

Quarterly rpt on consolidated results for the financial period ended 31/12/2014

TASCO BERHAD

Financial Year End 31/03/2015
 Quarter 3
 Quarterly report for the financial period ended 31/12/2014
 The figures have not been audited
 Attachments

[Quarterly Report 2014-15Q3.pdf](#)
 608 KB

- Default Currency
- Other Currency

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION

	31/12/2014		31/12/2014	
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2014 \$\$'000	31/12/2013 \$\$'000	31/12/2014 \$\$'000	31/12/2013 \$\$'000
1 Revenue	122,639		128,123	350,498
2 Profit/(loss) before tax	9,728		10,731	27,638
3 Profit/(loss) for the period	7,098		8,290	20,976
4 Profit/(loss) attributable to ordinary equity holders of the parent	7,060		8,265	20,916
5 Basic earnings/(loss) per share (Subunit)	7.06		8.27	20.92
6 Proposed/Declared dividend per share (Subunit)	4.00		0.00	5.34
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)			2.9700	2.7700

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
 Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	TASCO BERHAD
Stock Name	TASCO
Date Announced	11 Feb 2015
Category	Financial Results
Reference No	CA-150211-51078

TASCO Berhad
(Company No: 20218-T)



Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
31 December 2014



**Condensed Consolidated Statement of Comprehensive Income
 For The Quarter And Year-To-Date Ended 31 December 2014**

	3 months ended		Cumulative 9 months ended	
	31.12.2014 RM'000 Unaudited	31.12.2013 RM'000 Unaudited	31.12.2014 RM'000 Unaudited	31.12.2013 RM'000 Unaudited
Revenue	122,639	128,123	380,056	350,498
Cost of sales	(90,956)	(96,694)	(278,208)	(262,790)
Gross profit	31,683	31,429	101,848	87,708
Other operating income	580	340	1,251	1,232
General and administrative expenses	(22,409)	(20,881)	(68,799)	(60,864)
Profit from operations	9,854	10,888	34,300	28,076
Share of profits of associated companies	155	157	462	463
Finance costs	(281)	(314)	(838)	(901)
Profit before taxation	9,728	10,731	33,924	27,638
Tax expense	(2,630)	(2,441)	(8,715)	(6,662)
Profit for the period	7,098	8,290	25,209	20,976
Profit Attributable to:				
Owners of the Company	7,060	8,265	25,114	20,916
Non-Controlling Interest	38	25	95	60
	7,098	8,290	25,209	20,976
Earnings per share (sen) - basic	7.06	8.27	25.11	20.92

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Statement of Comprehensive Income
 For The Quarter And Year-To-Date Ended 31 December 2014**

	3 months ended		Cumulative 9 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit for the period	7,098	8,290	25,209	20,976
Other Comprehensive Income:				
Exchange differences on translation foreign operation	(81)	22	47	(297)
Fair Value adjustment on cash flow hedge	47	(64)	(4)	184
Other comprehensive income/(Loss) for the period, net of tax	(34)	(42)	43	(113)
Total Comprehensive Income	7,064	8,248	25,252	20,863
Total Comprehensive Income attributable to:				
Owners of the Company	7,026	8,223	25,157	20,803
Non-Controlling Interest	38	25	95	60
	7,064	8,248	25,252	20,863

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year period 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Financial Position as at 31 December 2014

	As at 31.12.2014 RM'000 Unaudited	As at 31.03.2014 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	239,383	207,787
Investment in associated company	3,992	4,183
Other investments	1,204	1,204
Total non-current assets	244,578	213,174
Current assets		
Inventories	136	109
Trade receivables	97,269	81,992
Other receivables, deposits and prepayments	7,549	11,096
Amounts owing by related companies	7,568	9,725
Amounts owing by associated company	-	54
Current tax asset	7,293	7,236
Fixed deposits with a licensed bank	32,330	29,861
Cash and bank balances	6,480	22,600
Total current assets	158,625	162,673
TOTAL ASSETS	403,203	375,847

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Financial Position as at 31 December 2014

