Quarterly rpt on consolidated results for the financial period ended 31 Dec 2015

TASCO BERHAD

Financial Year End	31 Mar 2016
Quarter	3 Qtr
Quarterly report for the financial period ended	31 Dec 2015
The figures	have not been audited

Attachments

TASCO Quarterly Report 2015-16Q3.pdf
370.7 kB

Default Currency | **Other Currency**

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31 Dec 2015

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
		$$'000	$$'000	$$'000	$$'000
1	**Revenue**	143,670	122,639	390,392	380,056
2	**Profit/(loss) before tax**	11,786	9,728	29,646	33,924
3	**Profit/(loss) for the period**	8,969	7,098	22,213	25,209
4	**Profit/(loss) attributable to ordinary equity holders of the parent**	8,963	7,060	22,146	25,114
5	**Basic earnings/(loss) per share (Subunit)**	4.48	3.53	11.07	12.56
6	**Proposed/Declared dividend per share (Subunit)**	2.00	4.00	2.00	4.00

		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7	**Net assets per share attributable**	1.5800	1.5000

to ordinary equity holders of the parent ($$)

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	24 Feb 2016
Category	Financial Results
Reference Number	FRA-24022016-00055

TASCO Berhad
(Company No: 20218-T)

Condensed Consolidated Financial Statements For The Quarter And Year-To-Date Ended 31 December 2015

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31-December-2015

	3 months ended		Cumulative 9 months ended	
	31.12.2015	**31.12.2014**	**31.12.2015**	**31.12.2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Revenue	143,670	122,639	390,392	380,056
Cost of sales	(106,971)	(90,956)	(290,269)	(278,208)
Gross profit	**36,699**	**31,683**	**100,123**	**101,848**
Other operating income	1,199	580	2,896	1,251
General and administrative expenses	(26,102)	(22,409)	(72,016)	(68,799)
Profit from operations	**11,796**	**9,854**	**31,003**	**34,300**
Share of profits of associated companies	54	155	370	462
Finance costs	(64)	(281)	(1,727)	(838)
Profit before taxation	**11,786**	**9,728**	**29,646**	**33,924**
Tax expense	(2,817)	(2,630)	(7,433)	(8,715)
Profit for the period	**8,969**	**7,098**	**22,213**	**25,209**
Profit Attributable to:				
Owners of the Company	8,963	7,060	22,146	25,114
Non-Controlling Interest	6	38	67	95
	8,969	**7,098**	**22,213**	**25,209**
Earnings per share (sen) - basic	4.48	3.53	11.07	12.56

Comparative EPS is calculated based on the share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each with effect from 13 October 2015.

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 31-December-2015

	3 months ended		Cumulative 9 months ended	
	31.12.2015	**31.12.2014**	**31.12.2015**	**31.12.2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Profit for the period	**8,969**	**7,098**	**22,213**	**25,209**
Other Comprehensive Income:				
Exchange differences on translation foreign operation	107	(81)	(238)	47
Fair Value adjustment on cash flow hedge	(845)	47	(1,026)	(4)
Other comprehensive income/(Loss) for the period, net of tax	(738)	(34)	(1,264)	43
Total Comprehensive Income	**8,231**	**7,064**	**20,949**	**25,252**
Total Comprehensive Income attributable to:				
Owners of the Company	8,225	7,026	20,882	25,157
Non-Controlling Interest	6	38	67	95
	8,231	**7,064**	**20,949**	**25,252**

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year period 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

T ASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Financial Position as at 31-December-2015

	As at 31.12.2015 RM'000 Unaudited	As at 31.03.2015 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	246,848	254,375
Investment in associated company	4,518	4,148
Other investments	1,170	1,159
Total non-current assets	**252,536**	**259,682**
Current assets		
Inventories	139	149
Trade receivables	100,617	83,114
Other receivables, deposits and prepayments	22,148	16,144
Amount owing by immediate holding company	3,904	3,005
Amounts owing by related companies	4,278	5,281
Current tax asset	7,226	7,244
Fixed deposits with a licensed bank	48,822	39,101
Cash and bank balances	20,251	17,980
Total current assets	**207,385**	**172,018**
TOTAL ASSETS	**459,921**	**431,700**

