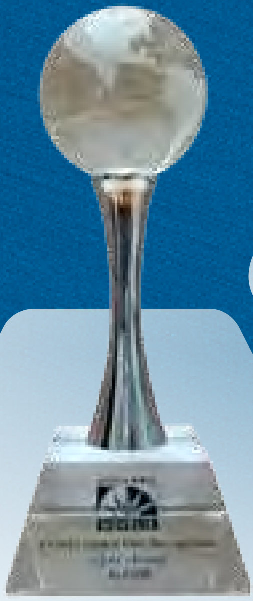
ALUMINIUM COMPANY OF MALAYSIA BERHAD
(3859-U)

ANNUAL REPORT
2013

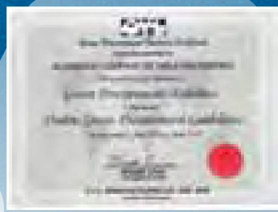
AWARDS AND HONOURS



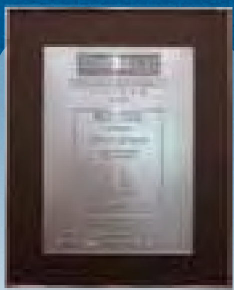
NOVELIS GLOBAL EHS RECOGNITION
Gold Award 2012

STARBIZ-ICR CORPORATE RESPONSIBILITY AWARDS
Finalist “Environment” Category 2010

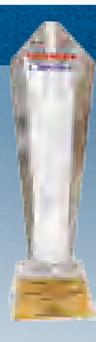
O.Y.L. MANUFACTURING CO. SDN. BHD.
Long Business Partner Award 2010



O.Y.L. MANUFACTURING CO. SDN. BHD.
Green Procurement Partner Certificate 2010



STARBIZ-ICR COPORATE RESPONSIBILITY AWARDS
WINNER “Workplace” Category 2009

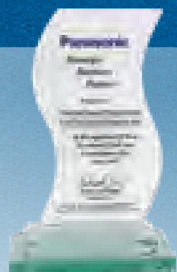


TOSHIBA CARRIER (THAILAND) CO. LTD.
Supplier Quality: Excellent Award 2009

INDUSTRY EXCELLENCE AWARDS
Product Excellence Award 2008 (Open Category)

INDUSTRY EXECELLENCE AWARDS
Prime Minister’s Award for Industry Excellence 2008

HITACHI AIR-CONDITIONING PRODUCTS (M) SDN. BHD.
Excellent Business Partners’ Award 2007



PANASONIC HA AIR-CONDITIONING (M) SDN. BHD.
Strategic Business Partner Award 2007

COVER RATIONALE

Alcom’s focus has continually been on producing high end quality products that fulfill customer and industry needs accomplished through application of evolving technology and a highly competent & dedicated workforce.

CONTENTS

OUR CORE VALUES

PASSION:
ENERGIZED ACTION

INTEGRITY:
HONESTY IN EVERY ACTION

SEAMLESSNESS:
BOUNDARY LESS IN LETTER AND SPIRIT

COMMITMENT:
DELIVER ON THE PROMISE

SPEED:
ONE STEP AHEAD ALWAYS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Second Annual General Meeting of Aluminium Company of Malaysia Berhad will be held at Level 3, Atlanta East, Hotel Armada, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 26 August 2013 at 2.00 p.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the year ended 31 March 2013 and the reports of the directors and auditors thereon.

2. To re-elect Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar who retires in accordance with Article 92(A) of the Articles of Association of the Company. **ORDINARY RESOLUTION 1**

3. To re-appoint Dato' Kok Wee Kiat who retires pursuant to Section 129 of the Companies Act, 1965 to hold office until the next Annual General Meeting. **ORDINARY RESOLUTION 2**

4. To re-appoint Y.M. Tengku Yunus Kamaruddin who retires pursuant to Section 129 of the Companies Act, 1965 to hold office until the next Annual General Meeting. **ORDINARY RESOLUTION 3**

5. To re-elect Mr. Vishal Rao who retires in accordance with Article 92(D) of the Articles of Association of the Company. **ORDINARY RESOLUTION 4**

6. To re-elect Mr. Emilio Stefano Lorenzo Braghi who retires in accordance with Article 92(D) of the Articles of Association of the Company. **ORDINARY RESOLUTION 5**

7. To approve the payment of directors' fees of RM136,000 for the financial year ended 31 March 2013 (2012: RM136,000). **ORDINARY RESOLUTION 6**

8. To re-appoint Messrs PricewaterhouseCoopers as auditors and to hold office until the conclusion of the next Annual General Meeting and to authorize the Directors to fix the Auditors' remuneration. **ORDINARY RESOLUTION 7**

AS SPECIAL BUSINESS

9. **Authority under Section 132D of the Companies Act, 1965, for the Directors to Issue Shares**

   "That subject always to the Companies Act, 1965, the Articles of Association of the Company and approvals from the relevant governmental and/or regulatory authorities where such approvals shall be necessary, authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965, from time to time to issue and allot ordinary shares from the unissued capital of the Company upon such terms and conditions and at such time as may be determined by the Directors of the Company to be in the interest of the Company provided always that the aggregate number of shares to be issued pursuant to this Resolution in any one financial year shall not exceed 10% of the issued capital for the time being of the Company **AND THAT** the Directors be also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." **ORDINARY RESOLUTION 8**

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

10. **Proposed Renewal of Authority for the Purchase by the Company of its Own Shares**

ORDINARY RESOLUTION 9

"That, subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all applicable laws, regulations and guidelines and the approvals of all relevant authorities, approval be and is hereby given for the Company to purchase such amount of ordinary shares of RM1.00 each in the Company ("shares") as may be determined by the Board of Directors of the Company ("Board") from time to time through the Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the interest of the Company provided that:-

(a) the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company at any given point in time;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total of the audited retained profits and/or share premium accounts of the Company as at 31 March 2013 of RM28,172,176 and RM4,113,085 respectively.

(c) at the discretion of the Board, the shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and distributed as dividends or resold on the market of the Bursa Securities, where an appropriate announcement will be made to the relevant authorities once the intentions of the Board is known.

AND THAT such authority from the shareholders would be effective immediately upon the passing of this resolution and would continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which such resolution was passed at which time it shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions;

(b) the expiration of the period within which the next AGM is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT authority be and is hereby given to the Board to take all such steps as are necessary (including the opening and maintaining of a central depository account(s) under the Securities Industry (Central Depositories) Act 1991) and to enter into all other agreements, arrangements and guarantees with any party or parties to implement, finalize and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, re-valuations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time."

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

11. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"That, subject always to the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and its subsidiaries shall be mandated to enter into the category of recurrent transactions of revenue or trading nature with those related parties as set out in Section 2.2 and 2.4 of the Circular dated 19 July 2013 subject further to the following:-

ORDINARY RESOLUTION 10

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders of the Company;

(ii) disclosure is made in the annual report of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year; amongst others based on the type of the recurrent transactions made and the names of the related parties involved in each type of the recurrent transactions made and their relationships with the Company and its subsidiaries and that such approval shall, continue to be in force until:-

(a) the conclusion of the next AGM of the Company following the forthcoming AGM at which such mandate was passed, at which time it shall lapse, unless by a resolution passed at the meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of CA); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever occurs first.

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

12. **Continuing in Office as Independent Non-Executive Chairman**

"That subject to the passing of Ordinary Resolution 1, authority be and is hereby given to Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar who has served as an Independent Non-Executive Chairman of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Chairman of the Company."

ORDINARY RESOLUTION 11

13. **Continuing in Office as Independent Non-Executive Director**

"That subject to the passing of Ordinary Resolution 2, authority be and is hereby given to Dato' Kok Wee Kiat who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company."

ORDINARY RESOLUTION 12

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

14. **Continuing in Office as Independent Non-Executive Director**

"That subject to the passing of Ordinary Resolution 3, authority be and is hereby given to Y.M. Tengku Yunus Kamaruddin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company." **ORDINARY RESOLUTION 13**

15. **Proposed Amendments to the Articles of Association of the Company**

"That the Articles of Association of the Company be altered as follows:- **SPECIAL RESOLUTION**

(a) Article 2

By inserting the following new definitions under Article 2 :-

WORDS	**MEANINGS**
Omnibus Account	An account in which securities are held for two or more beneficial owners.
Exempt Authorised Nominee	An authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act."

(b) Article 50(5)

By adding the sentence **"A proxy shall have the same rights as Member to speak at any general meeting."** at the end of Article 50(5) to read as follows:-

"Article 50(5) – Member's right to appoint proxy

In every notice calling a meeting there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of him. The instrument appointing a proxy shall be in writing under the hand of the appointer or their attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The directors may, but shall not be bound to require evidence of the authority of any such attorney or officer.

A proxy may but need not be a member of the Company and a member may appoint any person to be their proxy without limitation and the provision of Section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. A member may appoint not more than two (2) proxies to attend at the same meeting. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy. A proxy shall have the same rights as Member to speak at any general meeting."

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

(c) Article 50(5)(A)

By deleting the existing Article 50(5)(A) in its entirety and substituting thereof with the following:

"Article 50(5)(A) – Proxy of an Authorised Nominee

Where a Member is an authorised nominee as defined under the Central Depository Act, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at the same meeting.

Where a Member is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, such Exempt Authorised Nominee may appoint multiple proxies in respect of each Omnibus Account it holds.

In both cases, such appointment shall be invalid unless the authorised nominee or Exempt Authorised Nominee specifies the proportion of its shareholdings to be represented by each proxy it has appointed."

That the Directors and Secretary of the Company be and are hereby authorised to carry out all the necessary formalities in effecting the amendments;

And that the Directors of the Company be and are hereby authorised to assent to any condition, modification, variation and/or amendments as may be required by Bursa Malaysia Securities Berhad.

16. To transact any other business of which due notice shall have been given.

By Order of the Board

LAM LEE SAN (F) (MAICSA 7048104)
ERICIA TAN YOKE KUAN (F) (MAICSA 7056281)
Secretaries

Bukit Raja, Klang
Date: 19 July 2013

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

NOTE:

Proxy

1) A member entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

2) A member may appoint not more than two (2) proxies to attend at same meeting. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy.

3) A member who is an authorised nominee may appoint at least one proxy in respect of each securities account it holds with ordinary shares standing to the credit of the said securities account.

4) The instrument appointing a proxy, shall be in writing under the hands of the appointer or of his attorney duly authorised in writing, or if such appointer is a corporation, either under seal or the hand of an officer or attorney duly authorised.

5) The instrument appointing a proxy must be deposited at the Company's Registered Office at No. 3, Persiaran Waja, Bukit Raja Industrial Estate, 41050 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

Ordinary Resolution 8 – Authority to Issue Shares

If passed, will give a renewed mandate to the Directors of the Company to issue ordinary shares of the Company from time to time provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being ("Renewed Mandate"). The Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s), working capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 30 August 2012 and which will lapse at the conclusion of the forthcoming Annual General Meeting.

Ordinary Resolution 9 – Proposed Renewal of Authority for the Purchase by the Company of its Own Shares

If passed, will empower the Directors of the Company to purchase on the Bursa Malaysia Securities Berhad up to 10% of the issued and paid up ordinary shares of the Company. This authority will commence from the date of this Annual General Meeting and unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

Ordinary Resolution 10 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

If passed, will authorise the Company and each of its subsidiaries to enter into recurrent related party transactions of revenue or trading nature which are necessary for its day to day operation. The recurrent related party transactions are in the ordinary course of business and which are on terms not more favourable to the related party than those generally available to the public. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. Please refer to the Circular to Shareholders dated 19 July 2013 with regard to Ordinary Resolution 10.

Ordinary Resolutions 11-13 – Continuing in Office as Independent Non-Executive Chairman/Director

Pursuant to the Malaysian Code on Corporate Governance 2012, the Nomination Committee recommends Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar, Dato' Kok Wee Kiat and Y.M. Tengku Yunus Kamaruddin who have served as Independent Non-Executive Chairman/Directors of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Chairman/Directors of the Company based on the following justifications:-

a) They fulfilled the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

b) They provide the Board a diverse set of experience, skill and expertise as they are highly qualified persons who have been contributing in both the public and private sectors;

c) They are familiar with the Company's business operations; and

d) They have devoted and can devote sufficient time and attention to their professional obligations for informed and balanced decision making.

Special Resolution – Proposed Amendments to the Articles of Association of the Company

The proposed Special Resolution, if passed, will enable the Company to comply with the recent amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.27 (2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Details of Directors seeking re-election or re-appointment as mentioned in the Notice of Annual General Meeting are set out in their respective profiles which appear in the Directors' Profile on pages 30 to 35 of this annual report. Directors' interests in the securities of the Company are disclosed on page 54 of this annual report.

CORPORATE GOVERNANCE

PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The Board of Aluminium Company of Malaysia Berhad ("ALCOM") is fully committed to the principles and best practices of the Malaysia Code of Corporate Governance (Revised 2012) ("the Code"): to ensure that the highest standards of corporate governance are practiced throughout the Group for long-term success and sustainable shareholders' value.

The Board and management are guided and supported by various governance initiatives cascaded down from its immediate holding company, Novelis Inc., a company incorporated in Canada.

Set out below is the statement by the Board which outlines the application of the Principles of the Code and compliance with the Best Practices as per the Code for the financial year ended 31 March 2013.

A. BOARD OF DIRECTORS

The Board: Principal Responsibilities

The Board has the overall responsibility for stewardship of ALCOM Group, including that the company is being properly managed in the interest of our shareholders as a whole and to promote sustainability, while taking into account the interests of other stakeholders. The Board supervises the management and discharges its duties and obligations by reviewing the adequacy and the integrity of the company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and statutory requirements.

The Group is led by an effective Board comprising members of calibre. The Directors are from diverse professional backgrounds with wide range of relevant business and financial experience to bring about independent judgment on issues of strategy, performance, resources and risks affecting the Group. Being part of the Novelis Inc. Group, ALCOM has in practice, a global management program covering strategic direction, risks management practices, code of conduct, appropriate internal control system and policies, succession planning, including appointment, training, fixing the compensation of and where appropriate, replacing senior managers.

Board Charter

The Board has formulated and adopted a charter ("Board Charter"), which outlines the composition of the Board and the roles and responsibilities of the Board, the Chairman, the Managing Director, the Directors, the Senior Management, the Company Secretary along with Access to information and independent advice and finally periodical review cum updates of the Board Charter whenever deems necessary.

The Board Charter is accessible through the company's website at www.alcom.com.my.

Board Size, Composition and Balance

ALCOM's Board as at end of the financial year had six (6) members comprising one Independent Non-Executive Chairman, two Independent Non-Executive Directors, two Non-Independent Non-Executive Directors and one Executive Managing Director. The Chairman has never held any prior executive position in the Group. The Directors bring to the Board a wide range of skills and experience in fields such as commerce, law, finance as well as knowledge of the aluminium business.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Board Size, Composition and Balance (continued)

The Code stipulates that at least one-third of its Board members must be made up of Independent Non-Executive Directors. ALCOM's Board balance is achieved with the presence of three (3) Independent Non-Executive Directors. Collectively, they ensure that plans and strategies proposed by the management are fully discussed and examined, taking into account the long-term interests of all stakeholders of the Group (shareholders, employees, customers, suppliers, and the local community in which the Group conducts business).

In line with the recommendations of the Code the tenure of an Independent Non-Executive Director should not exceed a cumulative term of 9 years. An Independent Non-Executive Director may continue to serve on the Board subject to re-designation of the Independent Non-Executive Director to Non-Independent Non-Executive Director. In the event the Board intends to retain the Independent Non-Executive Director as an Independent Director after service a cumulative terms of nine (9) years, shareholder's approval will be sought during the Annual General Meeting.

The Board acknowledges the importance of board diversity, including gender diversity, to the effective functioning of the Board. Female representation will be considered when vacancies arise and suitable candidates identified, underpinned by the overriding primary aim of selecting the best candidate to support the achievement of the Company's strategic objective.

Directors' Independence

The Independent Non-Executive Director should be persons of calibre and integrity, who collectively provide skills and competencies to ensure the effectiveness of the Board. The criteria for independence set out in the Listing Rules of Bursa Malaysia Securities Berhad ("BMSB") also form the basis for evaluation of independence of Non-Executive Director. Independence broadly encapsulates independence from management and the absence to conflict of interests which could interfere with the Independent Director's judgment and ability to contribute to the Board's deliberations, or which could interfere with the Director's ability to act in the best interest of the company.

Board Annual Assessment

Both the Board and the Nomination Committee have determined in the annual assessment carried out that all the three Independent Non-Executive Directors who had served on the Board remain objective and independent in expressing their views and in participating in deliberations and decision making of the Board and Board Committees. The length of their service on the Board does not in any way interfere with their exercise of independent judgment and ability to act in the best interest of ALCOM. On the contrary, they have been providing continuity with the many changes of Managing Directors during their tenures on the Board. The Board and Nomination Committee had recommended the three Independent Non-Executive Directors to continue and be re-appointed as Independent Non-Executive Directors of ALCOM at the coming Annual General Meeting.

The Board of Directors recognizes that all the three Independent Non-Executive Directors, Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar, Dato Kok Wee Kiat, Y.M. Tengku Yunus Kamaruddin have been conscientiously independent in carrying out their roles as Members of the Board and the Board Committees, notably in fulfilling their roles as Chairman of the Board and Nomination Committee (in the case of Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar) and Audit Committee (as in the case of Dato' Kok Wee Kiat).

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Board Annual Assessment (continued)

The Board recommends Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar, Dato' Kok Wee Kiat and Y.M. Tengku Yunus Kamaruddin who have served as Independent Non-Executive Directors of the Board for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Directors based on the following justifications:-

a) They fulfilled the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

b) They provide the Board a diverse set of experience, skill and expertise as they are highly qualified persons who have been contributing in both the public and private sectors;

c) They are familiar with the Company's business operations; and

d) They have devoted and can devote sufficient time and attention to their professional obligations for informed and balanced decision making.

A brief description on the background as well as profiles of each Director is set out on pages 30 to 35 of the Annual Report.

Responsibilities of the Board's Chair and Members

There is a clear and distinct division of responsibilities between the Chairman and the Managing Director to ensure that there is an appropriate balance of role, responsibility and accountability at Board level.

The Chairman is responsible for the smooth running of the Board and encourages active participation by Board members and provides reasonable time for discussion of issues raised at meetings. Decisions reached at meeting reflect the consensus of the whole Board and not the views of any individual or group.

The Managing Director is primarily responsible for the day-to-day operations of the Group, which includes implementation of policies, and strategies adopted by the Board. The Managing Director is responsible for communicating matters relating to the Group's business to the Board. The Managing Director's knowledge of the Group's business and affairs contributes significantly towards the attainment of the Group's goals and objectives.

Board Committees

Committees are formed to assist in the effective functioning of the Board. The Board delegate specific responsibilities to three (3) Committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, which operates within clearly defined terms of reference. All these Committees are mainly led by Independent Non-Executive Directors of the Board. Management and third parties are invited to attend or are co-opted to such committees as and when required. Reports of proceedings and outcome of the various committee meetings are submitted to the Board.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Audit Committee

The Audit Committee of the Board comprises three (3) Independent Non-Executive Directors and one Non-Independent Non-Executive Director. The composition of the Audit Committee is in compliance with the Listing Requirements and the Code which require all the Audit Committee members to be Non-Executive Directors with a majority of them being Independent Directors. Further details as well as a report of the Audit Committee's activities for the financial year ending 31 March 2013 can be found on pages 24 and 28.

Nomination Committee

The Nomination Committee of the Board comprises two (2) Independent Non-Executive Directors and one Non-Independent Non-Executive Director. Duties and responsibilities of the Nomination Committee are set out in its terms of reference as approved by the Board. The Nomination Committee is responsible for evaluating and recommending to the Board suitable candidates to fill in Board vacancies as they occur. At the end of FYE2013, the Nomination Committee comprises the following directors:-

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar, (*Chairman*)
Dato' Kok Wee Kiat
Mr. Shashi Kant Maudgal

The Nomination Committee is empowered by the Board to deliberate and to present recommendations to the Board on appointments of new Directors. The Committee also assesses and evaluates the effectiveness of the Board as a whole, the respective board committees and contribution of each individual Director.

The company secretary who is also the secretary to the Nomination Committee ensures that all the necessary information is obtained, and all legal and regulatory obligations are met.

During the financial year ended 31 March 2013, the Nomination Committee met twice on 28 May 2012 and 27 November 2012. During the meetings, the Nomination Committee discussed on the nomination of two new directors for appointment to the Board, reviewed the Board structure, size and composition; effectiveness of the Board, the various Board Committees and the contribution of each Board member; and were satisfied that the required mix of skills, experience, competencies, professional qualifications and other qualities of the Directors were sufficient and contributed positively to the Board Committees and the Board as a whole. The Committee also deliberated on the issue of independence of Independent Directors; recommendation to the Board, the re-appointment of directors who are over the age of seventy (70) along with re-election of directors who are retiring and the approach to gender diversity.

Details on attendance of the members of the Nomination Committee were as follows:-

Name of Nomination Committee Member	No. of Meeting Attended While in Office
Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar	2 / 2
Dato' Kok Wee Kiat	2 / 2
Mr. Shashi Kant Maudgal	1 / 1
Mr. Thomas L. Walpole	0 / 1

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Remuneration Committee

Members of the Remuneration Committee as at end of FYE2013, comprises of the following members:-

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar, (*Chairman*)
Dato' Kok Wee Kiat
Mr. Shashi Kant Maudgal

During the financial year ended 31 March 2013, the Committee met once on 21 February 2013. Details on attendance of the members of the Remuneration Committee were as follows:-

Name of Remuneration Committee Member	No. of Meetings Attended While in Office
Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar	1 / 1
Dato' Kok Wee Kiat	1 / 1
Mr. Shashi Kant Maudgal	1 / 1

Board Meetings

The Board which meets at least four (4) times a year, with additional meetings convened when necessary. The Managing Director and Chief Financial Officer who attend the meetings present reports on Group performance comprehensive enough to enable the Board members to discharge their responsibilities.