	As at 31.12.2014 RM'000 Unaudited	As at 31.03.2014 RM'000 Audited
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent:		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	(40)	(36)
Exchange translation reserve	(106)	(153)
Retained profits	195,234	175,121
	-----	-----
Equity attributable to owners of the Company	297,289	277,133
Non-controlling interest	747	652
	-----	-----
Total equity	298,036	277,785
	-----	-----
Non-current liabilities		
Long term bank loan	26,810	12,873
Deferred tax liabilities	7,669	8,770
	-----	-----
Total non-current liabilities	34,479	21,643
	-----	-----
Current liabilities		
Trade payables	28,743	36,879
Other payables, deposits and accruals	16,516	22,953
Amounts owing to related companies	7,017	5,156
Amounts owing to associated company	470	-
Hire purchase and finance lease liabilities	-	13
Bank term loan	14,723	11,293
Current tax liabilities	3,219	125
	-----	-----
Total current liabilities	70,688	76,419
	-----	-----
Total liabilities	105,167	98,062
	-----	-----
TOTAL EQUITY AND LIABILITIES	403,203	375,847
	=====	=====
Net Assets per share (RM)	2.97	2.77
	=====	=====

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31 December 2014

	----- A t t r i b u t a b l e t o O w n e r s o f t h e C o m p a n y -----								
	----- Non-distributable -----					-- Distributable --			Total equity RM'000
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	
Balance at 1 April 2013	100,000	801	1,400	(287)	155	158,132	260,201	571	260,772
Total comprehensive income for the period			-	184	(297)	20,916	20,803	60	20,863
Dividend paid on 18 July 2013						(5,002)	(5,002)		(5,002)
Dividend paid on 16 December 2013						(4,005)	(4,005)		(4,005)
Balance at 31 December 2013	100,000	801	1,400	(103)	(142)	170,041	271,997	630	272,627
Balance at 1 April 2014	100,000	801	1,400	(36)	(153)	175,121	277,133	652	277,785
Total comprehensive income for the period				(4)	47	25,114	25,157	95	25,252
Dividend paid on 9 October 2014						(5,000)	(5,000)		(5,000)
Balance at 31 December 2014	100,000	801	1,400	(40)	(106)	195,234	297,289	747	298,036

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 31 December 2014

	Year-To-Date Ended	
	31.12.2014 RM'000 Unaudited	31.12.2013 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	33,924	27,638
Adjustments for:		
Depreciation	12,649	11,638
Gain on disposal of property, plant and equipment	(109)	(284)
Property, plant and equipment written off	-	(2)
Share of profits of associated company, net of tax	(462)	(463)
Interest income	(553)	(531)
Dividend income	-	(37)
Interest expense	838	901
Operating profit before working capital changes	46,287	38,860
Net Changes in current assets	(24,447)	(9,282)
Net Changes in current liabilities	(12,643)	13,156
Cash generated from operations	9,197	42,734
Tax paid	(7,007)	(5,952)
Net Cash generated from operating activities	2,190	36,782
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(20,151)	(27,983)
Proceeds from disposal of property, plant and equipment	268	476
Acquisition of subsidiary company	(7,280)	-
Interest received	553	531
Dividend received from other investment	-	37
Net cash used in investing activities	(26,610)	(26,939)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	27,000	6,000
Repayment of term loan	(10,380)	(10,421)
Payment of hire purchase and finance lease liabilities	(23)	(182)
Interest paid	(838)	(901)
Dividend paid	(5,000)	(9,007)
Net cash generated from / (used in) financing activities	10,759	(14,511)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,661)	(4,668)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	52,461	39,084
EFFECT OF EXCHANGE RATE CHANGES	9	45
CASH AND CASH EQUIVALENTS CARRIED FORWARD	38,810	34,461
Represented by:		
Fixed deposits with a licensed bank	32,330	22,497
Cash and bank balances	6,480	11,964
	38,810	34,461

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 March 2014 and the accompanying explanatory notes attach to the interim financial statements.



Notes to the Interim Financial Report

Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for financial derivative which are stated at fair value.

These interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards 134 ("MFRS 134"), Interim Financial Reporting, International Financial Reporting Standard 134 ("IFRS 134"), Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial period ended 31 March 2014. 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 period ended 31 March 2014.