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Financial Position as at 31-December-2015

	As at 31.12.2015 RM'000 Unaudited	As at 31.03.2015 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	(784)	242
Exchange translation reserve	(386)	(148)
Retained profits	213,948	196,801
Equity attributable to owners of the Company	314,979	299,097
Non-controlling interest	836	769
Total equity	**315,815**	**299,866**
Non-current liabilities		
Long term bank loan	41,009	37,520
Deferred tax liabilities	5,639	8,457
Total non-current liabilities	**46,648**	**45,977**
Current liabilities		
Trade payables	35,953	28,450
Other payables, deposits and accruals	26,543	29,845
Amount owing to immediate holding company	1,624	1,556
Amount owing to related companies	6,516	5,631
Amount owing to associated company	698	94
Bank term loan	15,224	17,275
Current tax liabilities	10,900	3,006
Total current liabilities	**97,458**	**85,857**
Total liabilities	**144,106**	**131,834**
TOTAL EQUITY AND LIABILITIES	**459,921**	**431,700**
Net Assets per share (RM)	**1.58**	**1.50**

Comparative net asset per share is calculated based on the share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each with effect from 13 October 2015.

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the period ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31-December-2015

	Attributable to Owners of the Company								
	Non-distributable					Distributable			
	Share capital	Share premium	Revaluation reserve	Hedge reserve	Exchange translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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**
Balance at 1 April 2015	100,000	801	1,400	242	(148)	196,801	299,097	769	299,866
Total comprehensive income for the period				(1,026)	(238)	22,146	20,882	67	20,949
Dividend paid on 14 October 2015						(5,000)	(5,000)	-	(5,000)
Balance at 31 December 2015	**100,000**	**801**	**1,400**	**(784)**	**(386)**	**213,948**	**314,979**	**836**	**315,815**

The condensed consolidated statement of change in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad
Company No:20218-T
Incorporated In Malaysia

Condensed Consolidated Statement of Cash Flows For The Year-To-Date Ended 31-December-2015

	Year-To-Date Ended	
	31.12.2015 RM'000 Unaudited	31.12.2014 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	29,646	33,924
Adjustments for:		
Depreciation	14,141	12,649
Gain on disposal of property, plant and equipment	568	(109)
Property, plant and equipment written off	(52)	-
Share of profits of associated company, net of tax	(370)	(462)
Interest income	(745)	(553)
Interest expense	1,727	838
Operating profit before working capital changes	**44,915**	**46,287**
Net Changes in current assets	(11,127)	(24,447)
Net Changes in current liabilities	(3,287)	(12,643)
Cash generated from operations	30,501	9,197
Tax paid	(2,428)	(7,007)
Net Cash generated from operating activities	**28,073**	**2,190**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,700)	(20,151)
Proceeds from disposal of property, plant and equipment	341	268
Acquisition of subsidiary company	-	(7,280)
Purchase of other investment	(11)	-
Interest received	745	553
Net cash used in investing activities	**(4,625)**	**(26,610)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loan	8,000	27,000
Repayment of term loan	(12,789)	(10,380)
Payment of hire purchase and finance lease liabilities	(5)	(23)
Interest paid	(1,727)	(838)
Dividend paid	(5,000)	(5,000)
Net cash (used in) / generated from financing activities	**(11,521)**	**10,759**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**11,927**	**(13,661)**
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	57,081	52,461
EFFECT OF EXCHANGE RATE CHANGES	65	9
CASH AND CASH EQUIVALENTS CARRIED FORWARD	**69,073**	**38,810**
Represented by:		
Fixed deposits with a licensed bank	48,822	32,330
Cash and bank balances	20,251	6,480
	69,073	**38,810**

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the period ended 31 March 2015 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 2015. 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 2015.

A2. Adoption of Revised Financial Reporting Standards

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

MFRSs, Amendments to MFRSs and IC Interpretation		**Effective Date**
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116	Incorporating Bearer Plants into the Scope of MFRS 116	1 January 2016
Amendments to MRFS 144	Amendments Resulting from the Incorporation of Bearer Plants into the Scope of MFRS 116	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
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 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments	1 January 2018

Except as otherwise indicated below, the adoption of the above new standards and amendments are not expected to have significant impact on the financial statements of the Group and of the Company.

