



DRB-HICOM BERHAD

(203430-W)

(Incorporated in Malaysia)

Interim Financial Report for the Financial Year
Ended 31 March 2018

INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

The Board of Directors hereby announce the unaudited consolidated financial results of DRB-HICOM Group (“the Group”) for the financial quarter/financial year ended 31 March 2018.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.03.2018 RM'000	31.03.2017 (Restated) RM'000	31.03.2018 RM'000	31.03.2017 (Restated) RM'000
Revenue		3,062,011	3,481,596	12,789,677	12,058,334
Cost of sales and operating expenses		(3,049,342)	(3,536,673)	(13,140,331)	(12,310,394)
Other income		157,704	115,195	1,739,738	837,505
Other expenses		(298,475)	(269,929)	(857,438)	(691,720)
(Loss)/profit from operations		(128,102)	(209,811)	531,646	(106,275)
Finance costs		(92,329)	(87,312)	(360,267)	(370,905)
Share of results of joint ventures (net of tax)		336	(14,436)	402	9,575
Share of results of associated companies (net of tax)		77,454	53,174	243,349	239,907
(LOSS)/PROFIT BEFORE TAXATION	15	(142,641)	(258,385)	415,130	(227,698)
Taxation	20	19,318	(5,977)	(119,824)	(36,894)
NET (LOSS)/PROFIT FOR THE QUARTER/FINANCIAL YEAR		(123,323)	(264,362)	295,306	(264,592)
OTHER COMPREHENSIVE INCOME/(LOSS)					
<u>Items that will not be reclassified to profit or loss:</u>					
Fair value adjustment on property, plant and equipment		2,320	-	2,320	-
Net (loss)/gain on valuation of post-employment benefit obligations		(172)	4,376	(172)	4,376
<u>Items that will be subsequently reclassified to profit or loss:</u>					
Net gain/(loss) on fair value changes of investment securities: available-for-sale		3,162	37,902	6,537	(4,346)
Currency translation differences of foreign subsidiary companies		651	11,608	(9,527)	(3,644)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

	Note	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
		31.03.2018 RM'000	31.03.2017 (Restated) RM'000	31.03.2018 RM'000	31.03.2017 (Restated) RM'000
<u>Reclassification adjustments:</u>					
Transfer of realised gain on fair value changes of investment securities: available-for-sale to profit or loss upon disposal		(4,546)	(6,216)	(23,071)	(7,214)
Transfer of reserve of foreign subsidiary companies to profit or loss upon disposal		3,410	-	86,592	(37,387)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE QUARTER/FINANCIAL YEAR (NET OF TAX)		4,825	47,670	62,679	(48,215)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE QUARTER/FINANCIAL YEAR		(118,498)	(216,692)	357,985	(312,807)
Net (loss)/profit for the quarter/financial year attributable to:					
Owners of the Company		(10,267)	(329,572)	498,441	(456,643)
Holder of Perpetual Sukuk		19,592	19,794	79,453	79,655
Holder of Redeemable Convertible Cumulative Preference Shares		-	12,329	-	40,685
Non-controlling interest		(132,648)	33,087	(282,588)	71,711
		(123,323)	(264,362)	295,306	(264,592)
Total comprehensive (loss)/income for the quarter/financial year attributable to:					
Owners of the Company		(10,184)	(289,467)	563,092	(502,369)
Holder of Perpetual Sukuk		19,592	19,794	79,453	79,655
Holder of Redeemable Convertible Cumulative Preference Shares		-	12,329	-	40,685
Non-controlling interest		(127,906)	40,652	(284,560)	69,222
		(118,498)	(216,692)	357,985	(312,807)
Basic and diluted (loss)/earnings per share (sen):	26	<u>(0.53)</u>	<u>(17.05)</u>	<u>25.78</u>	<u>(23.62)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2017 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As at 31.03.2018 RM'000	Audited As at 31.03.2017 (Restated) RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		5,939,520	6,463,431
Concession assets		209,102	217,152
Prepaid lease properties		53,208	50,813
Investment properties		248,193	246,889
Land held for property development		274,171	1,182,226
Joint ventures		298,075	413,826
Associated companies		885,404	756,543
Intangible assets		1,613,166	1,898,543
Deferred tax assets		146,213	147,192
Investment securities: financial assets at fair value through profit or loss			
- Banking		161,274	197,208
Investment securities: available-for-sale			
- Banking		5,553,163	5,040,929
- Non-banking		45,498	46,153
Investment securities: held-to-maturity			
- Banking		143,730	142,168
Trade and other receivables		935,852	264,144
Other assets		544	516
Banking related assets			
- Financing of customers		10,216,425	10,772,103
- Statutory deposits with Bank Negara Malaysia		674,500	698,636
		27,398,038	28,538,472
CURRENT ASSETS			
Assets held for sale		520,807	4,500
Inventories		1,640,454	2,285,452
Property development costs		797,798	140,186
Trade and other receivables		3,280,077	4,057,560
Investment securities: financial assets at fair value through profit or loss			
- Non-banking		292	175
Investment securities: available-for-sale			
- Banking		766,249	1,090,487
Banking related assets			
- Cash and short-term funds		1,587,681	1,049,925
- Financing of customers		4,301,547	3,939,713
Bank balances and cash deposits		2,847,153	2,876,862
Derivative assets	23(a)	72,968	61,494
		15,815,026	15,506,354
TOTAL ASSETS		43,213,064	44,044,826