A2. Adoption of Revised Financial Reporting Standards

The Group and the Company have not applied the following standards, amendments and interpretation that have been issued by the MASB but are not yet effective:

MFRSs, Amendments to MFRSs and IC Interpretation	Effective for financial periods beginning on or after	
MFRS 9	Financial Instruments	1 January 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions	1 July 2014
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2010 - 2012 Cycle		1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle		1 July 2014
Annual Improvements to MFRSs 2012 - 2014 Cycle		1 January 2016

A3. Audit Report

The Audit Report of the Group's annual financial statements for the Financial period ended 31 March 2014 was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's operations are generally affected by festive seasons.

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review.

**A6. Changes In Estimates**

There were no changes in estimates that have had a material effect in the current quarter under review.

A7. Issuances, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

A8. Dividends Paid

A final single tier dividend of 5.00 sen per share for the financial year end 31 March 2014 amounting to RM5,000,000 was approved by the shareholders in the Annual General Meeting on 10 September 2014 and paid on 9 October 2014.

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	9 months ended		9 months ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
International Business Solutions				
Air Freight Forwarding Division	99,142	96,288	1,887	3,639
Ocean Freight Forwarding Division	32,949	32,433	1,151	1,712
	132,092	128,721	3,038	5,351
Domestic Business Solutions				
Contract Logistics Division	187,247	159,293	33,061	21,787
Trucking Division	60,716	62,484	(87)	390
	247,964	221,777	32,973	22,177
Others	-	-	(2,087)	110
Total	380,056	350,498	33,924	27,638

A10. Valuation of Property, Plant and Equipment

The Group did not carry out any valuation on its property, plant and equipment.

A11. Subsequent Events

There was no material event subsequent to the end of the current quarter.

A12. Changes in Composition of the Group

There was no change in the composition of the Group during the current quarter under review except that TASCO Berhad acquired 100% equity interest of Titian Pelangi Sdn. Bhd ("TPSB") on 06 November 2014. Hence TPSB became a wholly owned subsidiary of TASCO Berhad.

A13. Contingent Assets and Liabilities

There was no material contingent assets and liabilities since the last annual balance sheet date to the date of this report.



Explanatory Notes In Compliance With Malaysian Financial Reporting Standards 134 ("MFRS 134") Interim Financial Reporting

A14. Capital Commitment

	As at 31.12.2014 RM'000	As at 31.03.2014 RM'000
Authorised and contracted for - acquisition of property, plant and equipment	18,788	32,558
	=====	=====

A15. Related Party Disclosures

	9 months ended	
	31.12.2014 RM'000	31.12.2013 RM'000
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary company	412	302
Labour charges paid and payable to subsidiary companies	15,931	12,936
Maintenance charges paid and payable to a subsidiary company	4,991	3,726
Handling fees paid and payable to a subsidiary company	995	12
Related logistic services paid and payable to a subsidiary company	-	25
Related logistic services received and receivable from a subsidiary company	4,109	5,814
Rental of premises received from a subsidiary company	-	48
Rental of trucks received and receivable from subsidiary company	4,401	4,342
	=====	=====
Transaction with related companies		
Related logistic services received and receivable	51,275	46,666
Related logistic services paid and payable	47,246	42,357
Management fee paid and payable	2,232	2,153
Consultancy fees paid and payable	201	308
Labour charges paid and payable to related companies	43	81
Rental received	225	225
Repair and maintenance services	685	412
	=====	=====
Transaction with associated company		
Rental of premises paid	847	847
	=====	=====



Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

B1. Performance Review : Year-to-date April 2014-December 2014 vs Year-to-date April 2013-December 2013

The Group achieved revenue of RM380.1 million for the financial period ended ("FPE") 31 December 2014 as against RM350.5 million, an increase of RM29.6 million (8.4 per cent) year-on-year. The increase in revenue was contributed from both International Business Solutions ("IBS") segment as well as Domestic Business Solutions ("DBS"), which posted increases of RM3.4 million (2.6 per cent) and RM26.2 million (11.8 per cent) respectively year-on-year.