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

A2. Adoption of Revised Financial Reporting Standards (Continue)

MFRS 9, Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as opposed to the 'incurred loss' model under MFRS 139), i.e. a loss event need not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

The Group and Company are currently assessing the impact to the financial statements upon adopting MFRS 9, and intend to adopt MFRS 9 on the mandatory effective date.

A3. Audit Report

The Audit Report of the Group's annual financial statements for the Financial period ended 31 March 2015 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

The Group announced that the Proposed Share Split, involving the subdivision of every one (1) ordinary shares of RM1.00 each in TASCO Berhad into two (2) ordinary shares of RM0.50 each (Subdivided Shares), has been completed following the listing of and quotation for Subdivided Shares on the Main Market of Bursa Securities with effect from 13 October 2015. With this, it effected number of paid up shares was increased from 100,000,000 shares at RM1.00 per ordinary shares to 200,000,000 shares at RM0.50 per ordinary shares

A8. Dividends paid

A final single tier dividend of 5.00 sen per share for the financial year end 31 March 2015 amounting to RM5,000,000 was paid on 14 October 2015.

No interim or final dividends for financial year end 31 March 2016 were paid in the current quarter under review.

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

A9. Segmental Reporting

	Segmental Revenue		Segmental Result (PBT)	
	9 months Ended ended		9 months Ended ended	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
International Business Solutions				
Air Freight Forwarding Division	108,685	99,142	6,690	1,887
Ocean Freight Forwarding Division	46,461	32,949	3,409	1,151
	155,146	**132,092**	**10,099**	**3,038**
Domestic Business Solutions				
Contract Logistics Division	170,998	187,247	18,310	33,061
Trucking Division	64,248	60,716	(1,394)	(87)
	235,246	**247,964**	**16,916**	**32,973**
Others	-	-	2,631	(2,087)
Total	**390,392**	**380,056**	**29,646**	**33,924**

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 except for:

Disposal of Property
On 16 October 2015, The Board of Directors of the Group resolved and approved to dispose a piece of freehold land with warehouse building held under Mukim Damasara, Daerah Petaling with approximate 38,309 square feet, with carrying value of RM6.0 million for a total sale consideration of RM10.9 million. The Company entered the sale and purchase agreement on 30 October 2015 but the disposal transaction has not been completed yet to date, as it is pending for approval from state authorities.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

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.

A14. Capital Commitment

	As at 31.12.2015 RM'000	As at 31.03.2015 RM'000
Authorised and contracted for		
- acquisition of property, plant and equipment	887	4,710

TASCO Berhad

Company No:20218-T
Incorporated In Malaysia

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

A15. Related Party Disclosures

	9 months ended	
	31.12.2015	**31.12.2014**
	RM'000	**RM'000**
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary companies	397	412
Labour charges paid and payble to subsidiary companies	16,181	15,931
Maintenance charges paid and payable to a subsidiary company	4,394	4,991
Handling fees paid and payable to a subsidiary company	640	995
Related logistic services received and receivable from a subsidiary company	2,518	4,109
Rental of premises paid and payable to subsidiary companies	3,438	-
Rental of trucks received and receivable from a subsidiary company	3,041	4,401
	=============	=============
Transaction with related companies		
Related logistic services received and receivable	50,738	51,275
Related logistic services paid and payable	42,634	47,246
Management fee paid and payable	2,569	2,232
Consultancy fees paid and payable	459	201
Labour charges paid and payable to related company	-	43
Rental received	225	225
Repair and maintenance services	385	685
	=============	=============
Transaction with associated company		
Rental of premises paid	847	847
Accounting fee paid to an associated company	14	-
	=============	=============

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

B1. Performance Review : Year-to-date April 2015-December 2015 vs Year-to-date April 2014-December 2014

The Group achieved revenue of RM390.4 million for the financial period ended ("FPE") 31 December 2015 as against RM380.1 million, showing an increase of RM10.3 million (2.7 per cent) year-on-year. The revenue increase was contributed from International Business Solutions ("IBS") segment, which posted an increase of RM23.1 million (17.5 per cent) whereas Domestics Business Solutions ("DBS") recorded RM12.7 million (5.1 per cent) decrease in revenue year-on-year.

