

ALUMINIUM COMPANY OF MALAYSIA BERHAD (3859-U)
 Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

Condensed Consolidated Statement of Comprehensive Income (Unaudited) for the Quarter ended 31 December 2013

	Quarter ended 31 December	Quarter ended 31 December	9 months ended 31 December	9 months ended 31 December
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	62,524	69,698	194,407	211,316
Expenses excluding finance cost and tax	(62,580)	(73,784)	(197,579)	(216,688)
Loss on divestment	0	0	0	0
Other operating income	263	180	780	627
Profit from operations	207	(3,906)	(2,392)	(4,745)
Finance cost	(82)	(90)	(280)	(264)
Profit/(loss) before tax	125	(3,996)	(2,672)	(5,009)
Taxation	(257)	844	340	527
Net profit /(loss) for the period	(132)	(3,152)	(2,332)	(4,482)
Attributable to:				
- Owners of the Company	(132)	(3,152)	(2,332)	(4,482)
- Minority interest	0	0	0	0
	(132)	(3,152)	(2,332)	(4,482)
Basic earnings/(loss) per ordinary share (sen)	(0.10)	(2.38)	(1.76)	(3.39)
Diluted earnings/(loss) per ordinary share (sen)	(0.10)	(2.38)	(1.76)	(3.39)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the period ended 31 March 2013)

ALUMINIUM COMPANY OF MALAYSIA BERHAD (3859-U)
Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

Condensed Consolidated Statement of Financial Position as at 31 December 2013 (Unaudited)

	UNAUDITED At 31 Dec 2013 RM'000	AUDITED At 31 Mar 2013 RM'000
Non current assets		
Property, plant and equipment	90,880	93,791
Deferred tax assets	4,361	4,101
Current assets		
Inventories	49,267	46,504
Receivables, deposits and prepayments	26,600	36,221
Deposits, cash and bank balances	39,118	36,068
Tax recoverable	1,120	961
	<u>116,105</u>	<u>119,754</u>
Less: Current liabilities		
Trade and other payables	17,174	21,129
Current tax liabilities	0	0
Dividend payable	0	0
	<u>17,174</u>	<u>21,129</u>
Net current assets	<u>98,931</u>	<u>98,625</u>
Less: Non current liabilities		
Provision for retirement benefits	6,534	6,038
Deferred tax liabilities	11,306	11,815
	<u>17,840</u>	<u>17,853</u>
	<u>176,332</u>	<u>178,664</u>
Capital and reserves		
Share capital	134,331	134,331
Reserves	42,001	44,333
	<u>176,332</u>	<u>178,664</u>
Minority interest	0	0
Total equity	<u>176,332</u>	<u>178,664</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the period ended 31 March 2013)

ALUMINIUM COMPANY OF MALAYSIA BERHAD (3859-U)
Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

Condensed Consolidated Statement of Cash Flows (Unaudited)

	9 months ended 31 December	9 months ended 31 December
	2013	2012
	RM'000	RM'000
Operating activities		
Cash from operations	8,862	(475)
Payment of retirement benefits	497	(250)
Refund of tax	0	92
Tax paid	(587)	(960)
Net cash flow from operating activities	8,772	(1,593)
Investing activities		
Purchase of fixed assets	(6,866)	(6,300)
Proceeds from sale of fixed assets	552	92
Interest income received	592	0
Net cash flow from investing activities	(5,722)	(5,639)
Financing activities		
Payment of dividends to:		
- shareholders	0	(4,959)
Net cash outflow from financing activities	0	(4,959)
Changes in Cash & Cash Equivalents	3,050	(12,191)
Cash & Cash Equivalents at beginning of period	36,068	36,807
Cash & Cash Equivalents at end of period	39,118	24,616
Deposits, cash and bank balances comprise :		
Deposits with licensed banks	37,305	21,838
Cash and bank balances	1,580	2,778
Cash & cash equivalents at end of period	38,885	24,616
Fixed Deposits	233	0
	39,118	24,616

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the period ended 31 March 2013)

ALUMINIUM COMPANY OF MALAYSIA BERHAD (3859-U)
Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