During the financial year ended 31 March 2013, four (4) Board meetings were held and the details of the Board meetings and attendance of the Directors were as follows:-

Date of Meeting	Hour	Place
28 May 2012	11:30 a.m.	ALCOM, Bukit Raja, Klang
30 August 2012	10:30 a.m.	Hotel Armada, Petaling Jaya
27 November 2012	2:00 p.m.	ALCOM, Bukit Raja, Klang
21 February 2013	11:00 a.m.	ALCOM, Bukit Raja, Klang

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Board Meetings (continued)

Details on attendance of the directors at meetings held during the financial year ended 31 March 2013 were as follows:-

Name of Director	Date of Appointment	No of Meetings Attended*	Percentage of Attendance (%)
Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar	27 July 1987	4/4	100
Dato' Kok Wee Kiat	1 January 1996	4/4	100
Y.M. Tengku Yunus Kamaruddin	27 December 2001	4/4	100
Mr. Thomas L. Walpole #	24 November 2008	0/1	0
Mr. Sachin Yeshawant Satpute #	25 May 2009	1/1	100
Mr. Thomas Felix Boney	1 June 2012	3/3	100
Mr. Shashi Kant Maudgal	1 June 2012	2/3	67
Mr. Paul Allen Stadnikia	1 June 2012	2/3	67

Note :
* *Number of meetings attended/numbers of meetings held while in office*
\# *Resigned on 1 June 2012*

Supply of Information

Prior to board meetings, all Directors receive the agenda and full set of Board papers containing information relevant to the business of the meeting. Reports include key results areas; operational profitability and performance review statements, human resource developments, environment, occupational health and safety, business plans, strategies, as well as proposed announcements and releases comprising quarterly and year-end financial results to the Bursa Malaysia Securities Berhad ("BMSB"). The Board papers are issued to each Director at least five (5) working days in advance.

Board members may obtain independent professional advice, in the furtherance of their duties at the Group's expense.

All Directors also have direct access to the advice and services of the company secretary, who is responsible for ensuring that the Board meeting procedures, applicable rules and statutory regulations are adhered to.

Re-Appointment and Re-Election of Directors

Pursuant to Section 129(2) of the Companies Act, 1965, Directors who are over the age of seventy (70) years shall retire at every annual general meeting and may offer themselves for re-appointment to hold office until the next annual general meeting.

The Company's Articles of Association provide that at every annual general meeting of the Company, one third of the Directors for the time being and those appointed during the financial year shall retire from office and shall be eligible for re-election.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

A. BOARD OF DIRECTORS (CONTINUED)

Directors' Training

All the Directors have successfully completed the Mandatory Accreditation Program ("MAP") conducted by the Bursatra Sdn Bhd; an affiliate company of the Bursa Malaysia. During the financial year under review, the Directors have attended appropriate training program conducted by external or internal experts to equip themselves with the knowledge to discharge their duties more effectively and to keep abreast of developments in the marketplace.

The Directors have during the financial year ended 31 March 2013, attended the following training programs:-

Name of Directors	Particulars of Training Attended and Date
Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar	None (*)
Dato' Kok Wee Kiat	1. Directors Remuneration Seminar 2013 - "The Best Practice" by Malaysian Institute of Corporate Governance (28 February 2013) 2. Financial Institutions Directors Education Program – Handling Press Conferences, Media Interviews and Tricky Media Questions (11 September 2012)
Y.M. Tengku Yunus Kamaruddin	1. Effective Dispute Resolution for Corporate Malaysia by Kuala Lumpur Regional Centre for Arbitration (25 April 2012) 2. Impact of Amendments to Listing Requirements Malaysian Code on Corporate Governance - Optimizing IFRS Convergence by KPMG (20 June 2012)
Mr. Thomas Felix Boney	1. Mandatory Accreditation Programme for Directors of Public Listed Companies by Bursatra Sdn. Bhd., at Bukit Raja Industrial Estate, Klang (29 August 2012) 2. Novelis Global Leadership Summit by Novelis Inc., at Orlando, Florida (19-21 September 2012) 3. Aditya Birla Global Leadership Engagement Series on Global Business Best Practice by Aditya Birla Group at Mumbai, India (10-11 December 2012)
Mr. Shashi Kant Maudgal	1. Novelis Asia Leadership Summit at Busan, South Korea (11-13 June 2012) 2. Mandatory Accreditation Programme for Directors of Public Listed Companies by Bursatra Sdn. Bhd., at Bukit Raja Industrial Estate, Klang (29 August 2012) 3. Novelis Global Leadership Summit by Novelis Inc., at Orlando, Florida (19-21 September 2012) 4. Aditya Birla Global Leadership Engagement Series on Global Business Best Practice by Aditya Birla Group at Mumbai, India (10-11 December 2012)
Mr. Paul Allen Stadnikia	1. Novelis Asia Leadership Summit at Busan, South Korea (11-13 June 2012) 2. Mandatory Accreditation Programme for Directors of Public Listed Companies by Bursatra Sdn. Bhd., at Bukit Raja Industrial Estate, Klang (29 August 2012) 3. Novelis Global Leadership Summit by Novelis Inc., at Orlando, Florida (19-21 September 2012) 4. Aditya Birla Global Leadership Engagement Series on Global Business Best Practice by Aditya Birla Group at Mumbai, India (10-11 December 2012)

(*)
The Chairman was unable to attend trainings during FY2013 as most relevant courses coincided with hectic scheduled travel plans to overseas and local events. In addition, he was hospitalized for a short duration of time from 21 April to 7 May 2012 due to an injury.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B. DIRECTORS' REMUNERATION

As recommended by the Code, ALCOM ensures that the Directors' remuneration is attractive enough to retain Directors of the calibre necessary to run the Group successfully. The remuneration payable to Non-Executive Directors is proposed by the Board and is subject to shareholder's approval at the annual general meeting of the company.

The remuneration of the Executive Director is based on Novelis Group's own Global Remuneration Policy which is set in line with global standards. The component parts of the global remuneration policy have been structured to link annual increment; annual incentives plan to corporate and individual performance; for Executive Directors and employees of the Group.

The remuneration package for the Executive and Non-Executive Directors include some or all of the following elements:-

Basic Salary

The basic salary for the Executive Directors takes into account the performance of the individual as well as the prevailing market salary rate for similar jobs in a selected group of comparable companies.

Fees

The Board proposes the fees payable to Non-Executive Directors after considering comparable organisations and the level of responsibilities undertaken by the Director; and proposed fees payable is subject to shareholder's approval at the annual general meeting of the company. Attendance allowances for Board meetings and Board Committees meetings were paid to Non-Executive Directors.

Bonus Scheme

The Group operates a bonus scheme for all employees including Executive Directors. The performances of the Group along with an assessment of the individual's performance form the criteria for the scheme; which is also link to the Novelis Corporate Global Remuneration Policy.

Benefits-in-kind

Company's cars, petrol expenses, driver, hand-phone, club memberships and medical reimbursement were made available as benefits-in-kind to the Executive Directors as appropriate.

Details of Directors' Remuneration

Remuneration paid or payable or otherwise made available to all the Directors of the Company and Group who have served during the financial year ended 31 March 2013 are as follows:-

Category	Fees (RM'000)	Salaries (RM'000)	Retirement Gratuity (RM'000)	Other Emoluments** (RM'000)	Benefits-in-kind* (RM'000)	Total Remuneration (RM'000)
Executive	-	1,317	-	92	972	2,381
Non-executive	136	-	-	-	-	136

* *Benefits-in-kind include motor vehicle, club memberships, etc.*

** *Other emoluments include bonuses, retirement benefits and performance awards.*

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B. DIRECTORS' REMUNERATION (CONTINUED)

Details of Directors' Remuneration (continued)

The number of Directors of the Company and Group who served during the financial year and whose income from the Group falls within the following bands were as follows:-

Range of Remuneration	Number of Directors
Non-executive Directors	
RM0 to RM50,000	2
RM50,001 to RM100,000	1
Executive Directors	
RM300,001 to RM400,000	1
RM2,000,001 to RM2,100,000	1

C. SHAREHOLDERS

Dialogue between Group and Investors

The Company recognises the importance of communication with its shareholders. The Managing Director and the Chief Financial Officer hold discussions with the press, analysts and shareholders on request. During such discussions, the Group's performance, strategic plans for the future and other major developments are explained.

However, any information that may be regarded as sensitive and material information about the Group is only to be released publicly; communicated to all its stakeholders simultaneously, usually through a press release or regulatory filing like the release of financial results to the Bursa Malaysia Securities Berhad on quarterly and annual basis.

The Company's website at www.alcom.com.my also provides easy access to up-to-date corporate announcements, quarterly financial results, annual reports and where appropriate , circulars and press releases and other information pertaining to the Group.

Whilst the Group has a large corporate shareholder, the interests of minority shareholders are fairly represented by its Independent Non-Executive Directors.

Shareholder and other interested parties may communicate or direct its concerns - either, to the attention of Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar, who is both the Chairman of the Board as well as the Senior Independent Non-Executive Director at email address: alcom.Ined@novelis.com or, to the attention of Dato' Kok Wee Kiat, who is the Chairman of the Board Audit Committee and also an Independent Non-Executive Director at email address: kokweekiat@gmail.com.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

C. SHAREHOLDERS (CONTINUED)

Annual General Meeting ("AGM")

The Board reports on the progress and performance of the Group to shareholders at each AGM. At such meetings, shareholders have the opportunity to raise questions to the Directors present at the meeting. Notice of the AGM and related papers thereto are sent to the shareholders at least 21 days before the meeting to facilitate easy review by the shareholders.

It is customary for Board to hold a press conference immediately after the AGM to brief the media on key Company highlights.

In respect of items on special business, the notice of meeting will be accompanied by a full explanation of the effects of the proposed resolution. Separate resolutions are proposed for substantially separate issues at the meeting and the Chairman declares the number of proxy votes received both for and against each separate resolution.

While it endeavours to keep all its shareholders as much informed as is possible, the Group as mentioned earlier, has always abided by the legal and regulatory framework governing the release of materials and price-sensitive information.

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to present a balanced, full and meaningful assessment of the Group's financial position and prospects when presenting the annual financial statements, quarterly announcements, the Chairman's statement and Reviews of Operations in the annual report. The Audit Committee assists the Board in overseeing the Group's financial reporting process and the quality of its financial reporting.

Internal Control

The Board's Statement on Internal Control as set out in pages 22 and 23 aims to safeguard shareholders' investments and the Company's assets, for the proper maintenance of accounting records and for the reliability of the financial information used within the business and for publication. The system is also designed to provide resonable assurance of effective operations and compliance with laws and regulations.

During the financial year ended 31 March 2013, the Group continued to provide certification on its internal control system to its holding company on quarterly basis. The Group continues to update documentation of its internal control system that was developed in accordance with the requirements of the US Sarbanes-Oxley Act. The documentation which details the internal control system in place acts as a framework for providing the basic assurance to stakeholder on timely and accurate reporting of its financial statements as required by the Act mentioned.

As part of the Novelis Group, ALCOM is also impacted by several initiatives driven from the Corporate headquarters which aids in strengthening as well as enhancing the various systems in place, namely, the Delegation of Authority which is the pivotal foundation for centralizing controls and driving the electronic (e-RFA) Requisition For Approval and also the centralized Contract Management system for compliance purposes.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

D. ACCOUNTABILITY AND AUDIT (CONTINUED)

Internal Control (continued)

The Group's internal audit team from its holding company performs a robust annual risk assessment which then determines the area of focus for the internal audit. The scope of the internal audit as well as the later audit findings are reported by the internal auditors directly to the ALCOM Audit Committee. The internal auditors follow up on any action plans arising from the audit till they are resolved and closed.

Relationship with the Auditors

An appropriate relationship is maintained with the Company's Auditor through the Audit Committee and Board of Directors. The key features and the role of the Audit Committee in relation to the external auditors are included in the Audit Committee's terms of references detailed on pages 25 to 28. The external auditors are invited to attend Audit Committee meetings and all general meetings as well as meeting to receive internal audit reports.

Statement of Directors' Responsibility for Preparation of the Financial Statements

As required by the Companies Act, 1965, the Directors have taken care to ensure that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the accounting period and of income statement and cash-flows for the period then ended. In the preparation of the financial statements for the financial year ended 31 March 2013, the Directors have:-

- Adopted suitable accounting policies and applied them consistently
- Made judgments and estimates on reasonable basis
- Ensured that applicable accounting standards have been adhered to
- Ensured that the financial statements are prepared as an on going concern basis

The Directors ensure that proper accounting records are kept to disclose with reasonable accuracy at any time the financial position of the Company and Group. They are generally responsible to take such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

E. OTHER INFORMATION

Share Buyback

In the financial year ended 31 March 2013, the Company did not transact any share buyback during the financial year. A total of 2,079,000 shares were retained as treasury shares as at 31 March 2013.

Options, Warrants or Convertible Securities

The Company has not issued any options, warrants or convertible securities during the financial year.

Depository Receipt Programme (DRP)

The Company did not sponsor any DRP programme during the financial year.

CORPORATE GOVERNANCE
PURSUANT TO PARAGRAPH 15.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

E. OTHER INFORMATION (CONTINUED)

Imposition of Sanctions/Penalties

During the financial year, there were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies.

Non-audit Fees

The amount of non-audit fees paid to the external auditors by the Group for the financial year amounted to RM21,000.00.

Variation in Results

As there were no profit estimate announced during the financial year, no variation in result reconciliation is applicable.

Profit Guarantees

There were no profit guarantees given by the Company during the financial year.

Material Contracts

There was no material contract on the Company and its subsidiaries during the financial year involving Directors' and major shareholders' interests.

Property Held by Group

Location	No. 3, Persiaran Waja, Kawasan Perindustrian Bukit Raja, 41050 Klang, Selangor Darul Ehsan
Description	Factory and office building
Tenure	99 years leasehold Expiring in year 2088
Land area	12.1 hectares
Approximate built up area (sq.metre)	35,964
Age of building (years)	Range from 22 to 31
Net book value as at 31 March 2012	RM 24.1 million
Year of revaluation	1985

COMPLIANCE WITH THE CODE

The Group has taken necessary steps throughout the financial year to comply with the Best Practices of good corporate governance as set out in the Malaysian Code on Corporate Governance (2012). The Group will continue to review its governance principles and practices in its pursuit of achieving the highest level of transparency, accountability and integrity.

DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR FINANCIAL YEAR ENDED 31 MARCH 2013

INTRODUCTION

The Malaysian Code on Corporate Governance 2012 ("MCCG 2012") requires Public Listed Companies to conduct itself in compliance with laws and ethical values, and maintain an effective governance structure to ensure appropriate management of risks and internal controls.

Pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors of Listed issuers is required to include in its annual report, a statement of the Group's risk management and internal control.

ALCOM's Board of Directors ("the Board") recognizes its responsibilities for and the importance of a sound system of risk management and internal controls to safeguard shareholders' investments, stakeholders' interest and Group's assets.

Set out below is the Board's Statement on Risk Management and Internal Control, which outlines the nature and scope of internal control of the Group, prepared in accordance to the guidelines provided.

RESPONSIBILITIES OF THE BOARD

The Board acknowledges its overall responsibility for the Group's system of risk management and internal control which includes the establishment of an appropriate control environment and framework as well as, an on-going process for reviewing the adequacy and integrity of the design of those systems to cover not only financial controls but also controls relating to operations, risk management, compliance with statutory rules and regulatory guidelines to sustain ethical values and to promote effective governance structure in place.

ALCOM Group's system of risk management, internal controls, financial or otherwise, is structured to provide reasonable assurance regarding the achievement of following:-

- Effectiveness and efficiency of operations including the safeguarding of shareholders' investments as well as the Group's assets.
- Reliability and timeliness of financial reporting.
- Compliance with applicable laws and regulations.
- Environment to promote integrity, good ethics and conducts.

The Board however, recognizes that the risk management and internal control system, no matter how well conceived and operated, can only manage, rather than eliminate the risk of business failures. The systems in place can provide only reasonable and not absolute assurance against material misstatements or loss.

RISK MANAGEMENT FRAMEWORK

The Group has in place an on-going process of identifying, evaluating, monitoring and managing the principal risks that the Group faced as it sought to meet its business objectives. This process is embedded as well as entrenched into the Group's management systems, culture, people, strategy, policies, structures, processes and procedures over its years of operations. This process broadly forms the framework for determining how the Groups' exposure to risks should be managed. ALCOM as part of the previous Alcan Group and recently Novelis Inc., Group, has reaped the benefits of many internal controls systems driven from Corporate HQ to help manage risks at all levels of

DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL FOR FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

RISK MANAGEMENT FRAMEWORK (CONTINUED)

operations vis-à-vis, the Employees Health & Safety First which inculcates a safety awareness in the working place, Performance measurement like Key Results Areas (KRAs) which are based on the score cards driven by Corporate through the Group are used to track and measure performances of all aspects of the operations, including staff performance. Risk appetite are pre-determined and capped per the level indicated in the electronic Requisition for Approval system supported by both the Delegation of Authority ("DOA") and Contract Management System ("CMS") wherein all requisition and contracts are subjected to prior reviews cum approval before and such information are deposited into a central database depository for future reference and knowledge sharing.

All these elements of risk management principles, policies, procedures and practices are periodically reviewed, with results communicated to the Board through the various sub-committees, namely the Audit, Nomination, Remuneration, ESOS Committee to ensure their continuing relevance and compliance with current or applicable laws and regulations.

As the economic, industrial, regulatory and operating conditions continue to change, the mechanisms needed to identify and deal with the changing risks also need to be of a dynamic nature. Accordingly risk management at ALCOM is a pro-active process which seeks to meet the challenges arising from such changes.

INTERNAL AUDIT

Regular audits by Internal Audit are an integral and important part of the governance process. The Internal Audit Department of the holding company carries out the internal audit function for the Group. The internal audit focus is on risks at the external/environmental, strategic, operational and transactional levels. Equal attention is paid to emerging risks – what the company will be concerned about tomorrow. Actual audits are varied on a cyclical basis with more attention being paid to the areas perceived to have more risk. The internal audit reviews of the existing systems of controls provides the Board with much of the assurance it requires regarding the adequacy and the effectiveness of the risk management processes which Management has in place to identify, manage and in controlling the proper conduct of business within the Group. It also provides useful advice on control assurance activities as well as opportunities for improvements to enhance the existing control system as well as identify possible solutions to eliminate shortcomings or deficiencies identified.

The Audit Committee ("AC") reviews and approves the scope of the internal audit to be carried out. The results of audit findings and the recommendations for improvement are also reported back to the AC as well as to the Board. ALCOM's Management is responsible for ensuring that corrective actions, if any recommended, be implemented within a defined time frame. Based on the internal audit reviews carried out, none of the weaknesses noted by the internal audit have resulted in any material losses, contingency or uncertainties that would require disclosure in the Annual Report.

KEY ELEMENTS OF THE INTERNAL CONTROL ENVIRONMENT

The current system of internal control and risk management of the Group include the following key elements:

- An effective Board with Committees chaired mainly by Independent Non-Executive Director to oversee, monitor and review the Group and Management's performance.
- An organization structure with clearly defined roles and responsibilities to achieve the Group's objectives.
- Setting annual plans that are in line with the strategic direction as set out in the strategic plans.

DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL FOR FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

KEY ELEMENTS OF THE INTERNAL CONTROL ENVIRONMENT (CONTINUED)

- Development of action plans as well as Key Results Areas (KRA) for the different key result areas to drive the achievement of the various initiatives in line with the annual plans.

- Cascading the KRAs to all key leaders of different departments across the Group; synchronizing with annual plans.

- Weekly and monthly meetings for the review and resolution of matters arising as well as to measure and monitor performance achievements.

- Performance appraisal system, which is linked to key results areas that is not only measurable but also bring about improvement and savings in a defined criterion.

- Structured training program for employees to maintain high safety and competency levels.

- Clearly defined Terms of Reference (TOR) and delegation of responsibilities to committees of the Board and business operating units, including proper authorization for all aspects cum levels of the business within the Group.

- Regular Board Meetings to review business operations, to approve significant transactions as well as to approve releases of quarterly and annual financial results.

- Documentation of internal policies and procedures as set out in standard operating policies and procedures manuals. These manuals such as those relating to credit, quality, safety, health, environment and insurance are the subject of regular annual review and improvement audits which helped identify gaps arising as well as ensuring updates cum compliance with regulatory requirements and standards.

- Plant visits by members of the Board on a regular basis.

- The Group has also in place a whistle blowing procedure which forms part of the Group's Code of Conduct. This provides an avenue for employees to report/complain any wrongdoing by any persons in the Group, or any breach or suspected breach of any law or standards in a safe and confidential manner.

CONTROL ASSURANCE OVER FINANCIAL REPORTING

The Group management continues with its annual practice of making quarterly representation as well as certification of the reviews it carried out to its holding company and to the Board. This representation serves as a commitment of management assurance on the control system in place for financial reporting accuracy as required.

CONCLUSION

The Board is of the opinion that the existing system of internal control of the Group is sound, adequate and effective to achieve the objectives of safeguarding shareholders' investment, interest of the customers, regulators, employees and other stakeholders; and the Group's assets.

The Board is also satisfied that, during the financial year under review, there was no significant breakdown or weakness in the system of risk management and internal control system of the ALCOM Group that would have resulted in material losses.

REPORT OF THE AUDIT COMMITTEE

The primary objective of the Audit Committee is to assist and support the Board of ALCOM in fulfilling its fiduciary responsibilities relating to corporate accounting, system of internal controls and risk management processes as well as management and financial reporting practices of the Group.

COMPOSITION AND MEETINGS

As at end of financial year ending 31 March 2013, the Audit Committee comprises of three Independent Non-Executive Directors and one Non-Independent Non-Executive Director. The Chairman of the Committee is an Independent Non-Executive Director and all members of the Audit Committee are also members of the Board. The compositions of the Audit Committee during the financial year ended 31 March 2013 were as follows:-

- Dato' Kok Wee Kiat - Independent Non-Executive Director, ***Chairman of Audit Committee***
- Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar – Independent Non-Executive Director
- Y. M. Tengku Yunus Kamaruddin – Independent Non-Executive Director
- Mr. Paul Allen Stadnikia - Non-Independent Non-Executive Director

The detailed profile of the Committee Members can be found on pages 30 to 34.