In the IBS segment, higher export shipments of a major semiconductor customer resulting from its high demand from automotive industry, increase of ad-hoc export shipments handled for major E&E and solar panels customers who required airfreight's shorter delivery lead time as well as voluminous spot hand-carry shipments of key customers to Indonesia & Thailand in October and November led to Air Freight Forwarding ("AFF") division posting an revenue increase of RM9.5 million (9.6 per cent) from RM99.1 million last year to-date to RM108.7 million. Ocean Freight Forwarding ("OFF") division meanwhile also posted an outstanding revenue record in comparison to last year-to-date, a RM13.5 million (41.0 per cent) increase from RM33.0 million to RM46.5 million. A newly secured account who manufactures solar panel mainly for USA market coupled with recovery from accounts which were lost last year contributed significantly to OFF business. As for the DBS, except for Trucking division which posted revenue increase of RM3.5 million (5.8 per cent), the lack of domestic catalyst coupled with reduced export shipments of existing customers led to revenue decrease in Contract Logistics ("CL") business. Increase in revenue of Trucking division was largely as a result of increase of in-bound cross border business from Thailand & newly secured accounts for distribution. CL posted a revenue drop of RM16.2 million (8.7 per cent). Within CL business, except for custom clearance business which reported an increase in revenue of RM2.1 million (3.9 per cent), mainly contributed by a new account who produces solar panels, revenue of warehouse and in-plant businesses dropped by RM9 million (11.2 per cent) and RM0.8 million (5.3 per cent) respectively. Significant drop in export container volume of a major E&E customer impacted Haulage business recorded revenue drop of RM5.8 million (17.7 per cent). Discontinuation of business contract with a customer of auto business led to revenue drop of RM2.7 million (56.1 per cent) to auto business segment.

Profit before taxation ("PBT") for the year-to-date ended 31 December 2015 decreased to RM29.6 million from RM33.9 million, a decrease of RM4.3 million (12.6 per cent), while profit for the period to-date went down to RM22.2 million from RM25.2 million, a decrease of 3.0 million (11.9 per cent). The poorer year-to-date result was mainly as a carry over from the results of the preceding first and second quarters of the financial year, whereas profit for the current quarter was gradually improved and the gap was somewhat narrowed. Increase revenue contributed from reasons stated above and ad hoc lower buying air freight rates due to soft market coupled with US Dollar appreciation drove IBS segment to the highest peak in PBT to-date. PBT of IBS segment rose sharply from RM3.0 million to RM10.1 million, an increase of RM7.1 million (232.5 per cent) year-on-year. Included in IBS segment, AFF business posted an increase in PBT of RM4.8 million (254.6 per cent) from RM1.9 million to RM6.7 million. Whereas OFF business posted an increase in PBT of RM2.3 million (196.3 per cent) from RM1.2 million to RM3.4 million. As for DBS segment, with the revenue dip due to reasons stated above, DBS registered a decrease of PBT of RM16.1 million (48.7 per cent) from RM33.0 million to RM16.9 million. Within DBS segment, reduction of customers' volume coupled with high fixed operating costs, especially in warehouse business, caused PBT of CL business was down by RM14.8 million (44.6 per cent). Despite increase in revenue from Trucking segment, increasing fleet maintenance costs as well as weaken Malaysia Ringgit impacted higher operating costs for local and cross border trucking shipments, hence PBT of Trucking segment dropped by 1.3 million (1502.3 per cent) from loss of RM0.1 million to loss of RM1.4 million.

B2. Comparison with Previous Year Corresponding Quarter's Results : October 2015 to December 2015 vs October 2014 to December 2014

The Group's revenue for the third financial quarter ended 31 December 2015 ("Q3FY16") was posted at RM143.7 million, as against revenue of RM122.6 million for the third financial quarter ended 31 December 2014 ("Q3FY15"). This represents an increase of 17.1 per cent (RM21.0 million). The increase in revenue was mainly supported from strong business volume in IBS segment while DBS business also showed a revenue improvement as against Q3FY14/15. Revenue of IBS increased by RM13.9 million (31.7 per cent), from RM43.8 million to RM57.7 million. DBS segment recorded an increase in revenue from RM78.8 million to RM86.0 million, increased by RM7.2 million (9.1 per cent).