In the IBS segment, urgent export shipments of aerospace and E&E customers resulted in Air Freight Forwarding ("AFF") division posting an increase in revenue of RM2.9 million (1.6 per cent). Ocean Freight Forwarding ("OFF") division meanwhile posted a slight increase in revenue of RM0.5 million (2.5 per cent) due to increase support from existing customers of medical supplies and retail sectors. As for the DBS segment, the Contract Logistics ("CL") division remained strong and recorded an increase in revenue of RM28.0 million (17.5 per cent). This is largely due to the warehouse and in-plant businesses which contributed increases of RM14.0 million (21.1 per cent) and RM5.6 million (60.5 per cent) respectively to the CL division. The haulage business also made a significant contribution to CL division, registering an increase in revenue of RM12.9 million (64.4 per cent), due to higher volume of FMCG cargo as well as increased export shipments of major customers. However, the auto CBU and custom clearance businesses experienced downward trend of RM1.3 million (2.8 per cent) and RM3.2 million (5.6 per cent) respectively, largely as a result of unusually high volume surge in the previous comparative period. Reduction in inbound cross border business caused Trucking division to post sales reduction of RM1.8 million (2.8 per cent).

Profit before taxation ("PBT") for the FPE 31 December 2014 rose from RM27.6 million to RM33.9 million, an increase of RM6.3 million (22.8 per cent), while profit for the year to date went up to RM25.2 million from RM21.0 million (20.0 per cent). The increase in PBT was due to the strong performance from the CL division in the DBS segment. The DBS registered an increase of PBT by RM10.8 million from RM22.2 million to RM33.0 million (48.6 per cent). With an increase in revenue due to reasons stated above, the CL division registered an increase in PBT of RM11.3 million (51.8 per cent) from RM21.8 million to RM33.1 million. Although IBS posted an increase in revenue, significant drop in profit margin of AFF resulted in IBS recording a drop in PBT from RM5.3 million to RM3.0 million (43.4 per cent). AFF business reported lower PBT from RM3.6 million to RM1.9 million, while PBT of Ocean Freight Forwarding ("OFF") division business also went down from RM1.7 million to RM1.2 million.

B2. Comparison with Previous Year Corresponding Quarter's Results: October 2014 to December 2014 vs October 2013 to December 2013

The Group's revenue for the third financial quarter ended 31 December 2014 ("Q3FY14/15") was posted at RM122.6 million, as against revenue of RM128.1 million for the third financial quarter ended 31 December 2013 ("Q3FY13/14"). This represents a drop of 4.3 per cent (RM5.5 million). The decrease in revenue was due to lower revenue generated from both IBS and DBS segments. Revenue of IBS dropped by RM3.4 million (7.1 per cent), from RM47.2 million to RM43.8 million. DBS segment recorded a drop in revenue from RM80.9 million to RM78.8 million, a reduction of RM2.1 million (2.6 per cent). Within both IBS and DBS segments, the biggest drops were posted by AFF (RM3.3 million, 9.3 per cent) due to loss of a key tobacco account, and Trucking (RM1.6 million, 7.1 per cent) division due to reduction in cross-border volume.

PBT of the Group for Q3FY14/15 dropped by 9.4 per cent from RM10.7 million to RM9.7 million. Poorer revenue generated resulted in PBT of IBS reducing by RM1.1 million from RM1.9 million to RM0.8 million quarter-on-quarter. On the positive side, PBT from DBS segment remained stable. DBS recorded an increase of RM0.3 million (3.6 per cent) from RM9.1 million to RM9.4 million. The biggest increases of PBT were contributed by in-plant and haulage businesses with increases of RM0.8 million (69.1 per cent) and RM0.6 million (24.6 per cent) respectively. However, the increases were partially offset by poorer PBT registered by custom clearance and trucking business by RM0.8 million (49.2 per cent) and RM0.4 million (61.1 per cent) respectively.