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

	Note	Unaudited As at 31.03.2018 RM'000	Audited As at 31.03.2017 (Restated) RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,740,302	1,740,302
Reserves		4,993,405	4,331,485
Equity attributable to Owners of the Company		6,733,707	6,071,787
Perpetual Sukuk		1,052,026	1,051,839
Redeemable Convertible Cumulative Preference Shares		669,266	1,289,550
Non-controlling interest		1,830,873	1,841,137
TOTAL EQUITY		10,285,872	10,254,313
NON-CURRENT LIABILITIES			
Deferred income		109,596	151,621
Long term borrowings	22(c)	3,465,291	4,105,407
Redeemable Convertible Cumulative Preference Shares	5(d)	545,107	-
Provision for liabilities and charges		116,727	90,556
Provision for concession assets		179,938	138,809
Post-employment benefit obligations		8,199	37,741
Deferred tax liabilities		248,214	210,270
Banking related liabilities			
- Deposits from customers		617,221	418,615
- Recourse obligation on financing sold to Cagamas		485,851	-
		5,776,144	5,153,019
CURRENT LIABILITIES			
Liabilities relating to held for sale		143,784	-
Deferred income		45,439	48,410
Trade and other payables		5,412,851	6,499,555
Provision for liabilities and charges		321,215	274,993
Provision for concession assets		1,740	6,146
Post-employment benefit obligations		593	495
Bank borrowings			
- Bank overdrafts	22(a)	9,062	6,511
- Others	22(b)	2,315,346	2,186,391
Banking related liabilities			
- Deposits from customers		18,793,686	18,979,279
- Deposits and placements of banks and other financial institutions		8,854	561,654
- Bills and acceptances payable		9,618	9,196
Derivative liabilities	23(a)	88,860	64,864
		27,151,048	28,637,494
TOTAL LIABILITIES		32,927,192	33,790,513
TOTAL EQUITY AND LIABILITIES		43,213,064	44,044,826
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY * (RM)		3.48	3.14