Within IBS segment, the biggest increase in term of percentage was posted by OFF business (55.6 per cent, RM6.3 million) while AFF business recorded 23.3 per cent (RM7.6 million) increase. Continuous increasing export volume of a new customer who produces solar panels for export market to USA, and consistent volume support from a recovery of an account lost last year led to revenue surge in OFF business. Ad hoc spot shipments from sea mode to air arrangement to USA for the new solar panels customer and hand-carry shipments to Indonesia and Thailand for Alps & NWB customers drove AFF business reported revenue surge. As for DBS segment, revenue of CL division rose from RM58.0 million to RM63.6 million, an increase of 9.8 percent (RM5.7 million) whereas Trucking business reported an increase in revenue of RM1.5 million (7.1 per cent). Included in CL division, warehouse & customer clearance businesses showed revenue improvement by RM2.4 million (10.4 per cent) and RM5.0 million (29.1 per cent) respectively, mainly resulting from increased import shipments for paper products and export shipments for solar panels for custom clearance business and increased warehouse space in Central region and increased cargo volume for a OEM customer in Southern region for warehouse business. Drop in export cargo for a major E&E customer impacted haulage and in-plant business experienced revenue drop by RM0.6 million (5.2 per cent) and RM0.4 million (8.1 per cent) respectively. Discontinuation of business contract with a customer of auto business led to revenue drop of RM0.7 million (52.8 per cent) to auto business segment. As for Trucking division, new FMCG distribution businesses secured both in Peninsular and East Malaysia contributed to higher revenue of RM1.5 million (7.1 per cent).

B2. Comparison with Previous Year Corresponding Quarter's Results : October 2015 to December 2015 vs October 2014 to December 2014 (continue)

PBT of the Group for Q3FY16 improved by 21.1 per cent from RM9.7 million to RM11.8 million. IBS segment posted an outstanding PBT of RM4.1 million as against RM0.8 million in 3QFY2015/2014 , rose by RM3.9 million (514.8 per cent). Nevertheless, the increase was offset by PBT drop from DBS segment. PBT of DBS segment reduced from RM9.4 million to RM7.0 million, a drop of RM2.4 million (26.1 per cent). Within IBS segment, increase revenue for above stated reasons coupled with good negotiated rates with carriers for ad hoc shipments led to higher profit margin and higher PBT to AFF business. PBT of AFF business rose steeply from RM0.2 million to RM3.2 million, an increase of RM2.9 million (1184.3 per cent) quarter-on-quarter. Significant increase in container volume contribution from a newly secured solar panel customer drove PBT of OFF business to increase from RM0.5 million to RM1.4 million, an increase of RM0.9 million (183.3 per cent). On the DBS segment side, PBT was decrease by RM2.5 million (26.1 per cent) from RM9.4 million to RM7.0 million quarter-on-quarter. The biggest PBT dip of DBS was significantly affected by Trucking business. Increasing fleet costs as well as high operating costs of cross borders shipments, resulted from weaken Malaysia Ringgit, caused Trucking business posted loss before tax of RM1.3 million from profit before tax of RM0.3 million. Meanwhile, PBT of CL business experienced 10 per cent (RM0.9 million) drop from RM9.1 million to RM8.2 million. Included in CL business, PBT of auto business reduced by RM0.7 million (87.0 per cent) followed by RM0.5 million (25.1 per cent) and RM0.1 million (4.3 per cent) drop in PBT of in-plant and warehouse businesses respectively. However, the decreases were partially offset by better PBT registered by custom clearance and haulage business by RM0.3 million (32.0 per cent) and RM0.2 million (7.0 per cent) respectively.