During the financial year ended 31 March 2013, four (4) Audit Committee meetings were held and details on attendance of the directors at meetings held were as follows:-

No.	Name of Audit Committee Member	Total Meetings Attended *	Percentage of Attendance
1	Dato' Kok Wee Kiat	4/4	100%
2	Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar	4/4	100%
3	Y. M. Tengku Yunus Kamaruddin	4/4	100%
4	Mr. Paul Allen Stadnikia #	2/3	67%
5	Mr. Thomas L. Walpole ##	0/1	0%

* *Number of meetings attended / number of meetings held while in office*

\# *Appointed on 1 June 2012*

\#\# *Resigned on 1 June 2012*

The Managing Director and the Chief Financial Officer attended all meetings upon invitation by the Audit Committee. The Group's external auditors also attended the first and fourth meetings held during the financial year. As in the past years, the Board Audit Committee also met the external auditors without any member of the management present.

The company secretary who is also the secretary to the Audit Committee attends all the meetings.

REPORT OF THE AUDIT COMMITTEE (CONTINUED)

COMPOSITION AND MEETINGS (CONTINUED)

Summary of Activities

The Audit Committee carried out its duties in accordance with the Summary of Terms of Reference as listed below during the financial year with the keys responsibilities listed as follows:-

- Overseeing financial reporting and practices,
- Evaluating the Internal and External Audit processes,
- Reviewing conflict of interest situations and recurring related parties transactions, and
- Assessing the risk and control environment.

Internal Audit Function

ALCOM Group is subject to yearly audits by an internal audit team from its holding company. Internal audit performs the role of promoting an efficient and effective control environment through independent and objective internal control reviews, education and business process consultation. The areas to be covered by the audit are selected on a rotational basis, with core risk areas being subject to audit more regularly than those outside the defined core risk areas.

A risk-based approach is adopted in the planning and conduct of audits which is consistent with the Group's established risk-based framework in identifying, designing, implementing and monitoring of control systems. The Audit Committee reviews the scope of the intended audit and approves the audit plan before the actual audit takes place. The findings of the internal audit work done are reported directly to the Audit Committee. The scope of the Internal Audit covers the audits of all units and operations of the Group including the various computer application systems and network of the Group.

The final reports from both the internal and external auditors were forwarded directly to the Audit Committee. Key observations and opportunities for improvements identified were also presented to the Audit Committee for management to revert with responses.

The costs relating to the annual internal audit function conducted during the financial year were fully absorbed by the holding company.

SUMMARY OF TERMS OF REFERENCE

1. Composition of Members

1.1 The Board shall elect the Audit Committee members from amongst themselves, comprising no less than three (3) Non-Executive Directors. The majority of the Audit Committee members shall be Independent Directors as defined under Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR").

1.2 All members of the Audit Committee shall be financially literate and at least one (1) member of the Audit Committee must fulfill the conditions as set out under paragraph 15.09(1)(c) of the MMLR.

1.3 No alternate Director of the Board shall be appointed as a member of the Audit Committee.

1.4 The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board through the Nomination Committee at least once every three (3) years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

REPORT OF THE AUDIT COMMITTEE (CONTINUED)

SUMMARY OF TERMS OF REFERENCE (CONTINUED)

2. Retirement and Resignation

If a member of the Audit Committee resigns, dies, or for any reason ceases to be a member resulting in non compliance to the composition criteria as stated in paragraph (1) above, the Board shall within three (3) months of the event appoint such number of the new members as may be required to fill the vacancy.

3. Chairman

The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an Independent Director. In the absence of the Chairman of the Audit Committee, the other members of the Audit Committee shall amongst themselves elect a Chairman who must be Independent Director to chair the meeting.

4. Meetings

4.1 The Audit Committee shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

4.2 Upon the request of the external auditor, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matter the external auditor believes should be brought to the attention of the directors or shareholders. Besides, the Audit Committee shall meet with the external auditors without executive Board members or employees present at least twice a year and whenever necessary.

4.3 The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the Chairman, the Managing Director, the Chief Financial Officer, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.

5. Objectives

The principal objectives of the Audit Committee are to assist the Board of Directors in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the holding company and each of its subsidiaries. In addition, the Audit Committee shall:

(a) Evaluate the quality of the audits performed by the internal and external auditors;

(b) Provide assurance that the financial information presented by management is relevant, reliable and timely;

(c) Oversee compliance with laws and regulations and observance of a proper code of conduct; and

(d) Determine the quality, adequacy and effectiveness of the Group's control environment.

REPORT OF THE AUDIT COMMITTEE (CONTINUED)

SUMMARY OF TERMS OF REFERENCE (CONTINUED)

6. Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board and at the expense of the Company:

(a) Have explicit authority to investigate any matter within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the Audit Committee.

(b) Have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal and external auditors and senior management and employees of the Company and Group.

(c) Obtain independent professional or other advice and to invite outsiders with relevant experience to attend, if necessary.

(d) Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any).

(e) Where the Audit Committee is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of Bursa Securities Main Market Listing Requirements, the Audit Committee shall promptly report such matter to Bursa Securities.

7. Duties and Responsibilities

7.1 Evaluating the External Audit Process

(a) To consider the appointment of the external auditor, the audit fee and any question of resignation or dismissal;

(b) To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;

(c) To review with the external auditor his evaluation of the system of internal controls and his audit report;

(d) To consider the auditor's competence & independence.

7.2 Overseeing Financial Reporting

(a) To review the quarterly and year-end financial statements of the Board, focusing particularly on:-

- any change in accounting policies and practices;
- significant adjustments arising from the audit;
- the going concern assumption; and
- compliance with accounting standards and other legal requirements;
- presents a true and fair view of the company's financial position and performance.

(b) Assessing the appropriateness of management's selection of accounting policies and disclosures in compliance with approved accounting standards.

REPORT OF THE AUDIT COMMITTEE (CONTINUED)

SUMMARY OF TERMS OF REFERENCE (CONTINUED)

7. Duties and Responsibilities (continued)

7.2 Overseeing Financial Reporting (continued)

(c) Ensuring timely submission of Financial Statements by management.

(d) Reviewing significant or unusual transactions and accounting estimates, including related party transaction.

(e) To review the external auditor's management letter and management's response;

7.3 Assess Risks & Control Environment

(a) To do the following, in relation to the internal audit function:-

- review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
- review any appraisal or assessment of the performance of members of the internal audit function;
- approve any appointment or termination of senior staff members of the internal audit function; and
- take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

(b) To consider the major findings of internal investigations and management's response.

(c) To verify the allocation of employees' share option scheme ("ESOS") in compliance with the criteria as stipulated in the by-laws of ESOS of the Company, if any.

7.4 Review conflict of interest and Related Party Transaction

To consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.

7.5 Relationships and Communication with Board, Auditors and Management

(a) To report its findings on the financial and management performance, and other material matters to the Board.

(b) To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary).

(c) To consider other topics as defined by the Board.

(d) To consider and examine such other matters as the Audit Committee considers appropriate.

BOARD OF DIRECTORS

STANDING, LEFT TO RIGHT:

DATO' KOK WEE KIAT

MR. SHASHI KANT MAUDGAL

MR. PAUL ALLEN STADNIKIA

Y.M. TENGKU YUNUS KAMARUDDIN

MS. LAM LEE SAN *(Secretary)*

SITTING, LEFT TO RIGHT:

MR. THOMAS FELIX BONEY

Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR *(Chairman)*

MR. VISHAL RAO *(Managing Director)*

DIRECTORS' PROFILE

Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR
Independent Non-Executive Chairman
Age 65, Malaysian

Appointed to the Board since 27 July 1987 and was elected as Chairman of the Board on 1 October 1987. Asides from being Chairman of the Board, he is also the Chairman of the Nomination Committee and Remuneration Committee and a member of the Audit Committee, all of which are sub-committees of the Board. He holds a LLB (Hons) degree from Nottingham University, UK in 1970. He was called to the Bar at Gray's Inn in 1971.

He was Group Company Secretary of Malaysian National Corp. (PERNAS) from 1971 to 1972, Managing Director of Haw Par Malaysia from 1973 to 1976, CEO of Antah Group of Companies from 1977 to February 2001. Currently Chairman of Syarikat Pesaka Antah Sdn Bhd, he also serves as a Director of Jimah Energy Ventures Sdn Bhd. He was appointed as Chairman of Lafarge Malayan Cement Berhad on 27 May 2003.

Apart from business commitments, he is a Director of the Institute of Strategic and International Studies, Malaysia, a member of the Court of Emeritus Fellows of the Malaysian Institute of Management, and a member of the Malaysian-British Business Council. In the field of sports, he is the President of the Olympic Council of Malaysia, a member of the Board of Management of the National Sports Council of Malaysia, Patron of the Malaysian Cricket Association, and founding Chairman of the Foundation for Malaysian Sporting Excellence (SportExcel). He is also Patron of the World Squash Federation, President of the Commonwealth Games Federation and member of the International Olympic Committee.

He attended all four (4) Board meetings held in the financial year.

VISHAL RAO
Non-Independent Executive Managing Director
(Appointed on 1 June 2013)
Age 35, Indian

Appointed to the Board on 1 June 2013. Mr. Rao graduated with the Bachelor of Commerce (1998) and Masters of Commerce (2001) Sydenham College in Mumbai. He is also a Chartered Accountant from India and holds a MBA from Harvard Business School (2006).

Mr. Rao started his career as an auditor with KPMG in India where he performed audits and due diligence reviews for a variety of companies. Prior to joining Novelis, he worked at the World Bank HQ doing business planning and strategy for the Latin America region and then with McKinsey & Co., focusing on growth strategies across a broad range of industries including transportation, logistics, finance and retail.

He subsequently joined Novelis Inc. in 2010 in the Corporate Strategy group based in Atlanta, GA. Most recently he was Director, Strategy & Business Development for Novelis Europe, based in Zurich, Switzerland where he was responsible for strategy development including strategic portfolio development, major capital investments and divestments for the region. He also led sales for the European Foil and Packaging Business Unit where he was responsible for segment sales from three plants based in Germany.

He has not attended any of the Board meetings held in FY2013, prior to his appointment.

Notes:
1. None of the directors have any family relationship with any other director and/or major shareholder of ALCOM.
2. None of the directors have any personal interest in any business arrangements involving ALCOM.
3. None of the directors had any convictions for offences within the past 10 years.

DIRECTORS' PROFILE (CONTINUED)

THOMAS FELIX BONEY
Non-Independent Executive Managing Director
(Resigned on 1 June 2013)
Age 48, American

Appointed to the Board on 1 June 2012. Mr. Boney holds a degree in Finance from St. Bonaventure University and a Masters in Management from Penn State University.

Mr. Boney has accumulated years of extensive experience in all facets of global manufacturing, sales and marketing, expertise in spin-off as well as acquisition integration activities within the aluminium industry. He brings with him proven success in strategic leadership on innovating processes to drive business growth and effective skills in strategic and operational planning on product development.

He started his career as Field Sales Representative with Alcoa in 1987 and since then he had held several diverse leadership positions from Senior Field Sales Representative to Market Manager, District Sales Manager, Business System Division Manager and ultimately as Plant Manager during his 17 years career span with Alcoa.

He subsequently joined Novelis Inc. Group of companies in 2006 as Works Manager of Oswego, NY. In 2007, Mr. Boney was posted to Zurich, Switzerland as the President of Rolling and Recycling, where he initiated global bench marking and established best practices for the rolling mills. He eventually was relocated to Atlanta as Vice President of Manufacturing Excellence where he led the global manufacturing strategy for the Group's 31 locations in 2009.

Prior to his appointment as Managing Director of Aluminium Company Of Malaysia ("ALCOM"), on 1st June 2012, Tom Boney was the Vice President and General Manager of the Can Products business for Novelis North America since 2011. As the leader of the Can business, he has responsibility for commercial strategy and profitability and management oversight for all Can operations in the North American region.

He resigned as Managing Director of ALCOM on 1st June 2013, to assume his new appointment as Vice President/General Manger - Automotive Unit, of Novelis Corporation based in Atlanta, GA effective the same date.

He attended all three (3) out of (3) Board meetings held in during the financial year FY2013.

DIRECTORS' PROFILE (CONTINUED)

DATO' KOK WEE KIAT
Independent Non-Executive Director
Age 72, Malaysian

Appointed to the Board since 1 January 1996. He is currently Chairman of the Audit Committee and also a member of the Nomination Committee and Remuneration Committee, all of which are sub-committees of the Board. He holds a LLB (Hons) degree from the National University of Singapore.

He practised law from 1965 to 1986 and from 1990 to 2000. From 1986 to 1990 he was the Deputy Minister of Trade & Industry of Malaysia. Dato' Kok also sits on the Boards of Directors of Bata Malaysia Sdn. Bhd., The Bank of Nova Scotia Berhad and the Securities Industry Disputes Resolution Center. He was the Chairman of the Environmental Quality Council of Malaysia from 2000 to 2009. He is the Honorary President of the Business Council for Sustainability & Responsibility, Malaysia. He has been the Honorary Consul in Malaysia for the Grand Duchy of Luxembourg since 2007.

He attended all four (4) Board meetings held in the financial year.

Y.M. TENGKU YUNUS KAMARUDDIN
Independent Non-Executive Director
Age 72, Malaysian

Appointed to the Board on 27 December 2001 and is also member of the Audit Committee, which is a sub-committee of the Board. He holds a BA Hons (Economics) degree from the University of Wales, is a Fellow member of Institute Of Chartered Accountants (England & Wales), Malaysia Institute of Certified Public Accountants and Malaysia Institute of Accountants.

He was an audit partner of an international firm of accountants for 14 years until retirement. From 1985 to 1990 he was appointed by Bank Negara Malaysia to serve on the board of Bank Bumiputra Malaysia Berhad. He is a Director of Keck Seng (Malaysia) Berhad and sits on the Board of UBS Securities Sdn Bhd since 14 September 2005.

He attended all four (4) Board meetings held in the financial year.

Y.M. Tengku Yunus Kamaruddin holds 114,500 ordinary shares in the Company.

Notes:
1. None of the directors have any family relationship with any other director and/or major shareholder of ALCOM.
2. None of the directors have any personal interest in any business arrangements involving ALCOM.
3. None of the directors had any convictions for offences within the past 10 years.

DIRECTORS' PROFILE (CONTINUED)

SHASHI KANT MAUDGAL
Non-Independent Non-Executive Director
Age 59, Indian

Appointed to the Board on 01 June 2012 and is also a member of the Nomination Committee and Remuneration Committee, all of which are sub-committees of the Board. Holds a Masters of Business Administration (Marketing & Finance) from the Indian Institute of Management, Calcutta, India in 1978, and Bachelor of Technology (Chemical Engineering) from the Indian Institute of Technology, Delhi, in 1976.

He began his career with Asian Paints (I) Ltd, from 1978 to 1987, holding various Sales and Marketing positions at various major cities within India. From 1987 to 1992, Mr. Maudgal joined Hindustan Ciba-Geigy Ltd as General Sales Manager heading the Consumer Product Division and was later promoted to Marketing Manager in charge of Sales & Marketing heading the Agricultural Division. He joined Arvind Clothing Ltd, Bangalore in Sept 1992, as Chief Executive of the branded garment subsidiary till 1996 when he was promoted by the Arvind group to head Company's European subsidiary located at London as its Chief Executive. In 1998, he was with Ceat (Tyres) Ltd as Executive Director of Marketing and Sales for 3 years till 2001. He later joined Hindalco Industries Ltd., in Feb 2001 until May 2012 as Chief Marketing Officer of Hindalco Industries Ltd. Mr. Maudgal had enjoyed many accomplishments during his tenure at Hindalco, including building and leading the marketing department, leading the European due diligence process team during the acquisition of Novelis, and serving as a member of the executive leadership team in setting strategic direction for Hindalco. In addition to his responsibilities with Hindalco, Mr. Maudgal was a member of the Aditya Birla Group ("ABG") Business Review Councils for Grasim Viscose Fiber and Ultratech's Birla White Cement. He was also the Vice President of the Aluminium Association of India. In 2009, he was awarded the ABG Chairman's Outstanding Business Leader Award for his consistent record of accomplishments.

Currently, he is the Senior Vice President and Regional President of Novelis Asia, located at Seoul, South Korea. He oversees Novelis Asia's operations in the Asian region.

From the date of his appointment, he attended two (2) out of three (3) Board meetings held in the financial year.

Notes:
1. None of the directors have any family relationship with any other director and/or major shareholder of ALCOM.
2. None of the directors have any personal interest in any business arrangements involving ALCOM.
3. None of the directors had any convictions for offences within the past 10 years.

DIRECTORS' PROFILE (CONTINUED)

PAUL ALLEN STADNIKIA
Non-Independent Non-Executive Director
Age 54, American

Appointed to the Board on 1st June 2012 and is also a member of the Audit Committee, which is a sub-committee of the Board. He holds a Bachelor of Science in Business Administration from the Central Michigan University in 1981.

Upon graduation he worked with the CMS Energy Corporation Group holding a variety of positions; as Senior Financial Analyst (1981), Senior Finance Director (1997), Assistant Treasurer (1999), and ultimately as Executive Director of Financial Planning (2004). He then joined DTE Energy Group from 2004 through 2008 as Director of Trust Investments to Assistant Treasurer and eventually the Director of Corporate Finance. In Oct 2008, he joined Enexus Energy Corporation / Entergy Corporation as the Vice President and Treasurer responsible for developing financial strategy and operations of Enexus Group. Mr. Stadnikia subsequently joined Novelis Inc., on Sept 2010 as the Assistant Treasurer working on the funding needs of the Novelis Group via the multi-billion dollar recapitalization. The Novelis Group's debt was restructured to enhance the Group's financial flexibility leading to a multi-billion dollar dividend to Novelis Inc.'s parent.

On Feb 2011, he was promoted to his present position as Vice President - Finance of Novelis Asia, responsible for the overall financial management of the Novelis Asia Region, located at Seoul, South Korea.

From the date of his appointment, he has two (2) out of three (3) Board meetings held in FY2013.

Notes:
1. None of the directors have any family relationship with any other director and/or major shareholder of ALCOM.
2. None of the directors have any personal interest in any business arrangements involving ALCOM.
3. None of the directors had any convictions for offences within the past 10 years.

DIRECTORS' PROFILE (CONTINUED)

EMILIO STEFANO LORENZO BRAGHI
Non-Independent Non-Executive Director
Age 46, Italian

Appointed to the Board on 27 June 2013. Mr. Emilio Braghi graduated with a Bachelor Degree (1994) in Industrial Technologies Engineering specializing in Economics from the Politecnico of Milan, Italy.

Upon graduation, he began his career as Export Manager with Montedison, a chemical multinational group for 3 years before joining Alcoa Industrial Chemicals as the Account Manager in 1998. He later joined Alcan Aluminio, (Roll Products business of ALCAN Inc., Group) in1999 where the same Roll Product business of ALCAN Inc., was spun off into Novelis Inc., Europe since 2005 till present.

During this period, he has held numerous leadership roles from Product Manager to Sales Director, Sales & Marketing Director (in charge of four distribution centers in Novelis Italy); General Manager (Pieve and Bresso plants, Novelis Italy) Value Stream Manager – Litho and Painted Product Novelis Europe; and eventually as Vice President and General Manager – Value Stream Specialities, Novelis Europe in Oct 2011. During his past 12 years with the Group, he has accumulated diverse experience including leadership in successfully turning around and restructuring of the Italian operations as well as initiating and implementing value stream propositions to the Manufacturing, Supply Chain and Sales operations within Novelis Europe.

In March 2012, he was promoted to Vice President, Operations, Novelis Asia based in Seoul, South Korea to assume a wider scope of responsibility for operations of the two major plants located in Ulsan and YeongJu.

He has not attended any of the Board meetings held in FY2013, prior to his appointment.

Notes:
1. None of the directors have any family relationship with any other director and/or major shareholder of ALCOM.
2. None of the directors have any personal interest in any business arrangements involving ALCOM.
3. None of the directors had any convictions for offences within the past 10 years.

DIRECTORATE & CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman:

Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR
(Independent Non-Executive Chairman)

Managing Director:

MR. VISHAL RAO
(Non-Independent Executive Managing Director)
[Appointed on 1 June 2013]

MR. THOMAS FELIX BONEY
(Non-Independent Executive Managing Director)
[Resigned on 1 June 2013]

Directors:

DATO' KOK WEE KIAT
(Independent Non-Executive Director)

Y.M. TENGKU YUNUS KAMARUDDIN
(Independent Non-Executive Director)

MR. SHASHI KANT MAUDGAL
(Non-Independent Non-Executive Director)

MR. PAUL ALLEN STADNIKIA
(Non-Independent Non-Executive Director)

MR. EMILIO STEFANO LORENZO BRAGHI
(Non-Independent Non-Executive Director)
[Appointed on 27 June 2013]

Joint Secretaries:

MS. LAM LEE SAN (MAICSA 7048104)

MS. ERICIA TAN YOKE KUAN (MAICSA 7056281)

AUDIT COMMITTEE

Chairman:
DATO' KOK WEE KIAT

Members:
Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR

Y.M. TENGKU YUNUS KAMARUDDIN

MR. PAUL ALLEN STADNIKIA

NOMINATION COMMITTEE

Chairman:
Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR

Members:
DATO' KOK WEE KIAT

MR. SHASHI KANT MAUDGAL

REMUNERATION COMMITTEE

Chairman:
Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR

Members:
DATO' KOK WEE KIAT

MR. SHASHI KANT MAUDGAL

REGISTERED OFFICE

No. 3, Persiaran Waja
Kawasan Perindustrian Bukit Raja
41050 Klang, Selangor Darul Ehsan
Telephone : +603-3346 6262
Telefax : +603-3341 2793

REGISTRARS

Symphony Share Registrars Sdn Bhd
(378993-D)
Level 6 Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46,
47301 Petaling Jaya
Selangor Darul Ehsan
Telephone : +603-7841 8000
Telefax : +603-7841 8152

AUDITORS

PricewaterhouseCoopers,
Kuala Lumpur
(AF: 1146)

PRINCIPAL BANKERS

Malayan Banking Berhad
(3813-K)
Citibank Berhad
(297089-M)

SOLICITORS

SKRINE

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad - Main Market

WEBSITE

www.alcom.com.my

GROUP INFORMATION

HEAD OFFICE

No. 3, Persiaran Waja
Kawasan Perindustrian Bukit Raja
41050 Klang
P.O. Box 233
41720 Klang
Selangor Darul Ehsan

Telephone : +603-3346 6262
Telefax : +603-3341 2793

SALES ENQUIRIES/CONTACT

sales.alcom@novelis.com

WEBSITE

ALCOM Group: www.alcom.com.my

Holding Company: www.novelis.com

MANUFACTURING PLANTS

Aluminium Company of Malaysia Berhad (3859-U)

Sheet & Foil

No. 3, Persiaran Waja
Kawasan Perindustrian Bukit Raja
41050 Klang
P.O. Box 233
41720 Klang
Selangor Darul Ehsan

Telephone : +603-3346 6262
Telefax : +603-3341 2793

Alcom Nikkei Specialty Coatings Sdn Bhd (203469-H)

Coated Finstock

No. 3, Persiaran Waja
Kawasan Perindustrian Bukit Raja
41050 Klang
P.O. Box 79
41700 Klang
Selangor Darul Ehsan

Telephone : +603-3342 2234
Telefax : +603-3342 2203

PRODUCTS MANUFACTURED

- **ALCOM Aluminium Specialty Products**

  Tread Plate, Flat Sheet, Coils, Stucco
  Embossed Sheet / Coils,
  Painted Sheet / Coils, Cladding Sheet.
  Capacitor Coil, Closure Sheet

- **ALCOM Aluminium Roofing Products**

  Corrugated Sheet
  'PAYUNG' – 7C & 11C
  Industrial Profile Roofing Sheets
  '7P', 'Alrib', 'Comspan'
  Available In Stucco-Embossed and
  Painted Finished.