Condensed Consolidated Statement of Changes In Equity (Unaudited) For the Quarter Ended 31 December 2013

	Share capital RM'000	<u>Non-distributable</u> Share premium RM'000	<u>Other</u> reserves RM'000	<u>Distributable</u> Revenue reserve RM'000	Total RM'000
Balance as at 1 April 2013	134,331	4,112	1,670	38,551	178,664
Total Comprehensive Loss for the Period				(2,332)	(2,332)
Dividends Distributed to Equity Holders				0	0
Balance as at 31 December 2013	134,331	4,112	1,670	36,219	176,332
Balance as at 1 April 2012	134,331	4,112	1,670	46,439	186,552
Total Comprehensive Loss for the Period				(4,482)	(4,482)
Dividends Distributed to Equity Holders				(4,959)	(4,959)
Balance as at 31 December 2012	134,331	4,112	1,670	36,998	177,111

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2013)

ALUMINIUM COMPANY OF MALAYSIA BERHAD (ALCOM) (Co. No. 3859-U)

Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (BMSB).

The interim financial statements should be read in conjunction with the Group's financial statements for the year ended 31 March 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2013.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial report are consistent with those adopted in the audited financial statements of the company for the financial year ended 31 March 2013 except for the adoption of the new IFRS-compliant framework, Malaysian Financial Reporting Standards ("MFRS") where the following standards, amendments to published standards and interpretations to existing standards are applicable:

- 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 adoption of the above MFRSs and IC Interpretations does not have any significant impact to the financial statements of the Group and the Company.

A2. Audit Report of the preceding annual Financial Statements

The audit report of the Group's preceding annual Financial Statements was not subject to any qualification.

A3. Comments about Seasonal or Cyclical Factors

One of the products that the ALCOM Group manufactures and sells is finstock (both bare and coated). This product is supplied to air conditioner manufacturers, in which sector demand is increasingly subject to seasonal changes.

A4. Unusual items affecting assets, liabilities, equity, net income, or cash flow

During the quarter under review, there were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group.

ALUMINIUM COMPANY OF MALAYSIA BERHAD (ALCOM) (Co. No. 3859-U)

Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

A5. Material changes in estimates

There were no significant changes in estimates that have had a material effect on the financial year-to-date results.

A6. Debt and Equity Securities

The Company did not do any share buy-back during the quarter under review. There was therefore no movement on the 2,079,000 treasury shares held by the Company during the quarter under review.

In the same quarter, the Company did not issue or repay any debt or equity securities.

A7. Dividends paid

There was no dividend declared or paid during the quarter ending 31 Dec 2013.

A8. Segmental information

The ALCOM Group is solely involved in the manufacturing of aluminium products and operates within Malaysia. Revenues are based on the regions in which the customers are located.

	Malaysia	Asia	Other Regions	Total
Revenue	RM'000	RM'000	RM'000	RM'000
Quarter Ended 31 Dec 2013	27,440	32,508	2,576	62,524
9 months Ended 31 Dec 2013	78,129	106,288	9,990	194,407
Total Assets				
As at 31 Dec 2013	211,347			211,347

*Revenue in the Malaysia segment includes sales to customers in the Licensed Manufacturing Warehouse and Free Trade Zone areas amounting to RM4,186 million for current quarter and RM15,499 million for 9 months ended 31 December 2013.

A9. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment for the current financial quarter under review.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the quarter in which this report is made.

A11. Changes in the composition of the Group

Not applicable.

A12. Changes in contingent liabilities or contingent assets

The ALCOM Group had no contingent liabilities or contingent assets as at end of the quarter.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

B1. Review of Group Performance

For the quarter under review, the Group recorded a revenue of RM62.5 million which represented a 10.3% decline over the corresponding quarter of the preceding year due mainly to a lower shipment volume.

Despite the decline in shipment volume, the Group incurred a lower net loss attributable to equity holders of RM132,000 for quarter under review as compared to the corresponding quarter net loss of RM3.2 million of the previous year resulting mainly from improved margins coupled with favorable product sales mix which was directly linked to portfolio management changes in the current quarter.