B3. Comparison with Preceding Quarter's Results: October 2015 to December 2015 vs July 2015 to September 2015

The Group's revenue of the third quarter ended 31 December 2015 ("FY3Q16") was registered at RM143.7 million, as against revenue of RM127.9 million of the preceding quarter ended 30 September 2015. This represents an increase of RM15.8 million (12.3 per cent). Recovery and seasonal upward trend led to revenue performance vis-a-vis the preceding quarter for both IBS and DBS segments, which recorded an increased revenue of RM5.9 million (11.4 per cent) and RM9.9 million (13.0 per cent) respectively.

Within the IBS segment, sales in AFF division was spurred by shipment surge of hand carry arrangement for Alps & NWB to Indonesia and Thailand as well as spot shipments from sea mode to air arrangement to USA for a new solar panel customer, resulting AFF business posted revenue plump from RM34.5 million to RM40.1 million, an increase of RM5.6 million (16.1 per cent) in current quarter under review. Continuous cargo volume support from a newly secured solar panel customer in June sustained OFF revenue from 17.3 million to RM17.6 million, slight increase of 1.9 per cent (RM0.3 million). Within the DBS segment, the CL division posted an increase of RM9.0 million (16.5 per cent). Except for in-plant & auto businesses hit on drop of revenue of RM0.2 million (4.6 per cent) and RM0.05 million (7.2 per cent) respectively, seasonal volume recovery in current quarter drove custom clearance, haulage and warehouse businesses registered higher revenue of RM3.7 million (19.9 per cent), RM2.0 million (22.7 per cent) and RM3.6 million (16.6 per cent) respectively. Deliveries and distributions in Klang Valley and East Malaysia of newly secured FMCG customers as well as increased Singapore cross border trucking boosted Trucking division also posted an increase of RM1.0 million (4.2 per cent).

PBT for FY3Q16 rose from RM9.6 million posted in the preceding quarter to RM11.8 million in this quarter, an increase of RM2.2 million (22.9 per cent). PBT from IBS segment was at RM4.6 million, rose by RM1.2 million (35.1 per cent). Uptrend revenue coupled with good profit margins contribution from spot hand carry arrangement shipments and ad hoc urgent shipments from sea mode to air freight led to PBT peak for AFF business. AFF recorded PBT from RM2.1 million to RM3.2 million, an increase of RM1.1 million (52.4 per cent). PBT of OFF business rose hiked by RM0.1 million (7.6 per cent) from RM1.3 million to RM1.4 million. On the other hand, DBS segment also posted an increase of RM2.4 million (53.7 per cent) from RM4.5 million to RM6.9 million. CL division registered an increase of PBT of RM3.8 million (87.7 per cent) from RM4.4 million to RM8.2 million. PBT hike of CL business was driven by increased cargo volume arising from seasonal recovery trend. Despite Trucking business showed slight improvement in revenue, PBT of Trucking business declined by RM1.4 million, primarily due to impact of high operating costs and weaken Ringgit.

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

The International Monetary Fund ("IMF"), in its latest World Economic Outlook ("WEO") report dated January 2016, estimated that global growth for 2015 is at 3.1 percent, and increasing to 3.4 percent in 2016. Although the global economy is projected to expand further, growth was expected to be moderate and uneven. The pace of recovery will remain modest in major advanced economies, while growth is expected to be slow in Asia. The IMF is of the opinion that the risks to the global outlook remain tilted to the downside, as a result of the following ongoing factors: a generalized slowdown in emerging market economies, China’s rebalancing, lower commodity prices, and the gradual exit from extraordinarily accommodative monetary conditions in the United States.

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

Closer to home, BNM announced on 18 February 2016 that the Malaysian economy grew by 4.5 percent in the fourth quarter of 2015 (3Q2015: 4.7 percent), supported mainly by the private sector demand. For the year 2015, the economy expanded at 5.0 percent (2014: 6.0 percent). Going forward, BNM believed that the Malaysian economy is expected to face a challenging operating environment in the immediate future. Growth will continue to be driven by domestic demand, with some support from net exports. Nevertheless, the pace of domestic demand expansion is projected to moderate. The downside risks to growth will however remain, given the continued uncertainty in the external environment and the on-going reforms in the domestic economy. (Source: BNM press release dated 18 February 2016).