B3. Comparison with Preceding Quarter's Results : Quarter 3, 2014/15 vs Quarter 2, 2014/15

The Group's revenue of Q3FY14/15 remained flat at RM122.6 million, against revenue also of RM122.6 million for the second financial quarter ("Q2FY14/15"). IBS posted an increase of RM4.2 million (10.6 per cent), from RM40.0 million to RM44.2 million. Nevertheless, this was offset by poorer revenue from DBS by RM4.2 million (5 per cent), from RM83.0 million to RM78.8 million.

Within IBS, higher export shipments of E&E and aerospace customers resulted in AFF posting higher revenue by RM3.2 million (10.8 per cent) while higher volume of existing major customers also contributed RM1.0 million (10.3 per cent) increase in revenue of OFF business. As for DBS, CL division posted a decrease in revenue by RM5.7 million (9.0 per cent) from RM63.7 million to RM58.0 million. Warehouse experienced revenue reduction by RM5.2 million largely as a result of lower overflow cargo in warehouse by key customers, and custom clearance businesses reduced by RM2.0 million largely due to lower volume of project cargo as well as routine export shipments of key accounts. However, the Trucking division managed to register an increase of RM1.5 million (7.8 per cent) from RM19.3 million to RM20.8 million.

**B3. Comparison with Preceding Quarter's Results : Quarter 3, 2014/15 vs Quarter 2, 2014/15 (Continue)**

PBT for Q3FY14/15 dropped from RM10.9 million to RM9.7 million against Q2FY14/15, a drop of RM1.2 million (11.0 per cent). Improved revenue resulted in IBS recording an increase in PBT by RM0.5 million (66.7 per cent) from RM0.3 million to RM0.8 million. Nevertheless, the increase was offset by a bigger drop in DBS segment. DBS registered a drop of RM2.1 million (18.3 per cent) from RM11.5 million to RM9.4 million. CL division posted reduction of RM2.4 million (20.7 per cent), from RM11.6 million to RM9.2 million whereas Trucking division saw positive side as losses was improved by RM0.4 million from loss of RM0.1 million to PBT of RM0.3 million.

B4. Prospects for the Remaining Period to the End of the Financial Year

In its latest World Economic Outlook ("WEO") dated January 2015, the International Monetary Fund ("IMF") projected global growth in 2015 at 3.5 per cent, a downward revision of 0.3 per cent relative to the October 2014 WEO. The revision reflects a reassessment of prospects in China, Russia, the Euro area, Japan and some major oil exporters because of the sharp drop in oil prices. The only major economy for which growth projection has been raised is the U.S. The IMF also stated that while global growth will receive a boost from lower oil prices, this boost is projected to be more than offset by negative factors.

On the domestic front, the Malaysian economy is expected to have slowed in the fourth quarter of 2014 ("4Q2014"), amidst sliding prices for oil and commodities. The median forecast was for gross domestic product ("GDP") to grow 5.0 per cent in 4Q2014 versus 5.6 per cent in the first three quarters of 2014 (source: The Edge dated 9/2/2015). Exports rose by 6.4 per cent in 2014 led by a double digit expansion in exports of electrical and electronic products, while imports rose by 5.3 per cent in the same period (source: Bernama dated 5/2/2015). For the whole of 2014, the Malaysian Institute of Economic Research ("MIER") expected the economy to grow by 5.9 per cent, supported largely by robust aggregate domestic demand. Going into 2015, the MIER expected it to be a challenging year for the Malaysian economy, with real GDP projected to moderate. Challenges for the economy will be the cheaper oil prices, lower commodities prices as well as the depreciating ringgit. Nonetheless, the MIER stated that from a macro perspective, there are opportunities from lower oil prices which has an expansionary effect in the medium term. The depreciating ringgit, on the other hand, will definitely help in improving export competitiveness, encouraging wider import substitution activities and most importantly facilitating greater number of tourist arrivals into the country (source: Malaysian Economic Outlook dated 28/1/2015).

