380	6,744	-94.4	83,090	87,293	-4.8
PBT	6,586	9,551	-31.0	88	531	-83.4	6,674	10,082	-33.8

Compared to the corresponding quarter last year, the packaging segment recorded 3% growth in revenue. Meanwhile, PBT in current quarter eased 31.0% to RM6.59 million from RM9.55 million a year ago. The decline in PBT was due to rising raw material prices since the second half of 2013 and higher operating costs including wages and electricity tariffs.

The Group's performance for the nine months under review compared with the corresponding nine months of the previous financial year is as tabled below:

	Packaging			Property			Total		
	9m14 RM'000	9m13 RM'000	% Change	9m14 RM'000	9m13 RM'000	% Change	9m14 RM'000	9m13 RM'000	% Change
Revenue	258,996	221,404	+17.0	1,462	8,735	-83.3	260,458	230,139	+13.2
PBT	23,522	26,691	-11.9	394	964	-59.1	23,916	27,655	-13.5

The Group's revenue for the nine months ended September 30, 2014 increased by 13% as compared to last year's corresponding period. However, Group PBT noted a reduction of 14% to RM23.92 million as compared to RM27.65 million previously.

The packaging segment recorded revenue of RM259.00 million for the nine months ended September 30, 2014 as compared to RM221.40 million for the corresponding period in the previous year, representing an increase of 17% in revenue. The growth in sales was from increase in export contributions from MNC customers in the F&B sector, including from the new MNC customers since the quarter ended September 2013.

The reduction in PBT and PBT margin was largely attributed to the impact of higher raw material prices since the second half of 2013, particularly polyethylene and polypropylene resins and films. The effects of the electricity tariff hike in early 2014 and increased operating expenses due to higher wages also contributed towards the decline in PBT for the nine months ended September 30, 2014.

There were no other material factors affecting the earnings and/or revenue of the Group for the current period.

B2 Material Changes in Profit Before Tax for the Quarter Reported On As Compared with the Immediate Preceding Quarter

The Group's current quarter performance as compared to that of the preceding quarter is as tabled below:

	Packaging			Property			Total		
	3Q14 RM'000	2Q14 RM'000	% Change	3Q14 RM'000	2Q14 RM'000	% Change	3Q14 RM'000	2Q14 RM'000	% Change
Revenue	82,710	86,435	-4.3	380	540	-29.6	83,089	86,975	-4.5
PBT	6,586	8,161	-19.3	88	191	-53.9	6,674	8,352	-20.1

In comparison with the preceding quarter, the packaging segment revenue in the current quarter reduced by 4%. The lower revenue from the local and export markets was due to the general slowdown in demand. The customer base of the Group has remained stable with no loss of any account in the current quarter.

The Group's PBT was affected by the reduction in turnover, foreign currency exchange loss and change in order profile. There was a foreign currency exchange loss of approximately RM100K in the quarter under review as compared to foreign currency exchange gain of RM360K in the previous quarter resulting in a change of RM460K between the two quarters. Furthermore, there was a significant reduction in big run jobs in the current quarter, resulting in lower production efficiency which adversely impacted PBT.

There was no significant change in the prices of major raw materials in the current quarter as compared to the previous quarter.

B3 Prospects

For the current year the Board is optimistic of achieving another record year in turnover. The Group anticipates export revenue from a new business opportunity in ASEAN to materialize by the fourth quarter of the year. However, due to a competitive and challenging business environment with higher operating costs in electricity and labour, the Group is expecting a dampened profit margin for the year.

Moving forward, the Group is positive of continuing the strong growth in revenue from new business opportunities with several MNC customers, mainly in the export sector with a majority from Australia and New Zealand. Daibochi has made commendable progress in the various stages of qualification for our product innovations. These developments are in line with the Company's strategy to focus on our affiliation with MNCs and to leverage on our new innovations. Daibochi believes that our efforts in developing higher value-added packaging will enhance group margins and provide product differentiation compared to industry peers. The Board is confident that the said strategy will improve the future profitability of the Group.

B4 Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was provided.