The prospects of the Group is closely tied to the performance of the Malaysian and world economy, as factors which directly affect the health of the manufacturing sector and international trade directly impact our core businesses. The Group's performance was greatly affected by economic factors in 1HFY2016, in particular there was a big gap in our results year-on-year in 1QFY2016. The current quarter's result is particularly encouraging as this is the first quarter in the current financial year that our revenue and profits surpassed that of the previous financial year. With the improving results in 2QFY2016 as well as the current quater, we have managed to close the gap vis-a-vis the preceding year results. Nevertheless there remain downside risks for the Group, including contraction or slowdown in the growth of exports and imports in both the global as well as the domestic economy, and rising operational costs amongst others. On the investment side, the Group remains committed to strategise on ways to bring our performance to the next level, such as increasing our warehousing capacities in key growth areas. For the rest of the financial year, the Group expects that its performance will move in tandem with the economic conditions. In light of the current global and domestic economic situation, we remain cautious about our performance for the remaining period to the end of the financial year.

B5. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B6. Tax Expense

	3 months ended		Cumulative 9 months ended	
	31.12.2015 RM'000	**31.12.2014 RM'000**	**31.12.2015 RM'000**	**31.12.2014 RM'000**
Income tax				
- Current tax	(3,803)	(2,921)	(9,692)	(9,989)
Deferred tax				
- Current year	986	291	2,259	1,274
	(2,817)	(2,630)	(7,433)	(8,715)

The Group's effective tax rate for the cumulative 9 months is slightly higher than the statutory rate of 24% for the current quarter under review is mainly due to non deductible expenses.

B7. Corporate Proposals

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

B8. Borrowing

		As at 31.12.2015 RM'000	As at 31.03.2015 RM'000
Short term borrowing			
Bank loan	(unsecured)	15,224	17,275
Long term borrowing			
Bank loan	(unsecured)	41,009	37,520
		56,233	54,795

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 Proposed

An Interim single tier dividend of 2.00 sen per ordinary share of RM0.50 (2014: 4.00 sen per ordinary shares of RM1.00) amounting to RM4,000,000 was approved and declared by the Board of Director on 24 February 2016 and to be paid on 23 March 2016. Entitlement to dividend will be determined on the basis of the record of depositors as at 10 March 2016.

B11. Earnings Per Share

	3 months ended		Cumulative 9 months ended	
	31.12.2015	**31.12.2014**	**31.12.2015**	**31.12.2014**
PAT after non-controlling interest (RM'000)	8,963	7,060	22,146	25,114
Weighted average number of ordinary shares in issue ('000)	200,000	200,000	200,000	200,000
Earnings per share (sen)	4.48	3.53	11.07	12.56
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The Company does not have any dilutive potential ordinary shares outstanding as at 31 December 2015. Accordingly, no diluted earnings per share is presented.

Comparative EPS is calculated based on the share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each with effect from 13 October 2015.

B12. Derivative Financial Instruments

As at 31 December 2015, 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	56,233	11,637	For hedging currency risk in bank term loan
2. Forward currency contracts:			
- Less than 1 year	143	-	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 31.12.2015 RM'000	As at 31.03.2015 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:-		
- Realised	231,701	216,778
- Unrealised	(5,319)	(7,856)
	226,382	208,922
Total shares of retained profits/(accumulated losses) from associated companies:-		
- Realised	1,518	1,148
- Unrealised	-	-
	227,900	210,069
Less: Consolidation adjustments	(13,952)	(13,268)
Total group retained profits as per consolidated accounts	**213,948**	**196,801**

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	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Profit for the period is arrived at after crediting:				
Interest income	253	206	745	553
Other income	118	268	696	592
Foreign exchange gain	828	106	1,455	106
Unrealised foreign exchange gain	-	-	-	-
and after charging:				
Interest expenses	64	281	1,727	838
Depreciation	4,541	4,248	14,141	12,649
Provision for/write off receivables	-	-	-	-
Provision for/write off inventories	-	-	-	-
Foreign exchange loss	-	-	-	-
Unrealised foreign exchange loss	-	-	-	-

There were no gain or loss on disposal of quoted or unquoted investment or real properties, impairment of assets, gain or loss on derivaties or exceptional item for current quarter and financial period ended 31 December 2015 (31 December 2014: Nil)