* Based on 1,933,237,051 ordinary shares in issue.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2017 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital		Non-distributable				Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	Redeemable Convertible Cumulative Preference Shares ("RCCPS") RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000						
At 1 April 2017	1,933,237	1,740,302	1,212,275	(84,331)	(1,358)	500,131	2,707,010	6,074,029	1,051,839	1,289,550	1,723,097	10,138,515
Prior year's adjustments (Note 3)	-	-	-	-	-	-	(2,242)	(2,242)	-	-	118,040	115,798
As restated	1,933,237	1,740,302	1,212,275	(84,331)	(1,358)	500,131	2,704,768	6,071,787	1,051,839	1,289,550	1,841,137	10,254,313
Net profit/(loss) for the financial year	-	-	-	-	-	-	498,441	498,441	79,453	-	(282,588)	295,306
Other comprehensive income/(loss) for the financial year, net of tax	-	-	-	74,296	(11,639)	1,994	-	64,651	-	-	(1,972)	62,679
Total comprehensive income/(loss) for the financial year	-	-	-	74,296	(11,639)	1,994	498,441	563,092	79,453	-	(284,560)	357,985
Transactions with Owners												
Net issuance of RCCPS	-	-	-	-	-	-	-	-	-	250,000	-	250,000
RCCPS Purchase	-	-	-	-	-	-	(9,315)	(9,315)	-	(340,685)	-	(350,000)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	(79,266)	-	-	(79,266)
Reclassification of RCCPS (Note 5(d))	-	-	-	-	-	-	-	-	-	(529,599)	-	(529,599)
Disposal of a subsidiary company	-	-	-	-	-	32,916	(32,916)	-	-	-	-	-
Sub-total carried forward	1,933,237	1,740,302	1,212,275	(10,035)	(12,997)	535,041	3,160,978	6,625,564	1,052,026	669,266	1,556,577	9,903,433

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Share Capital		Non-distributable				Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	RCCPS RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000						
Sub-total brought forward	1,933,237	1,740,302	1,212,275	(10,035)	(12,997)	535,041	3,160,978	6,625,564	1,052,026	669,266	1,556,577	9,903,433
Transactions with Owners (Continued)												
Effect of change in shareholding in subsidiary companies	-	-	-	2,744	-	103	124,628	127,475	-	-	332,825	460,300
Reclassification of reserves arising from dilution of interest in a subsidiary company	-	-	-	-	-	(81,180)	81,180	-	-	-	-	-
Effect on deconsolidation of a subsidiary company under members' voluntary winding up	-	-	(65)	-	-	-	65	-	-	-	-	-
Transfer of revaluation gain on disposal of investment properties	-	-	-	-	-	(774)	774	-	-	-	-	-
Transfer of subsidiary companies' reserves	-	-	-	-	-	(397,006)	397,006	-	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(58,529)	(58,529)
First and final dividend in respect of financial year ended 31 March 2017	-	-	-	-	-	-	(19,332)	(19,332)	-	-	-	(19,332)
At 31 March 2018	1,933,237	1,740,302	1,212,210	(7,291)	(12,997)	56,184	3,745,299	6,733,707	1,052,026	669,266	1,830,873	10,285,872

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Share Capital		Non-distributable					Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	RCCPS RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000						
At 1 April 2016	1,933,237	1,719,601	20,701	1,000,039	(43,631)	6,749	367,638	3,471,991	6,543,088	1,051,859	-	908,342	8,503,289
Prior year's adjustments	-	-	-	-	-	-	-	(863)	(863)	-	-	17	(846)
As restated	1,933,237	1,719,601	20,701	1,000,039	(43,631)	6,749	367,638	3,471,128	6,542,225	1,051,859	-	908,359	8,502,443
Transfer of share premium on 31 January 2017	-	20,701	(20,701)	-	-	-	-	-	-	-	-	-	-
Net (loss)/profit for the financial year	-	-	-	-	-	-	-	(456,643)	(456,643)	79,655	40,685	71,711	(264,592)
Other comprehensive (loss)/profit for the financial year	-	-	-	-	(42,291)	(8,107)	4,672	-	(45,726)	-	-	(2,489)	(48,215)
Total comprehensive (loss)/income for the financial year	-	-	-	-	(42,291)	(8,107)	4,672	(456,643)	(502,369)	79,655	40,685	69,222	(312,807)
<u>Transactions with owners</u>													
Net issuance of RCCPS	-	-	-	-	-	-	-	-	-	-	1,248,865	-	1,248,865
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	-	-	(79,675)	-	-	(79,675)
Disposals of subsidiary companies	-	-	-	(1,965)	-	-	-	1,965	-	-	-	(27,185)	(27,185)
Sub-total carried forward	1,933,237	1,740,302	-	998,074	(85,922)	(1,358)	372,310	3,016,450	6,039,856	1,051,839	1,289,550	950,396	9,331,641