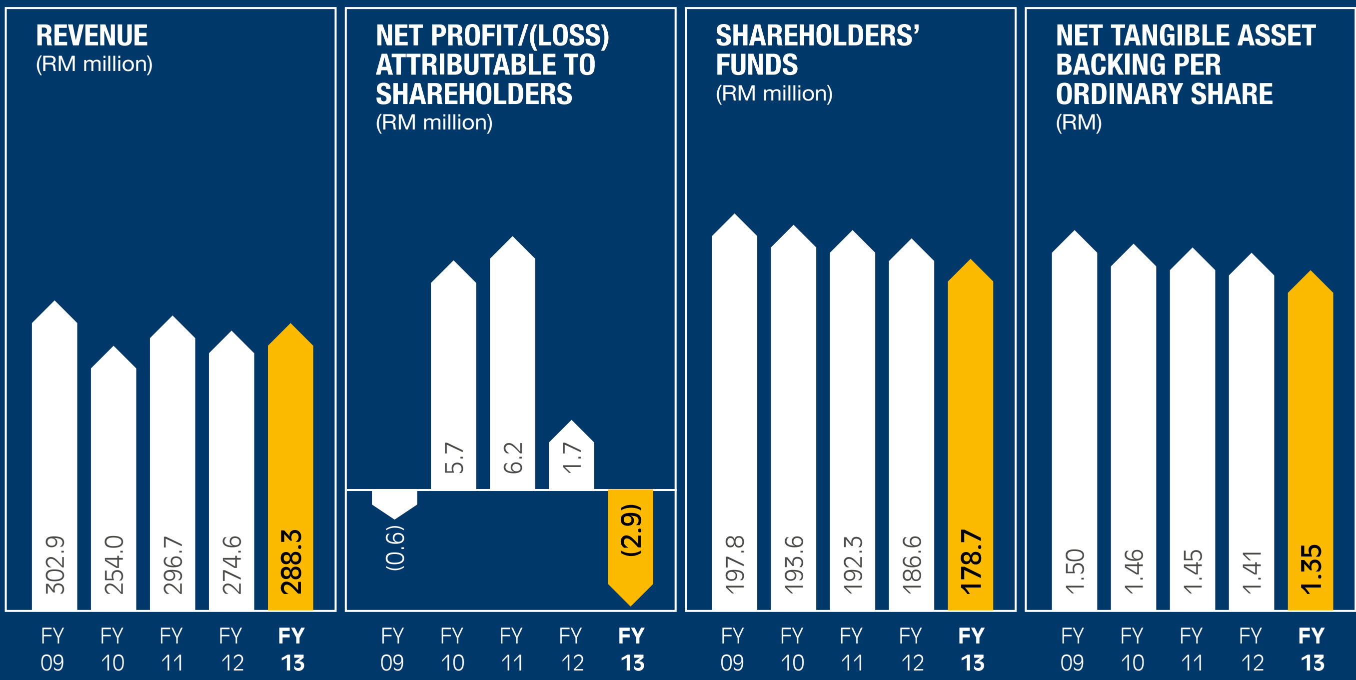
- **Aluminium Foil Products**

  Finstock - Bare & Coated,
  Cable Foil, Plain Foil,
  Diaphragm Foil (Lacquered),

- **Trade Names**

  PAYUNG - Corrugated Sheet
  COMSPAN - Industrial Profile Roofing Sheet

FIVE-YEAR SUMMARY



GROUP FINANCIAL HIGHLIGHTS	12 months year ended 31.03.2009	12 months year ended 31.03.2010	12 months year ended 31.03.2011	12 months year ended 31.03.2012	**12 months year ended 31.03.2013**
Revenue and Earnings (RM million)					
Revenue	302.9	254.0	296.7	274.6	**288.3**
Profit/(Loss) from ordinary activities before tax	(0.1)	6.8	8.0	2.4	**(3.9)**
Provision for taxation					
- Current	(2.3)	(0.5)	(2.8)	(0.6)	**(0.1)**
- Deferred	2.6	(0.6)	1.0	(0.1)	**1.1**
Net profit/(loss) attributable to shareholders	(0.6)	5.7	6.2	1.7	**(2.9)**
Balance Sheet Items (RM million)					
Working capital	119.8	121.9	116.1	102.0	**98.6**
Non current assets	92.4	86.5	90.6	99.6	**93.8**
Total borrowings	-	-	-	-	**-**
Shareholders' funds	197.8	193.6	192.3	186.6	**178.7**
Total assets	223.6	226.1	229.8	219.8	**213.5**
Other Statistics					
Earnings/(Loss) per Ordinary Share (RM Sen)	(1.0)	4.0	5.0	1.3	**(2.2)**
Ordinary dividend per Share (RM Sen)	12.5	10.0	7.5	7.5	**5.0**
Net tangible asset backing per ordinary share (RM)	1.50	1.46	1.45	1.41	**1.35**
Capital expenditure (RM million)	5.9	5.4	12.5	23.6	**8.4**
Net cash from operating activities (RM million)	31.7	(3.7)	27.7	15.3	**11.8**
Share prices : Highest (RM)	1.13	1.16	1.04	1.05	**0.90**
: Lowest (RM)	0.74	0.77	0.90	0.81	**0.56**

CHAIRMAN'S STATEMENT
KENYATAAN PENGERUSI

On behalf of the Board of Directors, I am pleased to present the annual report of the Aluminium Company of Malaysia Berhad for the financial year ended 31 March 2013.

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan Aluminium Company of Malaysia Berhad bagi tahun kewangan berakhir 31 Mac 2013.

GROUP PERFORMANCE

Market demand for our aluminium products in FY2013 remained stable and strong despite the continuing instability in the Euro zone and the US fiscal policy stand-off; both of which affected world economic recovery. The demand pattern for aluminium products was similar to the cyclical trend of FY2012, with good volumes in Q1 followed by 2 quarters of low season and ending on a strong note with ALCOM shipping out highest volume in Q4. In comparison to FY2012, the overall shipment for FY2013 increased by 15.6%. In tandem, the Group also registered an increase in turnover by 5% at RM288.3 million as compared to RM274.6 million in FY2012.

The price of aluminium was relatively stable throughout the financial year with prices declining slightly from USD2,046 per metric ton as at April 2012 to close at USD1,913 per metric ton in Mar 2013; hitting a high of USD2,087 per metric ton in Dec 2012. There was nevertheless, an unexpected surge in the MJP (Main Japan Port) premium tagged to the quoted LME price by 88% within FY2013; from USD136.50/mt in the beginning of FY2013 that escalated to close at USD258/mt in Mar 2013. The resulting increase in total cost to customer impacted customer demand and margins in select markets.

Against this background, the Group posted a consolidated pre-tax loss of RM3.9 million for the financial year ended 31 March 2013 compared to a pre-tax profit

PRESTASI KUMPULAN

Permintaan pasaran bagi produk aluminium pada tahun kewangan 2013 adalah kekal stabil dan kukuh walaupun berlaku ketidakstabilan yang berterusan di Zon Eropah dan dasar fiskal 'Stand-Off' Amerika Syarikat; dimana kedua-duanya terjejas terhadap pemulihan ekonomi dunia. Corak permintaan bagi produk aluminium adalah sama dengan aliran kitaran pada tahun kewangan 2012, dengan jumlah pengeluaran yang baik dalam suku tahun pertama diikuti suku tahun kedua dan ketiga yang lembab dan berakhir dengan hasil yang amat memberangsangkan pada suku tahun keempat. Berbanding dengan tahun kewangan 2012, penghantaran secara keseluruhan bagi tahun kewangan 2013 meningkat sebanyak 15.6%. Selaras dengan itu, Kumpulan ALCOM juga mencatatkan peningkatan perolehan sebanyak 5% pada RM288.3 juta berbanding dengan RM274.6 juta dalam tahun kewangan 2012.

Harga aluminium agak stabil sepanjang tahun kewangan ini dengan harga yang menurun sedikit dari USD2,046 setiap tan metrik pada April 2012 ke USD1,913 setiap tan metrik pada Mar 2013; meningkat sebanyak USD2,087 setiap tan metrik pada Disember 2012. Satu lonjakan yang tidak dijangka telah berlaku iaitu, premium MJP (Main Japan Port) yang ditandakan dengan sebutharga LME melonjak sebanyak 88% dalam tahun kewangan 2013; dari USD136.50 setiap tan metrik di awal tahun kewangan 2013 dan di tutup tinggi hingga USD258 setiap tan metrik pada Mac 2013. Peningkatan di dalam jumlah kos kepada pelanggan telah memberi kesan kepada permintaan pelanggan dan margin di sesetengah pasaran.

CHAIRMAN'S STATEMENT (CONTINUED)
KENYATAAN PENGERUSI (SAMBUNGAN)

of RM2.4 million in FY2012. This was largely due to challenges passing through the MJP increase in our pricing and purchasing semi-finished product to close the gap between contracted volumes and production. The financial result also included a one off loss of RM1.2million incurred on disposal of idle machinery. This action will support long term operational effectiveness as it enables more efficient flow of production through the plant.

In FY2013, ALCOM achieved another special milestone when we achieved 3 million hours without LTII on 27 Feb 2013. This is a significant achievement and would not have been possible without the discipline, dedication and commitment from all the employees within the ALCOM Group.

ALUMINIUM COMPANY OF MALAYSIA BERHAD

At Company level, ALCOM registered a loss after tax of RM3.1 million for the year as compared to a net profit of RM3.5million in the previous year. As mentioned above, the loss was attributed mainly to the sudden surge in metal (MJP) premium and increased purchases of imported coils as a measure to compensate for capacity constraints to meet customer orders and as well as the loss on disposal of idle assets.

ALCOM NIKKEI SPECIALTY COATINGS SDN BHD (ANSC)

Shipment of coated fin stock by ANSC, a wholly owned subsidiary of ALCOM in FY2013 improved by 12.9% as compared to the preceding year; mainly due to a increased shipment to Asian customers. Pricing in this segment is under pressure from major exporters in the Asian region and this resulted in ANSC posting a net profit of RM30,127 for financial year ending 31 Mar 2013 as compared to a net loss of RM1.8 million in the previous year. ANSC's profitability was also indirectly impacted by unexpected increase in MJP during FY2013.

FINANCIAL

As at the end of the financial year 31 March 2013, Group cash reserves stood at RM36.1 million as compared to RM36.8 million recorded at the end of the previous financial year.

Akibat dari keadaan ini, Kumpulan telah mencatatkan kerugian terkumpul sebelum cukai sebanyak RM3.9 juta bagi tahun kewangan berakhir 31 Mac 2013 berbanding dengan keuntungan sebelum cukai sebanyak RM2.4 juta dalam tahun kewangan 2012. Ini sebahagian besarnya disebabkan oleh cabaran-cabaran yang melalui peningkatan MJP di dalam harga dan pembelian produk separa siap (Semi-Finished) untuk merapatkan jurang antara jumlah yang dikontrakkan dan jumlah pengeluaran sebenar. Pelupusan jentera yang tidak boleh digunakan lagi juga telah memberi kesan ke atas keputusan kewangan dengan kerugian sebanyak RM1.2 juta. Tindakan ini akan membantu keberkesanan operasi jangka panjang kerana ia membolehkan aliran pengeluaran yang lebih efektif di dalam kilang.

Pada tahun kewangan 2013, ALCOM mencapai satu lagi mercu tanda khusus apabila kita mencapai 3 juta jam tanpa LTII pada 27 Feb 2013. Ini adalah satu pencapaian yang penting dan tidak mungkin diperolehi tanpa disiplin, dedikasi dan komitmen dari semua kakitangan dalam Kumpulan ALCOM.

ALUMINIUM COMPANY OF MALAYSIA BERHAD

Pada peringkat Syarikat, ALCOM mencatatkan kerugian selepas cukai iaitu sebanyak RM3.1 juta sepanjang tahun berbanding keuntungan bersih sebanyak RM3.5 juta pada tahun sebelumnya. Seperti yang dinyatakan di atas, kerugian ini adalah berpunca daripada peningkatan mengejut bagi premium logam (MJP) dan peningkatan pembelian untuk gegelung yang diimport sebagai langkah untuk memberikan pampasan bagi kekangan kapasiti dalam memenuhi pesanan pelanggan dan juga bagi kerugian yang ditanggung atas pelupusan aset yang terbiar.

ALCOM NIKKEI SPECIALTY COATINGS SDN BHD (ANSC)

Penghantaran 'Coated Fin Stock' oleh ANSC, iaitu sebuah anak syarikat milik penuh ALCOM pada tahun kewangan 2013 telah meningkat sebanyak 12.9% berbanding tahun sebelumnya terutamanya disebabkan oleh peningkatan dalam penghantaran kepada pelanggan Asia. Harga di dalam segmen ini adalah di bawah tekanan daripada pengeksport utama di rantau Asia dan ini membolehkan ANSC mencatat keuntungan bersih sebanyak RM30,127 bagi tahun kewangan berakhir 31 Mac 2013 berbanding kerugian bersih sebanyak RM1.8 juta pada tahun sebelumnya. Keuntungan ANSC ini juga secara tidak langsung menerima kesan akibat daripada peningkatan yang tidak dijangka dari premium 'MJP' pada tahun kewangan 2013.

CHAIRMAN'S STATEMENT (CONTINUED)
KENYATAAN PENGERUSI (SAMBUNGAN)

During the financial year 2013, an interim dividend of 5.0% less 25% tax was paid. The dividend payment amounted to approximately RM4.96 million.

ECONOMIC AND INDUSTRY TRENDS & DEVELOPMENTS

The global economy expanded at a modest pace with growth momentum remaining uneven between and within regions. In the USA, growth remained slow while most European economies experienced weak or negative economic performance.

However, in Asia, the economic expansion continued albeit at a slower pace as domestic demand continued to out-weigh weaknesses in external demand. Amid this weaker external environment, the Malaysian economy expanded in tandem supported by stronger domestic demand driven by sustained income growth and favourable labour market conditions, undergirded by capital spending from both the private and public sectors.

GDP growth for Malaysia is forecasted to be between 5% - 6% in 2013; generating from the strong domestic demand and robust private investment spin off from the Economic Transformation Programme which is expected to continue with the spillover effects being felt on the construction, real estate and financial services sectors.

PROSPECTS

The outlook for FY2014 continues to remain challenging. Despite the gloomy outlook of the global economy and anticipated economic expansion continuing in the Asian region and barring any unforeseen circumstances, the real GDP growth is expected to be slightly better for FY2014 if not the same as FY2013.

While there are some encouraging signs, there is still uncertainty to the longer term direction of the market and its sustainability as demand for our products is still driven by the pace of recovery in the global economy.

In FY2013, ALCOM had already began to widen its higher value product portfolio program by capitalizing on our strong relationships with key global players in the finstock end market segment. There are other numerous initiatives which ALCOM has begun in FY2013 which is expected to yield positive impact in the business and strengthen our competitiveness and resilience going forward.

KEWANGAN

Pada akhir tahun kewangan 31 Mac 2013, rizab wang tunai bagi Kumpulan adalah tetap pada RM36.1 juta berbanding RM36.8 juta pada akhir tahun kewangan sebelumnya.

Bagi tahun kewangan 2013, dividen interim adalah sebanyak 5.0% ditolak 25% untuk cukai telah dibayar. Pembayaran dividen adalah berjumlah kira-kira RM4.96 juta

PERKEMBANGAN EKONOMI DAN ALIRAN INDUSTRI

Ekonomi global berkembang pada kadar yang sederhana dengan momentum pertumbuhan yang masih tidak sekata di keseluruhan rantau. Di Amerika Syarikat, pertumbuhan ekonomi kekal perlahan manakala ekonomi di Eropah mengalami prestasi yang lemah dan negatif.

Walau bagaimanapun, pertumbuhan ekonomi di Asia tetap berterusan walaupun pada kadar yang perlahan, di mana permintaan domestik yang sentiasa berterusan menangani kekurangan dalam permintaan luar. Di tengah-tengah persekitaran luar yang tidak memberangsangkan, ekonomi Malaysia berkembang pesat selaras dengan faktor-faktor sokongan seperti permintaan domestik yang kukuh didorong oleh pertumbuhan pendapatan yang berterusan, keadaan pasaran buruh yang baik, dan sokongan asas perbelanjaan modal dari kedua-dua sektor awam dan swasta.

Pertumbuhan KDNK Malaysia adalah diramalkan di antara 5% - 6% pada tahun 2013; menjana permintaan domestik dan pelaburan swasta yang kukuh daripada Program Transformasi Ekonomi yang dijangka akan berterusan dengan limpahan kesan dapat dirasakan pada sektor pembinaan, hartanah dan sektor-sektor perkhidmatan kewangan.

PROSPEK

Prospek pada tahun kewangan 2014 terus kekal mencabar. Walaupun unjuran ekonomi global dan jangkaan perkembangan ekonomi yang berterusan di rantau Asia dan sekatan oleh kejadian-kejadian yang tidak diduga, pertumbuhan KDNK sebenar dijangka akan lebih baik bagi tahun kewangan 2014 jika tidak sama seperti tahun kewangan 2013.

Walaupun terdapat beberapa tanda-tanda yang menggalakkan, masih terdapat ketidaktentuan hala-tuju jangka panjang pasaran dan keutuhannya kerana permintaan bagi produk-produk kami masih didorong oleh kadar pemulihan dalam ekonomi global.

CHAIRMAN'S STATEMENT (CONTINUED)
KENYATAAN PENGERUSI (SAMBUNGAN)

ACKNOWLEDGEMENT

On behalf of the Board, I would like to thank all our employees, shareholders, customers, suppliers, bankers, business associates and the government authorities including regulatory authorities. We look forward to your continued commitment and dedicated support in the coming years.

Mr. Thomas Felix Boney who has been with the company for the past 1 year resigned as Managing Director of ALCOM, with effect from 1 June 2013 to take up his new post as Vice President and General Manager, Automotive Value Stream, Novelis North America. On behalf of the Board, I would like to register our appreciation to Tom for the various initiatives he has taken within this short period of time in ALCOM and wishing him well in his new assignment.

At the same time, the Board would also like to congratulate Mr. Vishal Rao who has assumed the role of Managing Director from Mr. Thomas Felix Boney with effect from 1 June 2013. Prior to joining ALCOM, Mr. Vishal served as Director, Strategy and Business Development, and also Director, Sales & Marketing for Novelis Inc., in North America and Europe. The Board also welcomes Mr. Emilio Stefano Lorenzo Bhragi who has recently joined the board on 27 June 2013.

The Board would also like to register a note of appreciation and thanks to our immediate Holding company Novelis Inc for the continued support rendered in the form of systems, controls and technical knowledge transfers to help elevate the status of ALCOM Group into a world-class ranked manufacturer.

Last but not least, I would also like to sincerely thank all my fellow directors for their valuable counsel and support in the past year.

Y. A. M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR

19 JULY 2013

Dalam tahun kewangan 2013, ALCOM telah mula meluaskan program portfolio bagi produk nilai yang lebih tinggi dengan mengambil kesempatan daripada hubungan yang kukuh dengan pengeluar global yang utama dalam segmen akhir pasaran finstock. Terdapat banyak inisiatif lain yang ALCOM telah mulakan di tahun kewangan 2013 yang dijangka akan menghasilkan kesan yang positif dalam perniagaan dan memperkukuhkan daya saing dan daya tahan pada masa hadapan kami.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya ingin mengucapkan terima kasih kepada semua kakitangan, pemegang saham, pelanggan, pembekal, pihak Bank, rakan-rakan perniagaan dan pihak Kerajaan termasuk pihak berkuasa. Kami mengharapkan komitmen yang berterusan dan sokongan yang berdedikasi dalam tahun-tahun yang akan datang.

Encik Thomas Felix Boney yang telah berkhidmat dengan Syarikat selama tempoh 1 tahun telah meletakkan jawatan sebagai Pengarah Urusan ALCOM, berkuatkuasa mulai 1 Jun 2013 untuk mengambil jawatan baru sebagai Naib Presiden dan Pengurus Besar, Aliran Nilai Automotif Amerika Utara Novelis. Bagi pihak Lembaga Pengarah, saya ingin merakamkan penghargaan kepada Tom untuk pelbagai inisiatif yang telah beliau ambil dalam tempoh yang singkat ini di ALCOM dan mengucapkan selamat maju jaya dalam tugasan beliau yang baru.