B5 Profit Before Tax

Profit before tax is arrived at after (crediting)/charging:

	3 months ended		9 months ended	
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
	RM'000	RM'000	RM'000	RM'000
Interest income	(8)	(18)	(52)	(76)
Other operating income	(564)	(584)	(1,711)	(1,694)
Gain on disposal of property, plant and equipment	(7)	(53)	(22)	(130)
Interest expense	529	264	1,417	713
Depreciation of property, plant and equipment	2,915	2,413	8,210	7,120
Impairment loss on trade receivables	-	-	2	-
Reversal of impairment loss on trade receivables	(2)	-	(2)	-
Inventories write-down-net	412	111	737	115
Foreign exchange loss/(gain)	264	(498)	(222)	32
Foreign exchange gain on derivatives	(161)	(11)	(373)	(269)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B6 Income Tax Expense

	3 months ended		9 months ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
Current:				
- Malaysian Tax	781	2,322	3,648	5,798
- Foreign Tax	(2)	184	256	375
- (Over)/under provision in prior year	(80)	81	(79)	83
	<u>699</u>	<u>2,587</u>	<u>3,825</u>	<u>6,256</u>
Deferred tax:				
- Current	971	-	2,267	777
- (Over)/under provision in prior year	(12)	95	(12)	95
	<u>1,658</u>	<u>2,682</u>	<u>6,080</u>	<u>7,128</u>

B7 Status of Corporate Proposals

There were no corporate proposals announced as of the date of this quarterly report.

B8 Group Borrowings

Details of the Group's borrowings as of September 30, 2014 were as follows:-

	Current RM'000	Non-Current RM'000
Unsecured - Ringgit Malaysia	34,832	15,201
Unsecured - United States Dollar	15,870	-
Secured - Ringgit Malaysia	234	55
	<u>50,936</u>	<u>15,256</u>

B9 Financial instruments

The Group enters into foreign currency forward contracts in the normal course of business to manage its exposure against foreign currency fluctuations on trade transactions.

As of September 30, 2014, the Group has the following outstanding derivatives:-

	Principal or Notional Amount RM'000	Fair Value RM'000	Net Gain RM'000
Foreign currency forward contracts:-			
Less than 1 year	5,428	5,341	<u>87</u>

There is no change to the Group's financial risk management policies in managing these derivatives, its related accounting policies and the market risk associated with these derivatives since the last financial year.

B10 Material litigation

There was no pending material litigation as of the date of this quarterly report.

B11 Dividends

The Board is pleased to declare a third interim single tier dividend of 2.50 sen for the financial year ending December 31, 2014 and the said dividend will be paid on December 11, 2014 (2013: 4.00 sen tax exempt) to shareholders whose names appear on the Company's Record of Depositors on November 17, 2014.

B12 Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the financial period under review attributable to owners of the Company by the weighted average number of ordinary shares in issue during the said financial period, adjusted by the number of ordinary shares repurchased and disposed during the financial period under review.

	3 Months ended		9 Months ended	
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
Profit attributable to owners of the Company (RM'000)	5,016	7,400	17,836	20,527
Weighted average number of ordinary shares in issue ('000):				
Issued ordinary shares as of January 1	113,853	113,853	113,853	113,853
Effect of treasury shares held	(237)	(417)	(132)	(318)
Weighted average number of ordinary shares as of September 30	113,616	113,436	113,721	113,535
Basic earnings per share (sen)	4.42	6.52	15.68	18.08

Diluted earnings per ordinary share are not presented as there are no dilutive potential ordinary shares outstanding during the financial periods.

B13 Disclosure of realised and unrealised earnings

The breakdown of retained earnings of the Group as of the reporting date, into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of the Bursa Malaysia Main Market Listing Requirements, are as follows:

	30.9.2014 RM'000	31.12.2013 RM'000
Total retained earnings of the Group:-		
- Realised	64,504	57,709
- Unrealised	(11,080)	(8,913)
	53,424	48,796
Total share of retained earnings from an associate:-		
- Realised	1,373	1,184
- Unrealised	(9)	4
	54,788	49,984
Less: Consolidation adjustments	(3,785)	(4,306)
Total Group retained earnings	51,003	45,678

By Order of the Board

Ms TAN GAIK HONG, MIA 4621
Secretary
Melaka

Dated: Oct 21, 2014
c.c. Securities Commission