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	Share Capital		Non-distributable					Retained Earnings RM'000	Equity attributable to Owners of the Company RM'000	Perpetual Sukuk RM'000	RCCPS RM'000	Non-controlling Interest RM'000	Total RM'000
	Number of shares '000	Monetary value RM'000	Share Premium RM'000	Merger Reserve RM'000	Currency Translation Differences RM'000	Available-for-sale Reserve RM'000	Other Reserves RM'000						
Sub-total brought forward	1,933,237	1,740,302	-	998,074	(85,922)	(1,358)	372,310	3,016,450	6,039,856	1,051,839	1,289,550	950,396	9,331,641
Effect on deconsolidation of subsidiary companies under creditors' voluntary winding up	-	-	-	214,201	-	-	660	(215,456)	(595)	-	-	(13,849)	(14,444)
Effect of changes in shareholding/ assets in subsidiary companies	-	-	-	-	1,591	-	81,072	(11,472)	71,191	-	-	419,808	490,999
Effect of change of an associated company to a subsidiary company	-	-	-	-	-	-	(368)	368	-	-	-	507,426	507,426
Transfer of subsidiary companies' reserves	-	-	-	-	-	-	46,457	(46,457)	-	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(22,644)	(22,644)
First and final dividend in respect of financial year ended 31 March 2016	-	-	-	-	-	-	-	(38,665)	(38,665)	-	-	-	(38,665)
At 31 March 2017	1,933,237	1,740,302	-	1,212,275	(84,331)	(1,358)	500,131	2,704,768	6,071,787	1,051,839	1,289,550	1,841,137	10,254,313