The prospects of the Group is closely tied to the performance of the Malaysian and world economies, which directly affect the health of the manufacturing sector as well as international trade. The year-to-date performance of the Group reflected the strong performance of the Malaysian economy in the first two quarters of 2014, in particular the strong external demand which accelerated in the second quarter of 2014. Going forward, the Group expects that its performance will continue to move in tandem with the economic conditions. A positive for the Group will be the lower oil prices, of which the benefit is translated to lower operational costs expected to kick in from January 2015. Downward risks for the Group include the uncertain global economy, the slowdown in the domestic growth and rising operational costs due to the forthcoming implementation of GST as well as review of the minimum wage threshold. Under such conditions, we remain cautious about our performance for the rest of the financial year. We will continue to maintain our strategy to focus on servicing our customers with innovative logistics solutions and expand our logistics capacity when it is beneficial to do so.

B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B6. Tax Expense

	3 months ended		Cumulative 9 months ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Income tax				
- Current tax	(2,921)	(3,062)	(9,989)	(8,533)
- overprovision in prior years	-	-	-	-
Deferred tax				
- Current year	291	621	1,274	1,871
- underprovision in prior years	-	-	-	-
	(2,630)	(2,441)	(8,715)	(6,662)

The Group's effective tax rate for the cumulative 9 months ended 31 December 2014 was about the statutory rate of 25%.

B7. Corporate Proposals

There were no new proposals made for the quarter under review.

**B8. Borrowing**

	As at 31.12.2014 RM'000	As at 31.03.2014 RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	-	13
Bank loan (unsecured)	14,723	11,293
Long term borrowing		
Hire purchase and finance lease liabilities	-	-
Bank loan (unsecured)	26,810	12,873
	41,533	24,179
	-	-

The borrowings are denominated in Ringgit Malaysia except for the bank term loan which is denominated in US Dollar.

B9. Litigation

There was no material litigation pending since the last annual balance sheet date to the date of this report.

B10. Dividend Declared

An interim dividend single tier of 4.00 sen per ordinary share of RM1.00 amounting to RM4,000,000 was approved and declared by the Board of Directors on 11 February 2015 and to be paid on 18 March 2015. Entitlements to dividends will be determined on the basis of the record of depositors as at 03 March 2015. The total dividend for the current financial year is 4.00 sen per ordinary share.

In comparison to the previous corresponding period, an interim dividend of 5.34 sen less 25% income tax per ordinary share of RM1.00 amounting to RM4,004,999 has been approved and declared on 14 November 2013 and paid on 16 December 2013.

B11. Earnings Per Share

	3 months ended		Cumulative 9 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
PAT after non-controlling interest (RM'000)	7,060	8,265	25,114	20,916
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Earnings per share (sen)	7.06	8.27	25.11	20.92
	-	-	-	-

The Company does not have any dilutive potential ordinary shares outstanding as at 31 December 2014. Accordingly, no diluted earnings per share is presented.

B12. Derivative Financial Instruments

As at 31 December 2014, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional Amount RM'000	Fair value net gains or (loses) RM'000	Purpose
1. Cross currency swap contracts:			
- More than 3 years	41,533	695	For hedging currency risk in bank term loan
2. Forward currency contracts:			
- Less than 1 year	157	-	For hedging currency risk in payables

For the current quarter under review, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objective, policies and processes since the previous financial year end.



B13. Realised and Unrealised Profits/Losses Disclosure

	As at 31.12.2014 RM'000	As at 31.03.2014 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	214,778	191,788
- Unrealised	(7,338)	(8,424)
	207,442	183,364
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	992	1,183
- Unrealised		-
	208,433	184,547
Less: Consolidation adjustments	(13,198)	(9,426)
Total group retained profits/(accumulated losses) as per consolidated accounts	195,234	175,121

The determination of realised and unrealised profits is based on the Guidance of 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*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits/losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B14. Profit for the Period

	3 months ended		Cumulative 9 months ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Profit for the period is arrived at after crediting:				
Interest income	206	181	553	531
Other income	268	102	592	431
Foreign exchange gain	106	57	106	270
Unrealised foreign exchange gain	-	-	-	-
and after charging:				
Interest expenses	281	314	838	901
Depreciation	4,248	3,900	12,649	11,638
Provision for/write off receivables	-	-	-	-
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	-	-	-	-
Other loss	-	-	-	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, impairment of assets, gain or loss on derivatives or exceptional item for current quarter and financial period ended 31 December 2014 (31 December 2013: Nil)