Cash reserves at the end of the quarter under review stood at RM39.1 million as compared to RM24.6 million at the end of the corresponding quarter of the previous year.

B2. Material changes in profit before taxation for the quarter as compared with the preceding quarter

The Group recorded a pre-tax profit of RM125,000 for the current quarter under review as compared to a pre-tax loss of RM1.9 million registered in the preceding quarter. The improvement in the overall results was due mainly to the positive impact coming from portfolio management and on-going cost containment initiatives achieved during the quarter.

B3. Commentary on Prospects

Overall business environment remains challenging on both the global and domestic fronts with the domestic growth moving in a similar trend as last year. The Group will continue to maintain its strategy of optimizing its products portfolio to generate maximum contribution whilst continuing to enhance operational efficiencies. In addition, selective cost containment measures will be accelerated to compensate for the increased electricity costs.

B4. Variance of actual profit from forecast profit

Not applicable.

B5. Taxation

	Quarter (Oct-Dec) ended		9 months (Apr-Dec) ended	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
	RM'000	RM'000	RM'000	RM'000
In respect of current period				
- income tax	161	(109)	254	99
-deferred tax	96	(735)	(767)	(626)
In respect of prior period				
- income tax	0	0	173	0
- deferred tax	0	0	0	0
	257	(844)	(340)	(527)

The effective tax rate of the Group for the current quarter was higher than the statutory tax rate due mainly to taxable profits derived from the subsidiary company whilst the holding company incurred a pre-tax loss.

ALUMINIUM COMPANY OF MALAYSIA BERHAD (ALCOM) (Co. No. 3859-U)

Quarterly Report on Consolidated Results for the Third Quarter Ended 31 December 2013

B6. Unquoted Investments

There were no purchases or disposals of unquoted securities for the current quarter and financial year-to-date.

B7. Quoted Investments

There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.

B8. Status of Corporate Proposal

Not applicable.

B9. Group borrowings

As at quarter ending 31 Dec 2013, the ALCOM Group had no bank borrowings outstanding.

B10. Derivative Financial Instruments

As at 31 Dec 2013, total contract value and fair value of the Group's outstanding forward foreign exchange contracts stood as follows :-

Types of Derivatives (Foreign Exchange Contracts)	Contract/Notional Value (RM million)	Fair Value (RM million)	Gain/(Loss) on Fair Value (RM million)
(I) Less than 1 year	-	-	-
- Payables	-	-	-
- Receivables	18.91	19.36	(0.45)
(ii) 1 year to 3 years; and	-	-	-
- Payables	-	-	-
- Receivables	-	-	-
(iii) More than 3 years.	-	-	-
- Payables	-	-	-
- Receivables	-	-	-

B11. Changes in Material Litigation

Not applicable.

B12. Approved Dividends Not Yet Paid

Not applicable.

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B13. Earnings Per Share

	Quarter ended 31 Dec	Quarter ended 31 Dec	9 months ended 31 Dec	9 months ended 31 Dec
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
(a) Basic Earnings per share				
Net Profit(Loss) for the period (RM'000)	(132)	(3,152)	(2,332)	(4,482)
Weighted average number of Ordinary shares in issue (000)	132,252	132,252	132,252	132,252
Basic earnings(loss) per share (sen)	(0.10)	(2.38)	(1.76)	(3.39)

B14. Realised and Unrealised Profit and Losses Disclosure

Total retained profits of ALCOM Group and its subsidiaries companies as at 31 Dec 2013:

	Group	Company
	RM'000	RM'000
- Realised	46,685	25,757
- Unrealised	4,322	3,809
Total Retained Profits as per consolidated accounts	51,007	29,566
Less: Consolidation adjustments	(14,788)	-
Total Retained Profits as per Financial Statements:	36,219	29,566

B15. Authorization of Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 20 February 2014.

BY ORDER OF THE BOARD
BERNARD GOMEZ
 DIRECTOR, FINANCE
 BUKIT RAJA, KLANG
 20 FEBRUARY 2014