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2017 and the explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Financial Year 12 Months Ended 31.03.2018 RM'000	Financial Year 12 Months Ended 31.03.2017 (Restated) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) for the financial year	295,306	(264,592)
Adjustments:		
- Depreciation and amortisation of property, plant and equipment/prepaid lease properties	708,649	669,730
- Finance costs	360,267	370,905
- Taxation	119,824	36,894
- Share of results of joint ventures (net of tax)	(402)	(9,575)
- Share of results of associated companies (net of tax)	(243,349)	(239,907)
- Others	485,092	121,134
Operating profit before working capital changes	1,725,387	684,589
Changes in working capital:		
Net decrease/(increase) in banking related assets	259,111	(475,187)
Net (decrease)/increase in banking related liabilities	(539,365)	403,487
Net increase in current assets	471,380	209,525
Net decrease in current liabilities	(484,720)	(327,265)
Net cash generated from operations	1,431,793	495,149
Interest received	66,659	57,102
Dividends received from joint ventures	19,418	39,281
Dividends received from associated companies	115,141	134,557
Dividends received from other investment	202	1,328
Taxation (paid)/refunds, (net)	(56,522)	49,133
Finance costs paid	(336,889)	(355,518)
Provision for liabilities and charges paid	(96,956)	(153,201)
Post-employment benefit obligations paid	(561)	(14,880)
Provision for concession assets paid	(4,406)	(20,987)
Net cash inflow from operating activities	1,137,879	231,964
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional shares in a subsidiary company	-	(46)
Acquisitions of investment securities by a banking subsidiary company (net proceeds from disposals)	(1,057,181)	(987,380)
Additional investment in an associated company	-	(32,252)
Capital repayment by an associated company	-	7,200
Maturity from investment securities: held-to-maturity	-	84,206
Movement in fixed deposits placement with maturity profile more than 3 months	(14,071)	25,154
Net cash inflow from acquisition of a subsidiary company	-	607,037
Net cash inflow from disposal of a subsidiary company	428,870	496,623
Net cash flow from deconsolidation of subsidiary companies	-	(53)
Proceeds from disposals of property, plant and equipment/investment properties/intangible assets/assets held for sale	54,008	91,728
Redemption of investment securities by a banking subsidiary company	910,720	578,718
Purchases of property, plant and equipment/prepaid lease properties/investment properties/intangible assets	(829,863)	(818,735)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	Financial Year 12 Months Ended 31.03.2018 RM'000	Financial Year 12 Months Ended 31.03.2017 (Restated) RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (Continued)		
Redemption of preference shares by a joint venture	5,000	5,000
Share subscription in a subsidiary company by a non-controlling shareholder	170,300	-
Net cash (outflow)/inflow from investing activities	(332,217)	57,200
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to holders of Perpetual Sukuk	(79,266)	(79,675)
Dividends paid to non-controlling interest	(58,529)	(22,644)
Dividends paid to shareholders	(19,332)	(38,665)
Movement in fixed deposits held as security/maintained as sinking fund	211,416	187,893
Movement in bank balances in Escrow account arising from Redeemable Convertible Cumulative Preference Shares ("RCCPS")	2,998	(3,019)
Net proceeds from issuance of RCCPS	250,000	1,248,865
Proceeds from recourse obligation on sold to Cagamas by a banking subsidiary company	485,851	-
Proceeds from bank borrowings	3,990,448	5,229,103
RCCPS Purchase	(350,000)	-
Repayment of bank borrowing/hire purchase and finance leases	(4,464,308)	(5,732,849)
Net cash (outflow)/inflow from financing activities	(30,722)	789,009
NET INCREASE IN CASH AND CASH EQUIVALENTS	774,940	1,078,173
Effects of foreign currency translation	(9,980)	(270)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL YEAR	3,022,965	1,945,062
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL YEAR	3,787,925	3,022,965
Cash and cash equivalents as at end of the financial year comprise the followings:		
Bank balances and cash deposits	2,847,153	2,876,862
Banking related assets – cash and short-term funds	1,587,681	1,049,925
Bank overdrafts	(9,062)	(6,511)
	4,425,772	3,920,276
Less: Fixed deposits held as security/sinking fund	(619,249)	(830,665)
Less: Fixed deposits with maturity profile more than 3 months	(25,313)	(11,242)
Less: Bank balances in respect of Automotive Development Fund liabilities	(20,486)	(19,817)
Less: Bank balances in Escrow account arising from RCCPS	(21)	(3,019)
Less: Collections held by a postal subsidiary company on behalf of third parties	(48,555)	(32,568)
Add: Cash and cash equivalents attributable to the investments held for sale	75,777	-
	3,787,925	3,022,965

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2017 and the explanatory notes attached to the interim financial report.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. BASIS OF PREPARATION

The interim financial report is prepared in accordance with Financial Reporting Standard (“FRS”) 134 on “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 31 March 2017.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2017 except for the adoption of the following new/amended standards which are applicable to the Group with effect from 1 April 2017:

Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to FRSs 2014 – 2016 Cycle	

The adoption and application of the above standards did not have any material impact to the financial statements of the Group.

3. COMPLETION OF PURCHASE PRICE ALLOCATION

During the current financial year, the Group completed the purchase price allocation (“PPA”) exercise to determine the fair values of the net assets of Pos Malaysia Berhad (“Pos Malaysia”), a direct 53.50% owned subsidiary company, within the stipulated time period, i.e. twelve months from the acquisition date of 13 September 2016, in accordance with FRS 3 ‘*Business Combinations*’. Based on the fair values of the net assets of Pos Malaysia, the goodwill amount has reduced from RM355.84 million to RM217.79 million. The adjusted fair values of the Pos Malaysia have been reflected in the Group’s Consolidated Statement of Financial Position as at previous financial year ended 31 March 2017.