Pada masa yang sama, Lembaga Pengarah juga ingin mengucapkan tahniah kepada Encik Vishal Rao yang mengambil alih tugas sebagai Pengarah Urusan dari Encik Thomas Felix Boney berkuatkuasa mulai 1 Jun 2013. Sebelum menyertai ALCOM, Encik Vishal berkhidmat sebagai Pengarah, Strategi dan Pembangunan Perniagaan, dan juga Pengarah, Jualan & Pemasaran bagi Novelis Inc., di Amerika Utara dan Eropah. Lembaga Pengarah juga mengalu-alukan Encik Emilio Stefano Lorenzo Bhragi yang baru-baru ini telah menyertai Lembaga Pengarah pada 27 Jun 2013.

Lembaga Pengarah juga ingin merakamkan nota penghargaan dan terima kasih kepada syarikat induk kami Novelis Inc., untuk sokongan berterusan yang diberikan dalam bentuk sistem, kawalan dan pemindahan pengetahuan teknikal bagi membantu meningkatkan status Kumpulan ALCOM ke tahap pengeluar bertaraf dunia.

Akhir sekali, saya juga ingin mengucapkan terima kasih kepada semua rakan-rakan Pengarah atas nasihat berharga dan sokongan pada tahun lepas.

Y. A. M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR

19 JULAI 2013

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013

Against the backdrop of the uncertainty in the Euro Zone and United States, the overall demand for aluminium Rolled products experienced in financial year 2013 was seasonally similar to the previous year. For the Group, the financial year began with a strong Q1 and tapered to the seasonal low 2nd and 3rd quarters before recovering in the final quarter on a very strong note. Resulting from this, the final quarter generated a higher EBITDA than the result for the first three quarters combined.

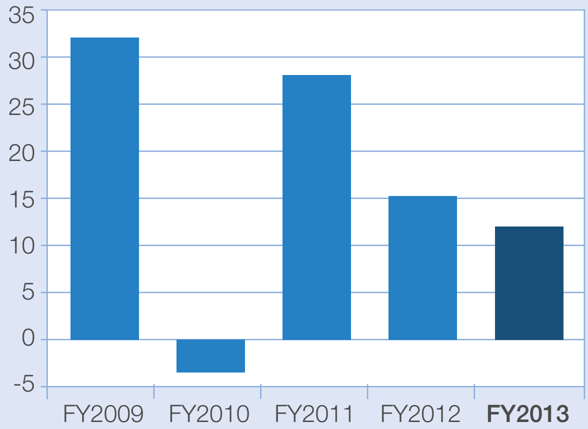
The financial year ended 31 March 2013 was a challenging year. Despite a higher turnover compared to FY2012, the Group registered a net loss of RM1.7 million excluding a one time impact of loss on disposal of old machinery. Margins were adversely impacted by price competition resulting from excess capacity in Asia and an exceptionally high Main Japan Port (MJP) premium in the second half of the financial year. We were unable to immediately pass through this significant increase in effective raw material cost to all our end customers, resulting in a profitability impact as said earlier. The commercial team was quick in its response to mitigate this margin loss and deployed an updated pricing model to ensure the pass through of incremental costs represented by the higher MJP.

The one-time loss of incurred by the group of RM1.2 million was due to disposal of idle machinery in March 2013. This was in line with the overall strategy of the Group to streamline the production processes to increase overall capacity, shorten lead times and reduce inventory.

Despite the loss incurred, the Group generated a positive net cash flow of RM12.3 million from operating activities for the financial year.

Cash reserves as at 31st March 2013 stood at RM36.1 million as compared to RM36.8 million in the previous financial year.

CASH FLOW FROM OPERATING ACTIVITIES
(in Million)



The Group has noted a number of significant accomplishments during the financial year 2013; which were made possible through good leadership, proper organizational structure and the tenacious commitment of the dedicated work force in our efforts to bring about continuous improvements at every level of operations namely:

ENVIRONMENTAL HEALTH& SAFETY (EHS) PERFORMANCE

On 27 Feb 2013 the Group achieved another milestone in its history by successfully clocking 3 millionth hours of Lost Time Injury and Illness (LTII) free, continuing from the 2 millionth hours which was attained on 19th Feb 2012 in the previous financial year. This significant achievement was recognized by the Novelis when Alcom was acknowledged for its strong safety culture through the “Culture in Action” award. The achievement was made possible with the discipline and full commitment from our employees at all level to make safety as one of its main priorities at the workplace, off-site and at home.

Apart from this, on 30 Mar 2013, the Group has also managed to maintain an LTII free record for 1,153 days i.e. since 2nd Feb 2010.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Committed Team Leads in 3 million Hours LTII Achievement

President Safety Environment Award (PSEA)

The Group performed exceptionally well in the Nov 2012 PSEA plant and office audit as compared to the previous year. A score of 140 was attained against 118 recorded in the previous year. This was indeed a remarkable improvement for both plants and offices within the Group. This is indeed testament to the Safety and Environment standards that exists within the Groups which is on par if not better with most other Novelis plants worldwide.

Leaders in 3 million Hours LTII Achievement

COMMERCIAL

On the commercial front, Alcom focused on changing the structure of commercial contracts to mitigate the impact of the high MJP, widening our customer base in new markets and delivering new product offerings. Today virtually all of our customer contracts are structured to pass through the costs and volatility related to the MJP. We secured new business in Turkey and Indonesia, widening our customer base in our core profitable products. Alcom is also experiencing an evolving portfolio with a 100% move to water based coatings for finstock and increased use of recycled content in some segments.

OPERATIONS

To support a growing demand for our products, improving the efficiency of our operations was also a major focus in FY2013. During the fiscal year we achieved a record daily output from our upstream continuous caster machine of well over 100mt/day. We also achieved a record output in our finishing facilities, without considering the impact of the recent investment in increasing our slitting capacity. These are the first steps in a 3 year plan to improve the output and flow through our system, bringing down average costs of production.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

The Group has adopted a sustainability policy which is in line with Novelis Inc.'s sustainability strategy which re-enforces the group's overall corporate strategy wherein sustainability is driving a shift in products mix towards higher-value, low carbon products that enables customers to achieve their own sustainability objectives through light-weighting, increased recycling and other benefits of aluminium.

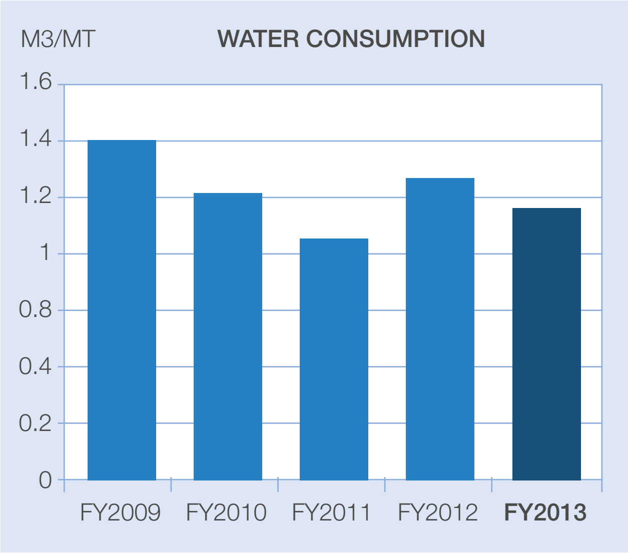
Sustainability is also at the core approach to manufacturing excellence with emphasis the environment, health & safety (EHS) management and continuous improvement in resource efficiency.

Reducing Environmental Impact Initiatives:

a) Water Use

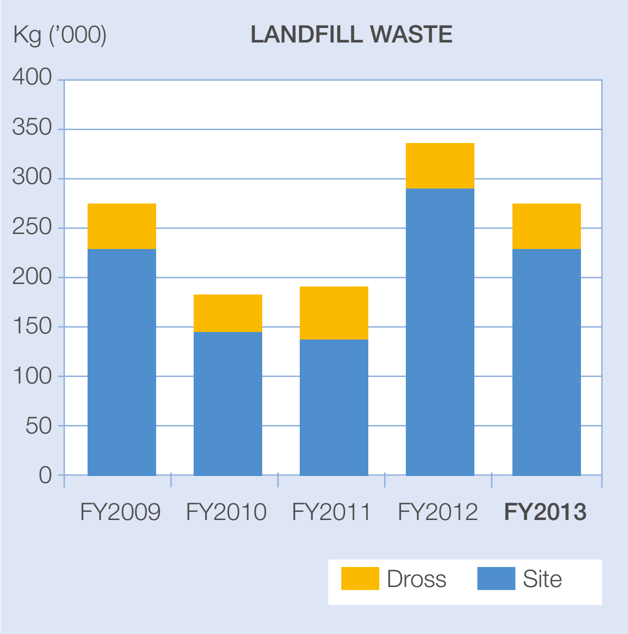
Water conservation and water quality management is vital to ALCOM's operations and to its contribution in addressing national water issues. ALCOM has been measuring and managing the amount of water usage at its facilities and has a set of targets for the efficient use of water.

During the financial, 2 projects on water recycling at ANSC was introduced wherein approximately 12,000 cubic meters of water had been recycled within the facility in the production process. As a result, the Group managed to register a reduction of 9% in water consumption in FY2013 as compared to the previous year despite a increase in production volume.



b) Landfill Waste

Conscientious efforts were taken during the financial year to reduce the overall landfill waste by 23% as compared to FY2012 despite an increase of rebuilding waste arising from the refractoring repairs and maintenance jobs in the two furnaces at Caster Line 3.

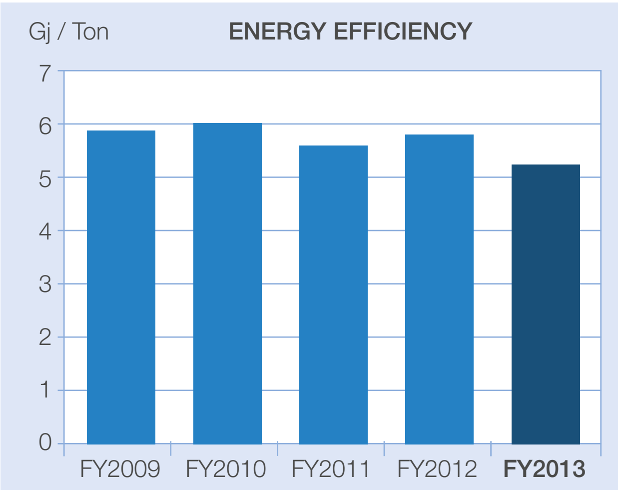


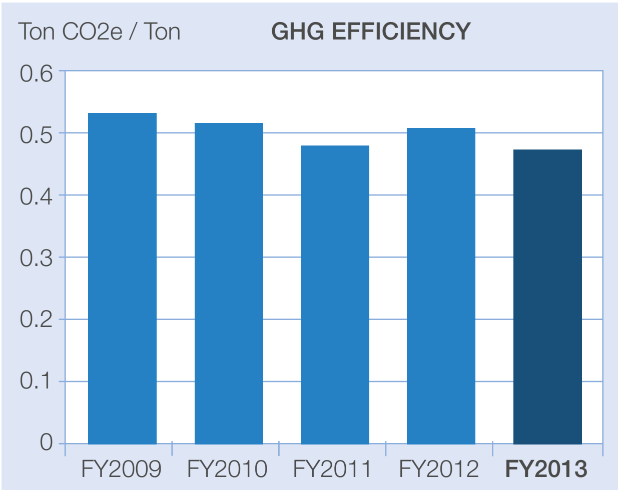
MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

c) Sustainable Energy & Non-GHG Air (CO2) Emissions

The Group utilizes several sources of energy in the manufacturing process of its aluminum products, namely natural gas and electricity. Initiatives have been undertaken to reduce consumption in order to achieve the lowest energy use for each ton produced.

At the Caster unit, the Group embarked on a project to replace new proven burners to improve burning efficiencies at all three melters. This resulted in a significant overall reduction in energy consumption for the Group by 9% which is by far the highest attained reduction over the last 5 years. Electricity usage registered a reduction of 4% per ton whilst natural gas usage reduced by 8% per ton. Similarly, improvement initiatives at the burners resulted in GHG emissions registering an overall reduction of 8% per ton which again was by far the highest achievement over the last 5 years.





d) Coating Operations – Solvent Based To Water Based

ANSC, with the support of Nippon Light Metal Co. Ltd, was the first plant outside Japan to achieve another green milestone by adopting the water-based 100% solvent free paint for its coating process on fins, meeting the requirements of its customers located world-wide.

Coating Operation in Supporting Green Production

DEVELOPING & ENGAGING OUR PEOPLE

Protecting the health and safety of our employees and others who work within our premises is our first and most fundamental priority. Our goal is simply: zero injury and LTII Free. We have achieved the 3 millionth hours LTII Free and aim for the continued focus on health and safety to come through sustainable effort and commitment of all employees and contractors. Along the same safety agenda, ALCOM Group has also successfully implemented the hard hat policy for all its employees and contractors entering the plant premises. The usage of the hard hat is now embedded as part of the Personal Protective Equipment (PPE) safety policy.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Official Launch of Hard Hat Usage As Part of PPE Safety Policy

Young Engineers Engaged in Problem Solving

ALCOM recognizes that it is the employees that create progress through good leadership, proper organizational structure and the right tools. To continually improve and innovate we have equipped our people with the right skills set and experience. This includes the ability to work as a team with common values and goals so that the Group remains efficient and relevant at all times. This would in turn attract, retain and develop talents in the profiles of our employees which are critical to achieving the Group's aggressive growth plan; that is, to ensure that our business is sustainable.

Employees are Our Most Valuable Resource

TRAINING AND DEVELOPMENT: ENGINEERING DEVELOPMENT PROGRAM (EDP)

In line with the Training and Development initiative carried out by our holding company, there are a range of training programs designed to ensure our employees have the appropriate skills set and capabilities needed to perform well in their jobs, from 'on-boarding' sessions for all new hires to job-specific technical training programs. This initiative is to create a strong pool of talent in the leadership pipeline which would indirectly also support the Group's succession plan program and the Group's longer-term success.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Developing a Pool of Trainers

First Aid Training

In this respect, the Novelis' Engineering Development Program (EDP) which began in FY2011 is a 2-year initiative geared towards recent engineering graduates or early career engineers, including technical, professional and leadership training in one of Novelis' plants around the world. This program includes classroom coursework, work-based assignments, coaching on the job, projects and other developmental opportunities.

Selected Engineers from Asia (including ALCOM) Participating in the Novelis' EDP Program

The main objective of this program is to attract the best and brightest young engineers into Novelis and put them on a career path with the aim of retaining them. In FY2013, 8 engineers from ALCOM Group were selected to participate in this program.

NOVELIS CULTURE MAP

The Novelis Culture Map is a visual tool used to engage and communicate with all employees as part of the culture change initiative which has been adopted by the Group. Realizing our goals as a company demands that we have the right culture in place.

Novelis Culture Map

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Having a shared understanding of our culture is critical to our ability to achieve our goals as a company. The Novelis Culture Map defines and articulates the culture we want to have and encapsulated in it are the behaviors and beliefs that guide how we operate at Novelis. By living this culture every day, we move ever closer to becoming a truly world-class, globally integrated company.

ALCOM FAMILY DAY AT SUNWAY LAGOON RESORT

As part of the employee engagement initiative, ALCOM held its Family Day on 14th Oct 2012 at Sunway Lagoon for all its employees and their respective families to come together to have a time of fun and joy with a host of activities. It was indeed a success as employees and their families turned up in full force and enjoyed a memorable day relaxing from morning until late evening at the Resort.

Safety Slogan Contest-Children Category

Family Day Organizing Committee

COLLABORATING WITH CUSTOMERS

Our customers span many industries and geographical locations. Most of them share a growing interest in using sustainable products. Sustainability is partnering through close customer contact to meet customer expectations by listening closely to our customers' needs.

Curtain Wall Systems at KLIA Utilize Aluminium from ALCOM

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Our customers choose to work with us because we provide high-quality aluminium, work with them to meet their needs and are systematically improving the sustainability of aluminium products. Aluminium offers many benefits: It is strong, malleable, versatile, corrosion-resistant and lightweight. It is also long-lived and is indefinitely recyclable, offering low-carbon benefits when it is recycled.

Increasingly, many customers and end-consumers are appreciating that aluminium use reduces weight and results in direct savings to their bottom line and better environmental footprint for their products and this is where ALCOM is delivering exceptional value-add; we are taking a collaborative approach with our customers as partners to improve design and recyclability over the aluminium products' life cycles.

ALCOM's Aluminium End Application for Roofing

ENGAGING WITH OUR COMMUNITY

In line with the ALCOM Group's goal to be a good neighbour, intending to contribute and network with the surrounding communities in which it operates, we implemented an initiative through the "Novelis Neighbour" program where employees of the Group were able to meet community needs through charitable investment and volunteerism in the areas of safety, community services, blood donations and recycling activities.

The first of such initiative undertaken by ALCOM Group was via the neighborhood program which was carried out on Nov 10th 2012 at Sekolah Kebangsaan Rantau Panjang, Meru. More than 40 employees of the Group turned up as volunteers taking time off from their personal weekend. This truly reflects the ALCOM's spirit of coming together to do our part for the neighborhood community.

Employees Volunteering for the Community

With volunteers from members of the Parent Teachers Association and ALCOM's employees re-painting the school walls, re-painting the canteen area, clearing up the grounds of SKRP Rantau Panjang to look better, brighter and cleaner, making it a more conducive environment to study for the students.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Teamwork Toward a Common Goal

The Finished Product Within the School Compound

In addition, within this project, an open neglected area within the school compound was transformed into a fitness Park and named as "Taman Kecerdasan ALCOM" or ALCOM's Fitness Park.

Further, ALCOM responded to the urgent appeal for blood from its neighborhood hospital, Hospital Besar(HB), Klang and had taken the initiative to organize two rounds of blood donation exercise drive during FY2013 within ALCOM itself to help replenish the blood banks of HB Klang which was running low.

Employees Contributing for a Good Cause

METAL INDUSTRY EMPLOYEES UNION COLLECTIVE AGREEMENT

For a Harmonious Working Relationship

ALCOM is also committed to maintaining a good record of open communication and dialogue with both union and non-unionised employees.

In FY2013, approximately 53% of our Group was represented by the labour union and their employment terms and conditions were governed by a collective bargaining agreement(CA). The last CA expired on 31 March 2012 and negotiations between Management and the Union were finalized in Dec 2012, followed by the eventual signing of the new Collective Agreement on 6th Jan 2013.

MANAGEMENT DISCUSSION AND ANALYSIS – FY2013 (CONTINUED)

Management with Metal Industry Representatives

LOOKING FORWARD

The global economy expanded at a modest pace in the first quarter of 2013 with growth momentum remaining uneven between and within regions. Growth in US remained slow, whilst most European economies experienced weak or negative economic performance. In Asia, economic expansion continued albeit at a slower pace. Given the modest economic performance and low inflation, most economies continue to maintain accommodative policies to support the recovery process.

On the domestic front, the Malaysian economy is expected to grow between 5% to 6% in calendar year 2013 on the back of higher domestic demand, robust private investment coming from the government's Economic Transformation Programme (ETP) and a better global outlook.

We expect aluminium consumption in our key segments to grow modestly due to population growth, urbanization and strong economic growth within the Asian region. However Asian producers continue to have excess capacity indicating we will see continued pricing pressure.

The Group will continue to focus on increasing profitability through an improved product portfolio mix, and reducing costs through improved operational performance. In FY14 we will also leverage our newly formed supply chain organization to improve service levels and lead times, and improve quality to further differentiate our products.

Cross Section of the Engaged Engineers of ALCOM - Looking Forward to the Challenge Ahead

FY2014 is going to be an exciting year as we look to implement, in a challenging market, several commercial and operational improvements that will support improved long term performance and enable sustainable profitability.

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2013.

PRINCIPAL ACTIVITIES

The Company is primarily engaged in the manufacturing and trading of aluminium sheet and foil products. The principal activities of the subsidiaries are shown in Note 17 to the financial statements.

There were no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net loss for the financial year	2,929	3,097

DIVIDENDS

The dividends paid by the Company since 31 March 2012 are as follows:

	RM'000
In respect of the financial year ended 31 March 2013 - interim dividend of 5.0%, less 25% tax, paid on 15 August 2012	4,959

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2013.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

TREASURY SHARES

During the financial year, the Company did not effect any share buyback. Details of the treasury shares purchased in previous financial years and held by the Company as at 31 March 2013 are set out in Note 29 to the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The Directors who have held office during the financial year since the date of the last report are:

Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar, Chairman	
Dato' Kok Wee Kiat	
Y.M. Tengku Yunus Kamaruddin	
Thomas L. Walpole	(Resigned with effect from 1 June 2012)
Sachin Yeshawant Satpute	(Resigned with effect from 1 June 2012)
Paul Allen Stadnikia	(Appointed with effect from 1 June 2012)
Shashi Kant Maudgal	(Appointed with effect from 1 June 2012)
Thomas Felix Boney	(Appointed with effect from 1 June 2012)

In accordance with Article 92(A) of the Company's Articles of Association, Y.A.M. Tunku Tan Sri Imran ibni Almarhum Tuanku Ja'afar retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

Pursuant to Section 129(2) of the Companies Act, 1965, Dato' Kok Wee Kiat and Y.M. Tengku Yunus Kamaruddin retire at the forthcoming Annual General Meeting and offer themselves for re-appointment in accordance with Section 129 of the Companies Act, 1965 to hold office until the conclusion of the next Annual General Meeting.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration and benefits as disclosed in Note 11 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares in the Company are as follows:

	Number of ordinary shares of RM1 each in the Company			
	At 1.4.2012	Purchased	Sold	At 31.3.2013
Y.M. Tengku Yunus Kamaruddin	114,500	-	-	114,500

DIRECTORS' REPORT (CONTINUED)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that there are no known bad debts and that provision need not to be made for doubtful debts; and

(b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would necessitate the writing off of bad debts or the provision for doubtful debts; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONTINUED)

IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company of the Company is Novelis Inc., a company incorporated in Canada, while the ultimate holding company is Hindalco Industries Limited, a company incorporated in India.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 20 May 2013.

Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR
Director

THOMAS FELIX BONEY
Director

Bukit Raja, Klang

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	Group 2013 RM'000	Group 2012 RM'000
Revenue	7	288,299	274,585
Other operating income	8	717	943
Changes in inventories of raw materials, work in progress and finished goods		244	(6,548)
Raw materials and consumables used		(224,744)	(204,949)
Staff costs	10	(24,524)	(23,035)
Utilities and fuel		(14,948)	(14,208)
Depreciation of property, plant and equipment		(12,697)	(11,039)
Upkeep, repairs and maintenance of assets		(6,713)	(6,739)
Environmental costs		(732)	(735)
Writeback of allowance for inventory		101	138
Technical fees		(550)	(451)
Other operating expenses		(7,980)	(5,242)
(Loss)/Profit from operations	9	(3,527)	2,720
Finance cost	12	(353)	(308)
(Loss)/Profit before tax		(3,880)	2,412
Tax credit/(expense)	13	951	(725)
Net (Loss)/profit for the financial year/Total comprehensive (loss)/income for the financial year		(2,929)	1,687
Attributable to:			
Shareholders of the Company		(2,929)	1,687
(Loss)/Earnings per share:			
- basic (sen)	14(a)	(2.22)	1.28
- diluted (sen)	14(b)	(2.22)	1.28

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	Company 2013 RM'000	Company 2012 RM'000
Revenue	7	280,392	270,871
Other operating income	8	1,884	2,017
Changes in inventories of raw materials, work in progress and finished goods		1,784	(6,420)
Raw materials and consumables used		(226,800)	(207,814)
Staff costs	10	(22,209)	(20,123)
Utilities and fuel		(13,646)	(12,645)
Depreciation of property, plant and equipment		(11,151)	(9,531)
Upkeep, repairs and maintenance of assets		(5,774)	(5,763)
Environmental costs		(507)	(555)
Writeback of allowance for inventory		210	40
Technical fees		(331)	(272)
Other operating expenses		(7,539)	(4,663)
(Loss)/Profit from operations	9	(3,687)	5,142
Finance cost	12	(257)	(232)
(Loss)/Profit before tax		(3,944)	4,910
Tax credit/(expense)	13	847	(1,390)
Net (loss)/profit for the financial year/Total comprehensive (loss)/ income for the financial year		(3,097)	3,520

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2013

	Note	Group 31.3.2013 RM'000	Group 31.3.2012 RM'000	Group 1.4.2011 RM'000	Company 31.3.2013 RM'000	Company 31.3.2012 RM'000	Company 1.4.2011 RM'000
NON-CURRENT ASSETS							
Property, plant and equipment	16	93,791	99,614	90,578	81,715	88,182	79,187
Subsidiaries	17	-	-	-	26,860	26,860	26,860
		93,791	99,614	90,578	108,575	115,042	106,047
CURRENT ASSETS							
Inventories	18	46,504	46,183	51,629	40,279	39,043	44,722
Trade receivables	19	35,443	35,466	34,373	20,433	17,825	19,210
Amounts due from related companies	20	87	252	252	11,338	10,488	21,991
Other receivables and prepayments	21	583	679	986	513	504	907
Tax recoverable		961	795	449	881	603	-
Derivative financial instruments	22	108	-	197	50	-	66
Deposit, cash and bank balances	23	36,068	36,807	51,365	21,457	26,411	23,929
		119,754	120,182	139,251	94,951	94,874	110,825
LESS: CURRENT LIABILITIES							
Trade payables	24	14,076	10,569	11,597	11,848	8,672	8,249
Other payables and accruals	25	6,644	7,294	10,777	5,658	6,540	10,281
Amounts due to related companies	26	409	60	14	1,735	980	1,214
Provision for taxation		-	-	758	-	-	758
Derivative financial instruments	22	-	211	-	-	107	-
		21,129	18,134	23,146	19,241	16,299	20,502
NET CURRENT ASSETS		98,625	102,048	116,105	75,710	78,575	90,323

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2013 (CONTINUED)

		Group			Company		
	Note	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
LESS: NON-CURRENT LIABILITIES							
Provision for retirement benefits	27	6,038	6,346	5,707	5,360	5,690	5,289
Deferred taxation	28	7,714	8,764	8,672	6,140	7,086	6,321
		13,752	15,110	14,379	11,500	12,776	11,610
		178,664	186,552	192,304	172,785	180,841	184,760
CAPITAL AND RESERVES							
Share capital	29	134,331	134,331	134,331	134,331	134,331	134,331
Share premium		4,112	4,112	4,112	4,112	4,112	4,112
Other reserves	30	1,670	1,670	1,670	1,670	1,670	1,670
Revenue reserve	31	38,551	46,439	52,191	32,672	40,728	44,647
Total equity		178,664	186,552	192,304	172,785	180,841	184,760

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

		Attributable to shareholders of the Company					
		Issued and fully paid ordinary shares of RM1 each		Non-distributable		Distributable	
	Note	No. of shares '000	Nominal value RM'000	Share premium RM'000	Other reserves RM'000	Revenue reserve RM'000	Total RM'000
At 1 April 2012		134,331	134,331	4,112	1,670	46,439	186,552
Total comprehensive income for the financial year		-	-	-	-	(2,929)	(2,929)
Transactions with owners:							
Dividend for the financial year ended:							
- 31 March 2013 (paid)	15	-	-	-	-	(4,959)	(4,959)
At 31 March 2013		134,331	134,331	4,112	1,670	38,551	178,664
At 31 March 2011		134,331	134,331	4,112	1,670	52,191	192,304
Total comprehensive income for the financial year		-	-	-	-	1,687	1,687
Transactions with owners:							
Dividend for the financial year ended:							
- 31 March 2012 (paid)	15	-	-	-	-	(7,439)	(7,439)
At 31 March 2012		134,331	134,331	4,112	1,670	46,439	186,552

The accompanying notes form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

		Issued and fully paid ordinary shares of RM1 each		Non-distributable		Distributable	
	Note	No. of shares '000	Nominal value RM'000	Share premium RM'000	Other reserves RM'000	Revenue reserve RM'000	Total RM'000
At 1 April 2012		134,331	134,331	4,112	1,670	40,728	180,841
Total comprehensive income for the financial year		-	-	-	-	(3,097)	(3,097)
Transactions with owners:							
Dividend for the financial year ended:							
- 31 March 2013 (paid)	15	-	-	-	-	(4,959)	(4,959)
At 31 March 2013		134,331	134,331	4,112	1,670	32,672	172,785
At 31 March 2011		134,331	134,331	4,112	1,670	44,647	184,760
Total comprehensive income for the financial year		-	-	-	-	3,520	3,520
Transactions with owners:							
Dividend for the financial year ended:							
- 31 March 2012 (paid)	15	-	-	-	-	(7,439)	(7,439)
At 31 March 2012		134,331	134,331	4,112	1,670	40,728	180,841

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	Note	Group		Company	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net (loss)/profit for the financial year		(2,929)	1,687	(3,097)	3,520
Adjustments for:					
Net fair value (gain)/loss of currency forwards		(108)	211	(50)	107
Property, plant and equipment					
- depreciation		12,697	11,039	11,151	9,531
- loss/(gain) on disposal		1,216	(57)	1,216	(57)
Interest income		(716)	(832)	(383)	(434)
Provision for retirement benefits		623	1,105	601	867
Allowance for inventory writedown		(99)	(138)	(210)	(40)
Unrealised foreign exchange gain		(1)	(221)	1	(84)
Tax expense		(951)	725	(847)	1,390
		9,732	13,519	8,382	14,800
Decrease/(increase) in working capital:					
Inventories		(220)	5,584	(1,025)	5,719
Receivables		(91)	(368)	(2,727)	1,938
Payables		2,460	(1,372)	2,189	(245)
Balances with related companies		514	46	(94)	11,269
Cash from operations		12,395	17,409	6,725	33,481
Tax refund		696	349	504	-
Tax paid		(960)	(2,086)	(880)	(1,986)
Retirement benefits paid		(367)	(331)	(367)	(331)
Net cash from operating activities		11,764	15,341	5,982	31,164

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Property, plant and equipment					
- purchases		(8,398)	(23,563)	(6,500)	(21,947)
- proceeds from disposal		141	271	141	270
Interest income received		713	832	382	434
Fixed deposit placement for investment purposes		(233)	-	(233)	-
Net cash used in investing activities		(7,777)	(22,460)	(6,210)	(21,243)
CASH FLOWS FROM FINANCING ACTIVITY					
Dividends paid to shareholders		(4,959)	(7,439)	(4,959)	(7,439)
Net cash used in financing activity		(4,959)	(7,439)	(4,959)	(7,439)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		(972)	(14,558)	(5,187)	2,482
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		36,807	51,365	26,411	23,929
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	23	35,835	36,807	21,224	26,411

NON-CASH TRANSACTION

The principal non-cash transaction during the financial year is the acquisition of plant and equipment by the Group and the Company of which RM1,340,000 (2012: RM1,508,000) and RM1,048,000 (2012: RM1,508,000) (Note 25) respectively remain as payable at the end of the financial year.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

1 GENERAL INFORMATION

The principal activity of the Company is the manufacturing and trading of aluminium sheet and foil products. The principal activities of the subsidiaries are shown in Note 17 to the financial statements.

The immediate holding company of the Company is Novelis Inc., a company incorporated in Canada, while the ultimate holding company is Hindalco Industries Limited, a company incorporated in India.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad.

The address of the registered office and principal place of business of the Company is as follows:

No. 3, Persiaran Waja
Kawasan Perindustrian Bukit Raja
41050 Klang
Selangor Darul Ehsan

2 BASIS OF PREPARATION

The financial statements of the Group and Company have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and the Company for the financial year ended 31 March 2013 are the first set of financial statements prepared in accordance with the MFRS, including MFRS 1 'First-time adoption of MFRS'. The Group and Company have consistently applied the same accounting policies in its opening MFRS statements of financial position at 1 April 2011 (transition date) and throughout all years presented, as if these policies had always been in effect. There is no significant impact on the adoption of MFRS 1 to the financial statements of the Group and the Company. In accordance with the exemption in MFRS 1, the Group and the Company elected to measure certain lands at the previous revaluation as deemed cost as at the date of revaluation. Accordingly, the carrying amounts of these lands have not been restated and the comparative figures under financial year 2011 have not been restated in these financial statements.

The financial statements have been prepared under the historical cost convention, unless otherwise indicated in this summary of significant accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

(a) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective

The Group and the Company will apply the new standards, amendments to standards and interpretations in the following year:

(i) Financial year beginning on/after 1 April 2013

Applicable to the Group and the Company

- MFRS 10 "Consolidated Financial Statements"
- MFRS 12 "Disclosures of Interests in Other Entities"
- MFRS 13 "Fair Value Measurement"
- The revised MFRS 127 "Separate Financial Statements"
- Amendment to MFRS 101 "Presentation of Items of Other Comprehensive Income"
- Amendment to MFRS 119 "Employee Benefits"
- Amendment to MFRS 132 "Financial Instruments: Presentation"
- Amendment to MFRS 7 "Financial Instruments: Disclosures"

The initial application of the amendments to interpretation will not have material impact to the financial statements of the Group and the Company.

Not applicable to the Group and the Company

- MFRS 11 "Joint Arrangements"
- The revised MFRS 128 "Investments in Associates and Joint Ventures"
- IC Interpretation 20 "Stripping Costs in the Production Phase of a Surface Mine"

(ii) Financial year beginning on / after 1 April 2014

Applicable to the Group and the Company

- Amendment to MFRS 132 "Financial Instruments: Presentation"

The initial application of the standards and amendments to standards will not have material impact to the financial statements of the Group and the Company.

(iii) Financial year beginning on / after 1 April 2015

Applicable to the Group and the Company

- Amendment to MFRS 9 "Financial Instruments: Classification and Measurement of Financial Assets and Financial Liabilities"

The initial application of the standards and amendments to standards will not have material impact to the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements. These policies have been consistently applied to the financial year presented, unless otherwise stated.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the profit or loss.

(c) Property, plant and equipment

Property, plant and equipment are initially stated at cost. All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the profit or loss.

Leasehold land is amortised over the tenure of the lease of 99 years. Other property, plant and equipment are depreciated on the straight-line basis to write off the cost of such assets over their estimated useful lives at the following average annual rates:

Buildings	3%
Plant and machinery	4% - 20%
Equipment and vehicles	10% - 33%

Depreciation on projects-in-progress commences when the assets are ready for their intended use.

The residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at each reporting period.

At each reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3(d) on impairment of non-financial assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. In respect of other assets, any subsequent increase in the recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

(e) Inventories

Inventories, which include spares and operating supplies, raw materials, work-in-progress, supplies and finished goods, are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The costs of work-in-progress and finished goods comprises raw materials, direct labour and related factory overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(f) Trade receivables

Trade receivables are amounts due from customers for sale of aluminium products in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(g) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents includes cash in hand, bank balances and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, net of bank overdrafts.

(h) Financial assets

(i) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(i) Classification (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within twelve months, otherwise they are classified as non current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'amounts due from subsidiary and related companies', 'receivables' (excluding prepayment) and cash and cash equivalents' in the statements of financial position.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

(iii) Subsequent measurement - Gains and losses

Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividend income are recognised in profit or loss in the period in which the changes arise.

Interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss.

(iv) Subsequent measurement - Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iv) Subsequent measurement - Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- Disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
  (i) adverse changes in the payment status of borrowers in the portfolio; and
  (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If 'loans and receivables' has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

(v) Derecognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(j) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

The Group does not have any financial liabilities that are classified as fair value through profit or loss.

The Group's other financial liabilities include trade and other payables and amounts due to subsidiary and related companies. Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(k) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Employee benefits

(i) Short-term employee benefits

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Post-employment pension benefits

The Group has various post-employment pension benefit schemes in accordance with local conditions and practices in the countries in which it operates. These benefits plans are either defined contribution or defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Defined benefit plan

The Group operates an unfunded defined benefit plan, taking account of the recommendations of independent qualified actuaries. The accounting cost for the retirement benefits is assessed using the projected unit credit method. Under this method, the cost for providing the benefits is charged to profit or loss so as to spread the regular cost over the service lives of employees in accordance with the advice of the actuaries who carry out a full valuation of the retirement plan every year.

The pension obligation is measured at the present value of the estimate future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. All actuarial gains and losses are charged or credited to profit or loss in the year of valuation.

Defined contribution plan

The Group contributes to the Employees Provident Fund, the national defined contribution plan. The contributions are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(n) Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries operate and generate taxable income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Current and deferred income taxes (continued)

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(o) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Contingent liabilities and contingent assets

The Group does not recognise contingent assets and liabilities, but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

(q) Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on the straight line basis over the lease period. Initial direct costs incurred by the Group in negotiating and arranging operating leases are recognised in profit or loss when incurred.

(r) Share capital

(i) Classification

Ordinary shares are classified as equity.

(ii) Dividend distribution

Distributions to holders of an equity instrument are debited directly to equity, net of any related income tax benefit and the corresponding liability is recognised in the period in which the dividends are approved.

(iii) Purchase of own shares

Where the Company or its subsidiaries purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental external costs, net of tax, is included in equity attributable to the Company's equity holders as treasury shares until they are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the Company's equity holders.

(s) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of returns and after eliminating sales within the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (continued)

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below. The amount of the revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Rental income is recognised over the term of the lease on a straight-line basis.

Interest income is recognised on the accruals basis.

(t) Financial instruments

(i) Description

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

Financial instruments carried on the statements of financial position include derivative financial instruments, cash and bank balances, receivables and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(ii) Derivative financial instruments

Derivatives are initially recognised at fair value on the contract date and is subsequently remeasured at their fair value. Changes in fair value are of financial instruments are recognised in the profit or loss.

(iii) Fair values

The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the reporting date.

The fair value of long term financial assets and liabilities is estimated by discounting contractual cash flows at current market interest rates available to the Group for similar financial instruments.

The book values of financial assets and liabilities with maturities of less than one year are assumed to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. The Group is solely involved in the manufacturing and trading of aluminium products. Geographical segments provide products or services from within a particular economic environment that is subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue and assets are those amounts resulting from the operating activities of the segment that are directly attributable to the segment and the relevant portion that can be allocated to the segment on a reasonable basis.

(v) Financial guarantee contracts

Financial guarantee contracts are contracts that require the Group or Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where financial guarantees in relation to loans or payables of subsidiaries are provided by the Company for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of investment in subsidiaries.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are subject to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity risk and fair value. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems, a comprehensive insurance programme and adherence to Group financial risk management policies. Senior management regularly reviews these risks and approves the treasury policies, which covers the management of these risks. The Board is updated on all issues arising in the management of such risks.

The Group uses financial instruments such as forward foreign exchange contracts to cover certain exposures. It does not trade in financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Details of financial risks faced by the Group are further described as follows:

(a) Foreign currency exchange risk

The Group enters into currency forwards in the normal course of business to manage its exposure against foreign currency fluctuations on transactions denominated in foreign currencies. In general, the Group's policy is to enter into currency forwards for anticipated sales and purchases in foreign currencies. Refer to Note 22 to the financial statements for further details.

The Group does not apply hedge accounting.

The Group is primarily exposed to United States Dollar ("USD") for its purchases of raw materials including aluminium ingots and sales of finished products.

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Others RM'000	Total RM'000
At 31 March 2013				
Financial assets				
Trade receivables	20,028	203	-	20,231
Cash and cash equivalents	4,159	25	4	4,188
Amounts due from related companies	87	-	-	87
	24,274	228	4	24,506
Less: Financial liabilities				
Trade payables	(5,566)	(37)	(98)	(5,701)
Other payables and accruals	(660)	(45)	(29)	(734)
Amounts due to related companies	(409)	-	-	(409)
	(6,635)	(82)	(127)	(6,844)
Net financial assets/ (liabilities)	17,639	146	(123)	17,662
Less: Currency Forwards	(20,751)	-	-	(20,751)
Net currency exposure	(3,112)	146	(123)	(3,089)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Foreign currency exchange risk (continued)

The Company's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Others RM'000	Total RM'000
At 31 March 2013				
Financial assets				
Trade receivables	8,754	203	-	8,957
Cash and cash equivalents	4,041	25	4	4,070
Amounts due from related companies	87	-	-	87
	12,882	228	4	13,114
Less: Financial liabilities				
Trade payables	(5,550)	(37)	-	(5,587)
Other payables and accruals	(660)	(45)	(29)	(734)
Amounts due to related companies	(409)	-	-	(409)
	(6,619)	(82)	(29)	(6,730)
Net financial assets/ (liabilities)	6,263	146	(25)	6,384
Less: Currency forward	(9,445)	-	-	(9,445)
Net currency exposure	(3,182)	146	(25)	(3,061)

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Others RM'000	Total RM'000
At 31 March 2012				
Financial assets				
Trade receivables	18,302	422	-	18,724
Cash and cash equivalents	281	24	-	305
Amounts due from related companies	252	-	-	252
	18,835	446	-	19,281
Less: Financial liabilities				
Trade payables	(3,162)	(11)	(80)	(3,253)
Other payables and accruals	(1,074)	-	-	(1,074)
Amounts due to related companies	(60)	-	-	(60)
	(4,296)	(11)	(80)	(4,387)
Net financial assets/ (liabilities)	14,539	435	(80)	14,894
Less: Currency forward	(16,544)	-	-	(16,544)
Net currency exposure	(2,005)	435	(80)	(1,650)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Foreign currency exchange risk (continued)

The Company's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Total RM'000
At 31 March 2012			
Financial assets			
Trade receivables	6,390	422	6,812
Cash and cash equivalents	281	24	305
Amounts due from related companies	252	-	252
	6,923	446	7,369
Less: Financial liabilities			
Trade payables	(3,130)	(11)	(3,141)
Other payables and accruals	(929)	-	(929)
Amounts due to related companies	(60)	-	(60)
	(4,119)	(11)	(4,130)
Net financial assets	2,804	435	3,239
Less: Currency forward	(8,410)	-	(8,410)
Net currency exposure	(5,606)	435	(5,171)

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Others RM'000	Total RM'000
At 1 April 2011				
Financial assets				
Trade receivables	17,158	78	-	17,236
Cash and cash equivalents	3,203	-	-	3,203
Amounts due from related companies	252	-	-	252
	20,613	78	-	20,691
Financial liabilities				
Trade payables	(3,018)	(79)	(113)	(3,210)
Other payables and accruals	(2,865)	(20)	(5)	(2,890)
Amounts due to related companies	(5)	-	(9)	(14)
	(5,888)	(99)	(127)	(6,114)
Net financial assets/ (liabilities)	14,725	(21)	(127)	14,577
Less: Currency Forward	(20,886)	-	-	(20,886)
Net currency exposure	(6,161)	(21)	(127)	(6,309)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Foreign currency exchange risk (continued)

The Company's exposure to foreign currencies in respect of its financial assets and financial liabilities for functional currency in RM are as follows:

	USD RM'000	SGD RM'000	Others RM'000	Total RM'000
At 1 April 2011				
Financial assets				
Trade receivables	6,102	78	-	6,180
Cash and cash equivalents	1,200	-	-	1,200
Amounts due from related companies	252	-	-	252
	7,554	78	-	7,632
Financial liabilities				
Trade payables	(2,977)	(79)	(20)	(3,076)
Other payables and accruals	(2,865)	(20)	(5)	(2,890)
Amounts due to related companies	(5)	-	(9)	(14)
	(5,847)	(99)	(34)	(5,980)
Net financial assets/ (liabilities)	1,707	(21)	(34)	1,652
Less: Currency forward	(7,830)	-	-	(7,830)
Net currency exposure	(6,123)	(21)	(34)	(6,178)

The following table demonstrates the sensitivity of the Group's and the Company's profit after tax to 5% (2012 : 5%) strengthening of USD and SGD, respectively against the RM, with all other variables, in particular interest rates, being held constant.

	Increase/(decrease) 2013 RM'000	2012 RM'000
Group		
USD against RM	(117)	(75)
SGD against RM	5	16
Company		
USD against RM	(119)	(210)
SGD against RM	5	16

A 5% weakening of the above currencies against the RM would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Foreign currency exchange risk (continued)

The Group's foreign currency exchange risk management seeks to protect cash flows and shareholders value by limiting the impact from adverse exchange movement whilst sharing in the benefit from favourable movements. Aside from natural hedges, the Group also enters into forward foreign currency exchange contracts to limit their exposure on foreign currency receivables and payables.

As at reporting date, the exposure on foreign currency receivables and payables are substantially covered by natural hedges or forward foreign currency exchange contracts. As a result, the net foreign currency exchange exposure not covered by hedges is not expected to have a significant impact on the financial statements of the Group.

(b) Interest rate risk

Interest rate risk arises mainly from the Group's short-term deposits. The Group's short-term deposits are placed with the financial institutions at prevailing interest rates and are not significant to the financial statements.

(c) Credit risk

Credit risk arises when sales are made on deferred credit terms. The Group seeks to control credit risk by setting counterparty limits as well as credit terms and ensuring that sales of products and services are made to customers with an acceptable credit history. Credit facilities are accorded after formal review and have to be authorised by different levels of management according to the quantum of credit subject to approval. Loading in of orders for production as well as shipment of finished goods are subject to credit checks.

<u>Exposure to credit risk</u>

At the reporting date, the Group's and Company's maximum exposure to credit risk is represented by the carrying amount of that class of financial instruments presented on the statements of financial position. The Group's major classes of financial assets are bank deposits, trade and other receivables and related party balances.

Details of the financial assets are as follows:

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
At March 2013						
Not past due	62,244	68,154	78,590	46,962	51,849	60,160
Past due not impaired:						
- 0 to 2 months	4,060	3,550	4,248	1,747	2,015	3,189
- 2 to 6 months	-	479	544	-	479	544
	6,304	72,183	83,382	48,709	54,343	63,893

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which have high credit ratings as determined by international credit rating agencies. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely. Trade and other receivables, and amounts due from subsidiary and related companies that are neither past due nor impaired are substantially companies with good collection track records with the Group and the Company.

Financial assets that are past due but not impaired

There are no other financial assets in the Group and the Company that are past due but not impaired except for certain trade receivables and amounts due from subsidiary and related companies of the Group and the Company as set out below. The Group and the Company have not impaired these amounts as these amounts are expected to be recovered within 12 months from the reporting date.

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Trade receivables	4,060	3,777	4,540	1,747	2,242	3,481
Amounts due from related companies	-	252	252	-	252	252
	4,060	4,029	4,792	1,747	2,494	3,733

Receivables that are past due but not impaired are principally less than 180 days past due. No impairment has been made on these amounts as the Group is closely monitoring these receivables and they have no prior history of bad or doubtful debts. No allowance for impairment has been made in respect of these receivables in the current and previous financial year, hence the movement in allowance for impairment is not presented.

(d) Liquidity risk

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

As at reporting date, the Group and Company held cash and cash equivalents of RM35,835,000 (31.3.2012: RM36,807,000; 1.4.2011: RM51,365,000) and RM21,224,000 (31.3.2012: RM26,411,000; 1.4.2011 : RM23,929,000) respectively that are expected to readily generate cash inflows for managing liquidity risk.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

The table below analyses the Group's and Company's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 1 year equal their carrying amount as the impact of discounting is not significant.

	Due within one year		
	31.3.2013 RM'000	**31.3.2012 RM'000**	**1.4.2011 RM'000**
Group			
Financial liabilities			
Trade payables	(14,076)	(10,569)	(11,597)
Other payables and accruals	(5,777)	(6,991)	(10,609)
Amounts due to related companies	(409)	(60)	(14)
	(20,262)	(17,620)	(22,220)
Company			
Financial liabilities			
Trade payables	(11,848)	(8,672)	(8,249)
Other payables and accruals	(4,791)	(6,237)	(10,113)
Amounts due to related companies	(1,735)	(980)	(1,214)
	(18,374)	(15,889)	(19,576)

The table below analyses the Group's and Company's derivative financial instruments, for which contractual maturities are essential for an understanding of the timing of the cash flows, into relevant maturity groupings based on the remaining financial period from the reporting date to the contractual maturity date.

	Due within one year		
	31.3.2013 RM'000	**31.3.2012 RM'000**	**1.4.2011 RM'000**
Group			
Gross-Settled currency forwards			
- Receipts	20,858	16,334	21,082
- Payments	(20,751)	(16,544)	(20,885)
Company			
Gross-Settled currency forwards			
- Receipts	9,495	8,303	7,896
- Payments	9,445	(8,410)	(7,830)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value

The carrying amounts of the following financial assets and liabilities approximate their fair values due to the relatively short term maturity of these financial instruments: deposits, cash and bank balances, receivables and payables (including non-trade amounts due (to)/from subsidiary and related companies).

Fair value estimation

The disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's and the Company's assets and liabilities that are measured at fair value at 31 March 2013:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
Assets				
Derivative financial instruments	-	108	-	108

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company				
Assets				
Derivative financial instruments	-	50	-	50

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value (continued)

The following table presents the Group's and the Company's assets and liabilities that are measured at fair value at 31 March 2012:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
Liabilities				
Derivative financial instruments	-	(211)	-	(211)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company				
Liabilities				
Derivative financial instruments	-	(107)	-	(107)

The following table presents the Group's and the Company's assets and liabilities that are measured at fair value at 1 April 2011:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
Assets				
Derivative financial instruments	-	197	-	66

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company				
Assets				
Derivative financial instruments	-	197	-	66

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial positions are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Impairment of property, plant and equipment

The Group assesses impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, i.e. the carrying amount of the asset is higher than the recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use.

Projected future cash flows used in impairment testing of property, plant and equipment are based on Group's estimates calculated based on historical, sector and industry trends, general market and economic conditions and other available information.

The assumptions used, results and impact of possible change in the key assumptions of the impairment assessment of the property, plant and equipment are disclosed in Note 16 to the financial statements.

(b) Income taxes

Significant judgement is required in determining the capital allowances, deductibility of certain expenses and the chargeability of certain income during the estimation of the provision for income taxes. The Company recognises liabilities for tax based on estimates of assessment of the tax liability due. When the final tax outcome is different from the amount that were initially recorded, such differences will impact the income tax and deferred tax provisions, where applicable, in the period in which such determination is made.

6 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders and issue new shares or buy back issued shares.

The Group considers that the capital of the Group relates to the equity and this remain unchanged from the prior year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

7 REVENUE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Sale of finished goods	288,280	274,372	280,373	270,658
Sale of scrap and tolling charges	19	213	19	213
	288,299	274,585	280,392	270,871

Revenue of the Group and Company represents the aggregate invoiced value of goods sold to customers, net of trade allowances and discounts and after eliminating sales within the Group

8 OTHER OPERATING INCOME

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest income on				
- short-term deposits	675	797	342	400
- trade receivables	41	35	41	34
Gain on disposal of property, plant and equipment	-	58	-	58
Rental income	-	-	612	612
Management service fees	-	-	888	888
Miscellaneous income	1	53	1	25
	717	943	1,884	2,017

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

9 (LOSS)/PROFIT FROM OPERATIONS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit from operations is arrived at after charging/(crediting):				
Auditors' remuneration				
- statutory audit				
- Current year	199	156	144	106
- Under provision in prior year	5	-	5	-
- other services	21	12	15	12
Hire of machinery and equipment	464	446	407	388
Loss on disposal of property, plant and equipment	1,216	-	1,216	-
Gain on foreign exchange				
- realised	(804)	(804)	(482)	(428)
- unrealised	(1)	(221)	1	(84)
Net fair value (gain)/loss of currency forward	(108)	211	(50)	107

The cost of goods sold for the Group and the Company recognised as an expense during the financial year amounted to RM282,303,000 and RM275,190,000 respectively (2012: RM265,060,000 and RM260,004,000).

10 STAFF COSTS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonus	19,365	18,379	17,299	15,978
Defined contribution retirement plan	2,015	2,002	1,867	1,822
Defined benefit retirement plan	622	1,106	601	867
Other employee benefits	2,522	1,548	2,442	1,456
	24,524	23,035	22,209	20,123

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

11 DIRECTORS' REMUNERATION

The aggregate amount of emoluments receivable by Directors of the Group and Company during the financial year are as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-executive Directors:				
- fees	136	136	136	136
Executive Directors:				
- Salaries and bonus	1,409	1,389	1,409	1,389
- Defined contribution retirement plan	-	90	-	90
- Estimated monetary value of benefits-in-kind	972	417	972	417
	2,381	1,896	2,381	1,896
	2,517	2,032	2,517	2,032

The Executive Directors' salaries, bonus and payments to retirement plans are included in staff costs in the profit or loss for the financial year.

12 FINANCE COST

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Bank and other financial charges	353	308	257	232

13 TAX EXPENSE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current tax				
Current year	-	677	-	677
Under/(Over) provision in prior years	99	(44)	99	(52)
	99	633	99	625
Deferred taxation (Note 28)				
Origination and reversal of temporary differences	(1,050)	92	(946)	765
Tax (credit)/expense	(951)	725	(847)	1,390

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

13 TAX EXPENSE (CONTINUED)

The explanation of the relationship between tax (credit)/expense and (loss)/profit before tax is as follows:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
(Loss)/Profit before tax	(3,880)	2,412	(3,944)	4,910
Tax calculated at the Malaysian tax rate of 25% (2012: 25%)	(970)	603	(986)	1,228
Tax effects of:				
- expenses not deductible for tax purposes	155	169	173	163
- double deduction claims	(103)	(109)	(54)	(44)
Over/(under) provision in prior years	(33)	62	20	43
Tax (credit)/expense	(951)	725	(847)	1,390

14 LOSS/EARNINGS PER SHARE

(a) Basic loss/earnings per share

Basic loss/earnings per share is calculated by dividing the Group's net loss/profit attributable to shareholders for the financial year by the weighted average number of ordinary shares in issue during the financial year, excluding ordinary shares purchased by the Company and held as treasury shares.

	Group	
	2013	2012
Net (loss)/profit attributable to shareholders (RM'000)	(2,929)	1,687
Weighted average number of ordinary shares in issue ('000)	132,252	132,252
Basic (loss)/earnings per share (sen)	(2.22)	1.28

(b) Diluted earnings per share

	Group	
	2013	2012
Diluted earnings per share (sen)	(2.22)	1.28

The Group does not have any dilutive potential ordinary shares in the current financial year as the previous Employee Share Option Scheme ("ESOS") had expired on 13 March 2010.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

15 DIVIDENDS

	Group and Company			
	2013		2012	
	Dividends per share Sen	Amount of dividends, net of tax RM'000	Dividends per share Sen	Amount of dividends, net of tax RM'000
Interim Dividends				
Financial year ended 31 March 2013				
- paid on 15 August 2012, less 25% tax	5.0	4,959	-	-
Financial year ended 31 March 2012				
- paid on 8 August 2011, less 25% tax	-	-	7.5	7,439
Recognised as distribution to ordinary equity holders of the Company during the financial year	5.0	4,959	7.5	7,439

16 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and vehicles RM'000	Projects-in progress RM'000	Total RM'000
Group						
At 1 April 2011						
Cost	20,000	23,915	246,179	7,352	10,880	308,326
Accumulated depreciation	(5,373)	(15,794)	(190,267)	(6,189)	-	(217,623)
Accumulated impairment losses	-	-	(125)	-	-	(125)
Net book value	14,627	8,121	55,787	1,163	10,880	90,578
Financial year ended 31 March 2012						
Opening net book value	14,627	8,121	55,787	1,163	10,880	90,578
Additions	-	-	-	-	20,289	20,289
Disposal	-	-	-	(214)	-	(214)
Reclassifications	-	3,176	22,130	881	(26,187)	-
Depreciation charge	(189)	(754)	(9,647)	(449)	-	(11,039)
Closing net book value	14,438	10,543	68,270	1,381	4,982	99,614

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and vehicles RM'000	Projects-in progress RM'000	Total RM'000
Group						
At 31 March 2012						
Cost	20,000	27,091	265,950	7,308	4,982	325,331
Accumulated depreciation	(5,562)	(16,548)	(197,555)	(5,927)	-	(225,592)
Accumulated impairment losses	-	-	(125)	-	-	(125)
Net book value	14,438	10,543	68,270	1,381	4,982	99,614
Financial year ended 31 March 2013						
Opening net book value	14,438	10,543	68,270	1,381	4,982	99,614
Additions	-	-	-	-	8,230	8,230
Disposal	-	-	(1,293)	(63)	-	(1,356)
Reclassifications	-	259	9,680	1,676	(11,615)	-
Depreciation charge	(189)	(902)	(11,084)	(522)	-	(12,697)
Closing net book value	14,249	9,900	65,573	2,472	1,597	93,791
At 31 March 2013						
Cost	20,000	27,350	268,827	8,045	1,597	325,819
Accumulated depreciation	(5,751)	(17,450)	(203,129)	(5,573)	-	(231,903)
Accumulated impairment losses	-	-	(125)	-	-	(125)
Net book value	14,249	9,900	65,573	2,472	1,597	93,971

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and vehicles RM'000	Projects-in progress RM'000	Total RM'000
Company						
At 1 April 2011						
Cost	20,000	23,909	211,602	6,855	10,803	273,169
Accumulated depreciation	(5,373)	(15,788)	(167,070)	(5,751)	-	(193,982)
Net book value	14,627	8,121	44,532	1,104	10,803	79,187
Financial year ended 31 March 2012						
Opening net book value	14,627	8,121	44,532	1,104	10,803	79,187
Additions	-	-	-	-	18,739	18,739
Disposal	-	-	-	(213)	-	(213)
Reclassifications	-	3,182	21,844	879	(25,905)	-
Depreciation charge	(189)	(760)	(8,149)	(433)	-	(9,531)
Closing net book value	14,438	10,543	58,227	1,337	3,637	88,182
At 31 March 2012						
Cost	20,000	27,091	231,280	6,856	3,637	288,864
Accumulated depreciation	(5,562)	(16,548)	(173,053)	(5,519)	-	(200,682)
Net book value	14,438	10,543	58,227	1,337	3,637	88,182
Financial year ended 31 March 2013						
Opening net book value	14,438	10,543	58,227	1,337	3,637	88,182
Additions	-	-	-	-	6,040	6,040
Disposal	-	-	(1,293)	(63)	-	(1,356)
Reclassifications	-	259	6,300	1,607	(8,166)	-
Depreciation charge	(189)	(902)	(9,556)	(504)	-	(11,151)
Closing net book value	14,249	9,900	53,678	2,377	1,511	81,715
At 31 March 2013						
Cost	20,000	27,350	230,777	7,660	1,511	287,298
Accumulated depreciation	(5,751)	(17,450)	(177,099)	(5,283)	-	(205,583)
Net book value	14,249	9,900	53,678	2,377	1,511	81,715

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Exemption from previous revaluation as deemed cost – leasehold land and building

In accordance with the exemption in MFRS 1, the Group and the Company elected to measure certain lands at the previous valuations as deemed cost as at the date of revaluation. Accordingly, the carrying amounts of these lands have not been restated and the comparative figures for year 2011 have not been restated in these financial statements.

Based on management's assessment, the recoverable amount of property, plant and equipment as at 31 March 2013 of the Company, based on value-in-use ("VIU") is RM87.4 million, which is in excess of its carrying amount of RM81.7 million by RM5.7 million.

On this basis, management is of the view that no impairment is necessary with respect to property, plant and equipment.

(a) Key assumptions used in the VIU calculation

The VIU calculation applied a discounted cash flow model using cash flow projections based on an approved 5-year budget. These projections reflect management's best estimate of the future results based on past experience and future outlook.

The key estimates used in the cash flow projections are the selling prices of the products, key components of the raw material prices and the weighted average cost of capital specific to the Company's industry. The key assumptions of the projections are as follows:

- Sales volumes were anticipated to be running at capacity based on historical trend and expected forecast sales.
- Distribution and logistics costs are in line with the growth/decline based on production units.
- A discount rate of 7% has been applied to the cash flow projections.

(b) Impact of possible change in key assumptions

The Company's impairment assessment includes an assessment of changes in key assumptions that would impact the financial statements as follows:

- If the discount rate used was 8%, the recoverable amount would be lower by RM4.2 million.
- If the selling price differs by 2% from management's estimates, the recoverable amount would be higher or lower by RM3.4 million.
- If the sales volume differs by 2% from management's estimates, the recoverable amount would be higher or lower by RM3.6 million.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

17 SUBSIDIARIES

	Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Unquoted shares, at cost	26,860	26,860	26,860

The details of the subsidiaries are as follows:

Name	Principal activities	Country of incorporation	Company's effective interest 2013 %	Company's effective interest 2012 %
Alcom Nikkei Specialty Coatings Sdn Bhd	Manufacturing and trading of pre-coated finstocks for use in air-conditioners	Malaysia	100	100
AL DOTCOM Sdn Bhd	Dormant	Malaysia	100	100

18 INVENTORIES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Raw materials	5,736	4,778	5,244	5,123	3,654	4,057
Work in progress	23,822	20,262	24,708	21,657	19,380	24,159
Finished goods	5,138	9,127	10,434	4,046	5,852	6,834
Operating supplies and spare parts	11,808	12,016	11,243	9,453	10,157	9,672
	46,504	46,183	51,629	40,279	39,043	44,722

19 TRADE RECEIVABLES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Trade receivables	35,443	35,466	34,373	20,433	17,825	19,210
Less: Allowance for impairment	-	-	-	-	-	-
	35,443	35,466	34,373	20,433	17,825	19,210

Credit terms of trade receivables of the Group and the Company range from 7 days to 75 days (2012: 7 days to 75 days).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

20 AMOUNTS DUE FROM RELATED COMPANIES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Trade						
Amounts due from:						
- subsidiary companies	-	-	-	10,946	9,929	21,336
Non-trade						
Amounts due from:						
- subsidiary companies	-	-	-	305	307	403
- other related companies	87	252	252	87	252	252
	87	252	252	392	559	655
Total	87	252	252	11,338	10,488	21,991

The trade balances due from subsidiary companies are unsecured, interest free and have credit terms ranging from 30 to 60 days (2012: 30 to 60 days). The non-trade balances due from other related companies are unsecured, interest free and have no fixed terms of repayment.

21 OTHER RECEIVABLES AND PREPAYMENTS

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Prepayments and advances	357	298	714	315	182	706
Deposits	195	201	117	176	173	103
Employee loans and other receivables	31	180	155	22	149	98
Total	583	679	986	513	504	907

22 DERIVATIVE FINANCIAL INSTRUMENTS

	Group					
	31.3.2013		31.3.2012		1.4.2011	
	Notional amount RM'000	Fair value RM'000	Notional amount RM'000	Fair value RM'000	Notional amount RM'000	Fair value RM'000
Assets/(Liabilities)						
Forward foreign currency exchange contracts	20,858	108	(16,334)	(211)	21,082	197

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

22 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	Company					
	31.3.2013		31.3.2012		1.4.2011	
	Notional amount RM'000	Fair value RM'000	Notional amount RM'000	Fair value RM'000	Notional amount RM'000	Fair value RM'000
Assets/(Liabilities)						
Forward foreign currency exchange contracts	9,495	50	(8,303)	(107)	7,896	66

Forward foreign exchange contracts

Aside from using natural hedges, the Group enters into forward foreign currency exchange contracts with a licensed bank to limit its exposure on foreign currency receivables and payables. Under the forward contracts, the currency to be received is Ringgit Malaysia and the currency to be paid is US Dollar. The maturity period of the contracts range between 1 to 2 months.

The fair value of the forward foreign exchange contracts of the Group and the Company which has been recognised at the reporting date was a surplus net position of RM108,000 (31.3.2012: deficit RM211,000; 1.4.2011: surplus RM197,000) and RM49,000 (31.3.2012: deficit RM107,000; 1.4.2011: surplus RM66,000) respectively. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value.

23 DEPOSITS, CASH AND BANK BALANCES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Deposits with licensed banks	30,316	36,084	48,485	16,507	25,708	22,491
Cash and bank balances	5,519	723	2,880	4,717	703	1,438
	35,835	36,807	51,365	21,224	26,411	23,929
Fixed deposit	233	-	-	233	-	-
	36,068	36,807	51,365	21,457	26,411	23,929

The weighted average interest rates on year end deposit placements are as follows:

	Group			Company		
	31.3.2013 %	31.3.2012 %	1.4.2011 %	31.3.2013 %	31.3.2012 %	1.4.2011 %
Deposits with licensed banks	2.76	2.57	2.43	2.78	2.53	2.51

The deposits of the Group and the Company have maturity periods which range from overnight to 184 days (2012: overnight to 16 days). Bank balances are deposits held at call with banks and are non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

24 TRADE PAYABLES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Trade payables	10,909	7,750	7,741	9,066	6,147	4,815
Trade related accruals	3,167	2,819	3,856	2,782	2,525	3,434
	14,076	10,569	11,597	11,848	8,672	8,249

Credit terms of trade payables granted to the Group and the Company vary from 7 days to 90 days (2012: 7 days to 90 days) terms from month end.

25 OTHER PAYABLES AND ACCRUALS

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Plant and equipment suppliers payable	1,340	1,508	4,782	1,048	1,508	4,716
Other accruals and sundry payables	2,180	2,561	1,608	1,610	2,043	1,453
Payroll related accruals						
- provision for retirement benefits (Note 27)	867	303	168	867	303	168
- others	2,257	2,922	4,219	2,133	2,686	3,944
	6,644	7,294	10,777	5,658	6,540	10,281

26 AMOUNTS DUE TO RELATED COMPANIES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Trade						
Amounts due to subsidiary company	-	-	-	1,326	920	1,200
Non-trade						
Amounts due to other related companies	409	60	14	409	60	14
Total	409	60	14	1,735	980	1,214

The trade balances due to subsidiary company are unsecured, interest free and have credit terms of 7 days to 30 days (2012: 7 days to 30 days). The non-trade balances due to other related companies are unsecured, interest free and have no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

27 PROVISION FOR RETIREMENT BENEFITS

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Defined benefit retirement plan						
At beginning of the year	6,649	5,875	6,064	5,993	5,457	5,691
Charged to the statements of comprehensive income*	623	1,105	725	601	867	680
Benefits paid	(367)	(331)	(914)	(367)	(331)	(914)
At end of the year	6,905	6,649	5,875	6,227	5,993	5,457
Represented by:						
Present value of unfunded obligations	6,905	6,649	5,875	6,227	5,993	5,457
Reflected on the statement of financial position as:						
Current (Note 25)	867	303	168	867	303	168
Non-current	6,038	6,346	5,707	5,360	5,690	5,289
	6,905	6,649	5,875	6,227	5,993	5,457
The movements in the present value of unfunded obligations are as follows:						
Defined benefit retirement plan						
At beginning of the year	6,649	5,875	6,064	5,993	5,457	5,691
Current service cost	398	405	314	362	371	285
Interest cost	259	272	256	232	251	239
Actuarial losses	(34)	428	155	7	245	156
Benefits paid	(367)	(331)	(914)	(367)	(331)	(914)
At end of the year	6,905	6,649	5,875	6,227	5,993	5,457
* The charge to the statement of comprehensive income is analysed as follows:						
Current service cost	398	405	314	362	371	285
Interest cost	259	272	256	232	251	239
Actuarial losses	(34)	428	155	7	245	156
	623	1,105	725	601	867	680

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

27 PROVISION FOR RETIREMENT BENEFITS (CONTINUED)

The principal actuarial assumptions used in respect of the defined benefit retirement plan are as follows:

	Group and Company		
	31.3.2013 %	31.3.2012 %	1.4.2011 %
Discount rate	3.7	3.7	4.5
Expected average rate of salary increases	5.0	5.0	4.3

The Group operates an unfunded final salary defined benefit plan for its employees. Independent actuaries value the scheme every year using the projected unit credit actuarial cost method. The latest actuarial valuation was carried out on 31 March 2013.

The discount rate used is based on investment grade private debt securities with tenure approximating the tenure of the pension liability. The salary growth takes into account market factors such as inflation rate.

	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Group			
Present value of unfunded obligations	6,905	6,649	5,875
Experience (gain)/loss adjustment on plan liabilities	(34)	428	155
Company			
Present value of unfunded obligations	6,227	5,993	5,457
Experience (gain)/loss adjustment on plan liabilities	7	245	156

28 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Deferred tax liabilities:						
At start of year	8,764	8,672	9,675	7,086	6,321	7,257
Charged/ (credited) to statement of comprehensive income: (Note 13)						
- property, plant and equipment	(1,010)	317	(639)	(972)	605	(493)
- provisions and allowances	(40)	(225)	(364)	26	160	(443)
	(1,050)	92	(1,003)	(946)	765	(936)
At end of year	7,714	8,764	8,672	6,140	7,086	6,321

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

28 DEFERRED TAXATION (CONTINUED)

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Subject to income tax:						
Deferred tax liabilities (before offsetting)						
- property, plant and equipment	11,815	12,825	12,508	9,519	10,491	9,886
Offsetting	(4,101)	(4,061)	(3,836)	(3,379)	(3,405)	(3,565)
Deferred tax liabilities (after offsetting)	7,714	8,764	8,672	6,140	7,086	6,321
Deferred tax assets (before offsetting)						
- provisions and allowances	(4,101)	(4,061)	(3,836)	(3,379)	(3,405)	(3,565)
Offsetting	4,101	4,061	3,836	3,379	3,405	3,565
Deferred tax assets (after offsetting)	-	-	-	-	-	-

29 SHARE CAPITAL

	Group and Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Authorised: Ordinary shares of RM1.00 each			
At beginning/ end of the year	200,000	200,000	200,000
Issued and fully paid: Ordinary shares of RM1.00 each			
At beginning/ end of the year	134,331	134,331	134,331

Treasury shares

During the financial year ended 31 March 2013, the Company did not repurchase any of its issued share capital from the open market (31.3.2012: Nil; 1.4.2011: Nil). Shares repurchased are being held as treasury shares (Note 30) as allowed under Section 67A of the Companies Act, 1965. There was no resale or cancellation of treasury shares during the financial year. Treasury shares have no right to voting, dividends and participation in other distribution.

As at the date of reporting, of the total 134,330,848 (31.3.2012: 134,330,848, 1.4.2011: 134,330,848) issued and fully paid ordinary shares, 2,079,000 (31.3.2012: 2,079,000; 1.4.2011: 2,079,000) are held as treasury shares by the Company. The number of shares with voting rights in issued and fully paid share capital is 132,251,848 (31.3.2012: 132,251,848; 1.4.2011: 132,251,848) ordinary shares of RM1.00 each.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

30 OTHER RESERVES

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Non-distributable:						
Capital redemption reserve	4,000	4,000	4,000	4,000	4,000	4,000
Treasury shares	(2,330)	(2,330)	(2,330)	(2,330)	(2,330)	(2,330)
	1,670	1,670	1,670	1,670	1,670	1,670

Capital redemption reserve

The capital redemption reserve was created upon the redemption of the cumulative redeemable preference shares of the Company in 1996.

31 REVENUE RESERVE

Subject to agreement by the tax authority the Company has sufficient Section 108 tax credits and tax exempt income to frank approximately RM4,595,000 (31.3.2012: RM9,554,000; 1.4.2011: RM16,994,000) of the revenue reserve of the Company as at 31 March 2013 if paid out as dividends.

Under the single-tier system which came into effect from the year of assessment 2008, the Company is not required to have tax credits under Section 108 of the Income Tax Act 1967 for dividend payment purposes. Dividends paid under this system are tax exempt in the hands of the shareholders. The Company may continue to pay franked dividends until the Section 108 tax credits are exhausted or 31 December 2013 whichever is earlier unless the Company opts to disregard the Section 108 tax credits to pay single-tier dividends under the special transitional provisions of the Finance Act 2007.

32 CAPITAL COMMITMENTS

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Authorised capital expenditure for property, plant and equipment not provided for in the financial statements are as follows:				
- contracted	2,102	2,382	2,062	671
- not contracted	2,608	3,254	2,516	2,921
	4,710	5,636	4,578	3,592

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

33 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related party transactions

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances.

In the normal course of business, the Group and the Company undertakes, on agreed terms and prices, a variety of transactions with related companies some of whom are shareholders or share common shareholders or share a common ultimate holding company. The material related party transactions between the Group and the Company and these entities are described below:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Income				
Sales of finished goods to:				
- Alcom Nikkei Specialty Coatings Sdn Bhd, a subsidiary incorporated in Malaysia	-	-	104,883	102,842
- Hindalco Industries Limited, ultimate holding company	187	1,558	187	1,558
Sales of scraps to:				
- Novelis Korea Ltd, a related company incorporated in Korea	-	203	-	203
Management service fees from:				
- Alcom Nikkei Specialty Coatings Sdn Bhd, a subsidiary incorporated in Malaysia	-	-	888	888
Rental income from:				
- Alcom Nikkei Specialty Coatings Sdn Bhd, a subsidiary incorporated in Malaysia	-	-	612	612
Expenditure				
Purchases of scrap from:				
- Alcom Nikkei Specialty Coatings Sdn Bhd, a subsidiary incorporated in Malaysia	-	-	9,823	10,216
Technical service fees charged by				
- Novelis Inc., immediate holding company	497	400	331	268

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management remuneration

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel include the Directors and certain members of senior management of the Group. The remuneration below is inclusive of home country salary and other benefit payments made to expatriate staff.

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Key management remuneration are as follows:				
- Salaries and bonus	3,164	3,210	2,453	2,530
- Defined contribution retirement plan	76	158	76	158
- Estimated monetary value of benefits-in-kind	1,257	705	1,186	638
	4,497	4,073	3,715	3,326

34 FINANCIAL INSTRUMENTS

(a) Financial instruments by category

The table below provides an analysis of the financial instruments by category.

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Loan and receivables						
Current						
Trade receivables	35,443	35,466	34,373	20,433	17,825	19,210
Amounts due from related companies	87	252	252	11,338	10,488	21,991
Other receivables (excluding prepayments and allowances)	226	381	272	198	322	201
Cash and cash equivalents	36,068	36,807	51,365	21,457	26,411	23,929
	71,824	72,906	86,262	53,426	55,046	65,331

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

34 FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial instruments by category (continued)

	Group			Company		
	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000	31.3.2013 RM'000	31.3.2012 RM'000	1.4.2011 RM'000
Financial assets at fair value through profit or loss						
Derivative financial instruments	108	-	197	50	-	66
Other financial liabilities at amortised cost						
Current						
Trade payables	(14,076)	(10,569)	(11,597)	(11,848)	(8,672)	(8,249)
Other payables and accruals (excluding provision for retirement benefits)	(5,777)	(6,991)	(10,609)	(4,791)	(6,237)	(10,113)
Amounts due to related companies	(409)	(60)	(14)	(1,735)	(980)	(1,214)
	(20,262)	(17,620)	(22,220)	(18,374)	(15,889)	(19,576)
Financial liabilities at fair value through profit or loss						
Derivative financial instruments	-	(211)		-	(107)	-

(b) Expenses, gains and losses on financial instruments

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Derivatives				
Net fair value (gain)/loss on currency forward	(108)	211	(50)	107
Loan and receivables				
Interest income:				
- short term deposits	(675)	(797)	(342)	(400)
- trade receivables	(41)	(35)	(41)	(34)
	(716)	(832)	(383)	(434)
Other financial liabilities at amortised cost				
Finance costs	353	308	257	232

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

35 SEGMENT INFORMATION

Segmental reporting is not separately presented as the Group is principally engaged in the manufacturing and trading of aluminium products, which are substantially within a single operating segment. The Group operates primarily in Malaysia.

Revenue of the Group is derived from a single class of product.

For the purpose of resources allocation and performance assessment, the chief operating decision-maker reviews the profit from operation of the Group as disclosed in consolidated statement of comprehensive income.

All non-current assets of the Group are located in Malaysia, being the Group's country of domicile. The breakdown of the Group's external revenues based on the geographical location of the external customers is as follows:

	Revenue	
	2013	**2012**
	RM'000	**RM'000**
Malaysia *	128,035	145,279
Foreign countries	160,264	129,306
	288,299	274,585

* Included in sales to Malaysian customers are sales to customers in the Licensed Manufacturing Warehouse and Free Trade Zone areas amounting to RM24,863,000 (2012: RM43,330,000).

Revenues of approximately RM50,305,000 (2012: RM29,056,000) are derived from a single external customer.

36 TRANSITION FROM FRS TO MFRS

The effects of the Group and Company's transition to MFRSs, described in Note 2, is summarised in this note as follow:-

(a) MFRS estimates

MFRS estimates as at transition date are consistent with the estimates as at same date made in conformity with FRS.

(b) Explanation of transition from FRS to MFRS

Transition from FRS to MFRS does not have any significant impact on the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

37 RECLASSIFICATION OF PRIOR FINANCIAL YEAR COMPARATIVES

Certain comparatives were reclassified or restated to better reflect the substance of the balances and to conform with current year's presentation.

The financial effects arising from the reclassifications are as follows:

	As previously reported RM'000	Effect of reclassifications RM'000	As restated RM'000
Group			
Statement of Financial Position			
At 1 April 2011			
Trade payables	15,984	(4,387)	11,597
Other payables and accruals	6,390	4,387	10,777
At 31 March 2012			
Trade payables	13,794	(3,225)	10,569
Other payables and accruals	4,069	3,225	7,294
Company			
Statement of Financial Position			
At 1 April 2011			
Trade payables	12,361	(4,112)	8,249
Other payables and accruals	6,169	4,112	10,281
At 31 March 2012			
Trade payables	11,661	(2,989)	8,672
Other payables and accruals	3,551	2,989	6,540

The reclassifications are due to payroll related accruals which were previously classified under trade payables.

Statement of Comprehensive Income

At 31 March 2012			
Other operating income	1,129	888	2,017
Other operating expenses	(3,775)	(888)	(4,663)

The reclassifications are due to management fees received from the subsidiary of the Company which were previously classified under other operating expenses.

38 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 20 May 2013.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013 (CONTINUED)

39 SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 March 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Total retained profits of the Company and its subsidiaries				
- Realised	49,005	57,169	29,245	37,346
- Unrealised	4,210	4,071	3,427	3,382
	53,215	61,240	32,672	40,728
Less: Consolidation adjustments	(14,664)	(14,801)	-	-
Retained profits as per financial statements	38,551	46,439	32,672	40,728

The disclosure of realised and unrealised profits above is solely for compliance with the directive issued by Bursa Malaysia Securities Berhad and should not be used for any other purpose.

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar and Thomas Felix Boney, two of the Directors of Aluminium Company of Malaysia Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 57 to 108 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2013 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with provisions of the Companies Act, Malaysian Financial Reporting Standards and International Financial Reporting Standards.

The information set out in Note 39 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Lisitng Requirements, as issued by the Malaysian Institutions of Accountant.

Signed on behalf of the Board of Directors in accordance with their resolution dated 20 May 2013.

Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR
Director

THOMAS FELIX BONEY
Director

Bukit Raja, Klang

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Bernard William A/L William G. Gomez, the Officer primarily responsible for the financial management of Aluminium Company of Malaysia Berhad, do solemnly and sincerely declare that the financial statements set out on pages 57 to 109 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

BERNARD WILLIAM A/L WILLIAM G. GOMEZ

Subscribed and solemnly declared by the abovenamed Bernard William A/L William G. Gomez at Bukit Raja in Malaysia on 20 May 2013 before me.

PESURUHJAYA SUMPAH
B369
SABBIR B. ALI HUSSIN
MALAYSIA

NO. 31-1, TINGKAT SATU,
JALAN TIARA 2B,
BANDAR BARU KLANG,
41150 KLANG, SELANGOR D.E.

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ALUMINIUM COMPANY OF MALAYSIA BERHAD

(INCORPORATED IN MALAYSIA)
(COMPANY NO. 003859 U)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Aluminium Company of Malaysia Berhad on pages 57 to 108, which comprise the statements of financial position as at 31 March 2013 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes as set out on Notes 1 to 38.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Group's and the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2013 and of their financial performance and cash flows for the financial year then ended.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ALUMINIUM COMPANY OF MALAYSIA BERHAD (CONTINUED)
(INCORPORATED IN MALAYSIA)
(COMPANY NO. 003859 U)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 39 on page 108 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

As stated in Note 2 to the financial statements, the Group and the Company adopted Malaysian Financial Reporting Standards on 1 April 2012 with a transition date of 1 April 2011. These standards were applied retrospectively by Directors to the comparative information in these financial statements, including the statements of financial position as at 31 March 2012 and 1 April 2011, and the statements of comprehensive income, changes in equity and cash flows for the financial year ended 31 March 2012 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and the Company for the financial year ended 31 March 2o13 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 April 2011 do not contain misstatements that materially affect the financial position as of 31 March 2013 and financial performance and cash flows for the financial year then ended.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

NG GAN HOOI
(No. 2914/04/15 (J))
Chartered Accountant

Kuala Lumpur
31 May 2013

PROPERTY HELD BY THE GROUP
AS AT 31 MARCH 2013

Location	Description	Tenure	Land Area	Approximate Built up Area (sq.metre)	Age of Building (years)	Net Book Value	Year of revaluation
No. 3, Persiaran Waja Kawasan Perindustrian Bukit Raja 41050 Klang Selangor Darul Ehsan	Factory and office building	99 years leasehold Expiring in year 2088	12.1 hectares	35,964	Range from 22 to 31	RM24.1 million	1985

ANALYSIS BY SIZE OF SHAREHOLDINGS
AS AT 31 MARCH 2013

ANALYSIS BY SIZE OF SHAREHOLDINGS

Category	Shareholders	%	Shareholdings	%
Less than 100	173	4.72	4,095	0.00
100 to 1,000	762	20.79	636,957	0.48
1,001 to 10,000	1,903	51.92	9,158,349	6.92
10,001 to 100,000	742	20.25	21,437,418	16.21
100,001 to less than 5% of issued shares	84	2.29	22,780,975	17.23
5% and above of issued shares	1	0.03	78,234,054	59.16
TOTAL	3,665	100.00	132,251,848	100.00

LIST OF DIRECTORS' SHAREHOLDINGS

No	Name	No. of Shares	%
1	Y.A.M. TUNKU TAN SRI IMRAN IBNI ALMARHUM TUANKU JA'AFAR	0	0.00
2	VISHAL RAO	0	0.00
3	DATO' KOK WEE KIAT	0	0.00
4	Y.M TENGKU YUNUS KAMARUDDIN *Shares Held through Own Name 114,500*	114,500	0.09
5	PAUL ALLEN STADNIKIA	0	0.00
6	SHASHI KANT MAUDGAL	0	0.00
7	EMILIO STEFANO LORENZO BRAGHI	0	0.00

30 LARGEST SHAREHOLDERS

No	Name	No. of Shares	%
1	NOVELIS INC.	78,234,054	59.16
2	TOH KAM CHOY	1,029,000	0.78
3	LEE YU YONG @ LEE YUEN YING	945,400	0.71
4	LIM KIAN HUAT	859,000	0.65
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR ONG KOK THYE*	833,300	0.63
6	YEOH AH TU	742,200	0.56
7	SHOPTRA JAYA (M) SDN BHD	715,600	0.54
8	KUMPULAN WANG SIMPANAN GURU-GURU	703,900	0.53
9	YEOH KEAN HUA	564,000	0.43
10	TAY KAK CHOK	546,200	0.41
11	LIM KA EA	545,000	0.41
12	CHONG KOK FAH	530,000	0.40
13	AMSEC NOMINEES (TEMPATAN) SDN BHD *AMTRUSTEE BHD FOR AMGENERAL INSURANCE BERHAD-SHAREHOLDERS' FUND*	500,000	0.38
14	TANG YET SIONG @ TANG YIK SIONG	489,500	0.37
15	PUBLIC NOMINEES (TEMPATAN) SDN BHD*PLEDGED SECURITIES ACCOUNT FOR ONG KOK THYE (E-SPI)*	483,300	0.37
16	WONG SOO CHAI @ WONG CHICK WAI	481,000	0.36
17	SING FOONG YIN	474,500	0.36
18	LOH LOON TEIK SDN.BHD.	470,000	0.36
19	GOH BENG BENG	394,000	0.30
20	WENTEL CORPORATION SDN.BHD.	384,000	0.29
21	HLB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN*	356,900	0.27
22	LIEW KON MUN	347,400	0.26
23	LIM BEE HOE	334,600	0.25
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD *YEOH AH TU*	317,000	0.24
25	KHOR MEOW SIANG	302,500	0.23
26	SEN AH KOW @ CHENG LIP KONG	300,000	0.23
27	LIM KUI HUA	290,000	0.22
28	LOH TEIK CHYE @ LOH LOON TEIK	290,000	0.22
29	PERMODALAN NASIONAL BERHAD	287,300	0.22
30	KUMPULAN WANG SIMPANAN GURU-GURU	233,000	0.18

Form of Proxy

FIFTY-SECOND ANNUAL GENERAL MEETING

Aluminium Company of Malaysia Berhad
(3859-U)

I/We, ____
(Full name in block capitals)

of ____
(Address)

being a Member/Members of Aluminium Company of Malaysia Berhad, hereby appoint ______________________

____
(Full name in block capitals)

of ____
(Address)

or failing him ____
(Full name in block capitals)

of ____.
(Address)

as my/our proxy to attend and vote for me/us on my/our behalf at the Fifty-Second Annual General Meeting of the Company to be held on Level 3, Atlanta East, Hotel Armada, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan at Monday, 26 August 2013 at 2.00 p.m. and at any adjournment thereof.

My/Our proxy is to vote as indicated below:

		FOR	AGAINST	ABSTAIN
Ordinary Resolution 1	Re-election of Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar as Director			
Ordinary Resolution 2	Re-appointment of Dato' Kok Wee Kiat as Director			
Ordinary Resolution 3	Re-appointment of Y.M. Tengku Yunus Kamaruddin as Director			
Ordinary Resolution 4	Re-election of Mr. Vishal Rao as Director			
Ordinary Resolution 5	Re-election of Mr. Emilio Stefano Lorenzo Braghi as Director			
Ordinary Resolution 6	Approval of Payment of Directors' Fee of RM136,000			
Ordinary Resolution 7	Re-appointment of Messrs PricewaterhouseCoopers as Auditors and to authorize the Directors to fix the Auditors' Remuneration			
Ordinary Resolution 8	Authority under Section 132D of the Companies Act, 1965, for the Directors to issue shares			
Ordinary Resolution 9	Proposed Renewal of Authority for the Purchase by the Company of its Own Shares			
Ordinary Resolution 10	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature			
Ordinary Resolution 11	Continuing in Office as Independent Non-Executive Chairman – Y.A.M. Tunku Tan Sri Imran Ibni Almarhum Tuanku Ja'afar			
Ordinary Resolution 12	Continuing in Office as Independent Non-Executive Director – Dato' Kok Wee Kiat			
Ordinary Resolution 13	Continuing in Office as Independent Non-Executive Director – Y.M. Tengku Yunus Kamaruddin			
Special Resolution	Proposed Amendments to Articles of Association			

(Please indicate "X" in the appropriate box against each Resolution as to how you wish your proxy/proxies to vote. If no voting instruction is given, this form will be taken to authorise the proxy/proxies to vote at his/her discretion).

Dated this ____________ day of ____________ 2013 No. of Shares held : ____________________

____
Signature of shareholder(s) or Common Seal

Notes:

1) A member entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2) A member may appoint not more than two (2) proxies to attend at same meeting. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy.
3) A member who is an authorised nominee may appoint at least one proxy in respect of each securities account it holds with ordinary shares standing to the credit of the said securities account.
4) The instrument appointing a proxy, shall be in writing under the hands of the appointer or of his attorney duly authorised in writing, or if such appointer is a corporation, either under seal or the hand of an officer or attorney duly authorised.
5) The instrument appointing a proxy must be deposited at the Company's Registered Office at No. 3, Persiaran Waja, Bukit Raja Industrial Estate, 41050 Klang, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

Fold here

AFFIX
STAMP

THE COMPANY SECRETARY
ALUMINIUM COMPANY OF MALAYSIA BERHAD (Company No. 3859 U)
No.3, PERSIARAN WAJA
BUKIT RAJA INDUSTRIAL ESTATE
41050 KLANG
SELANGOR DARUL EHSAN
MALAYSIA

Fold here

ALUMINIUM COMPANY OF MALAYSIA BERHAD (3859-U)

No.3, Persiaran Waja,
Bukit Raja Industrial Estate,
41050 Klang,
Selangor Darul Ehsan,
Malaysia.

Telephone : 03-3346 6262
Telefax : 03-3341 2793

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