3. COMPLETION OF PURCHASE PRICE ALLOCATION (Continued)

Below are the effects of the final PPA adjustments in accordance with FRS 3:

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
As at 31 March 2017			
Consolidated Statement of Financial Position			
<u>Non-current assets</u>			
Property, plant and equipment	6,352,474	110,957	6,463,431
Intangible assets	1,812,523	86,020	1,898,543
<u>Non-current liabilities</u>			
Deferred tax liabilities	129,375	80,895	210,270
<u>Current liabilities</u>			
Trade and other payables	6,499,271	284	6,499,555
Consolidated Statement of Changes in Equity			
Retained earnings	2,707,010	(2,242)	2,704,768
Non-controlling interest	1,723,097	118,040	1,841,137
For the financial quarter/year ended 31 March 2017			
Consolidated Statement of Comprehensive Income			
<u>Quarter</u>			
Cost of sales and operating expenses	(3,533,916)	(2,757)	(3,536,673)
Taxation	(6,639)	662	(5,977)
Net profit for the quarter attributable to:			
- Owners of the Company	(328,451)	(1,121)	(329,572)
- Non-controlling interest	34,061	(974)	33,087
Total comprehensive income for the quarter attributable to:			
- Owners of the Company	(288,346)	(1,121)	(289,467)
- Non-controlling interest	41,626	(974)	40,652
<u>Financial Year</u>			
Cost of sales and operating expenses	(12,304,880)	(5,514)	(12,310,394)
Taxation	(38,218)	1,324	(36,894)
Net loss/(profit) for the financial year attributable to:			
- Owners of the Company	(454,401)	(2,242)	(456,643)
- Non-controlling interest	73,659	(1,948)	71,711
Total comprehensive (loss)/income for the financial year attributable to:			
- Owners of the Company	(500,127)	(2,242)	(502,369)
- Non-controlling interest	71,170	(1,948)	69,222

4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial year ended 31 March 2018.

5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE

Save as below, there was no material item of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows during the financial year ended 31 March 2018.

- (a) On 29 September 2017, the Group completed the following proposals:
- (i) Share subscription of 547,020,534 ordinary shares, representing 49.9% of the enlarged ordinary share capital in PROTON Holdings Berhad (“PROTON”) by Zhejiang Geely Holding Group Co., Ltd. (“ZGH”) for a total subscription price of RM460.3 million via RM170.30 million in cash and the grant of the licence of Boyue model by ZGH to PROTON at an ascribed value of RM290 million.
 - (ii) Disposal of 100% indirect equity interest in Lotus Advance Technologies Sdn. Bhd. (“Lotus Advance”), a wholly-owned subsidiary company of PROTON comprising 51% equity interest to ZGH and 49% equity interest to Etika Automotive Sdn. Bhd.

As a result, the Group’s equity interest in PROTON reduced to 50.1% and the remaining 49.9% equity interest is held by ZGH’s nominated subsidiary company, Geely International (Hong Kong) Limited. The Group’s gain on dilution of equity interest in PROTON of RM126.57 million has been reflected in the Consolidated Statement of Changes in Equity as at 31 March 2018. In addition, Lotus Advance ceased to be an indirect wholly-owned subsidiary company of the Group. Consequently, the Group had realised a loss on disposal of Lotus Advance of RM97.64 million which has been included under other expense in the Consolidated Statement of Comprehensive Income for the financial year ended 31 March 2018.

- (b) The Group had also recorded the R&D reimbursement grant from the Government of RM1.10 billion under other income in the Consolidated Statement of Comprehensive Income for the financial year ended 31 March 2018.
- (c) On 5 October 2017, the Company signed the definitive agreement with GOVCO Holdings Berhad (“GOVCO”), a 99.99% company owned by Minister of Finance Incorporated, for the purchase of the first principal tranche of RM300 million redeemable convertible cumulative preference shares (“RCCPS”) issued by PROTON due on 6 June 2023 and the RCCPS dividend entitlement for the period ended 6 June 2017 amounting to RM50 million from GOVCO (collectively known as “RCCPS Purchase”). The RCCPS Purchase was completed on 6 October 2017.

5. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE (Continued)

- (d) On 5 October 2017, the Company also executed an Asset Exchange Agreement with GOVCO for the creation of an asset pool comprising landed properties, designated shares or cash ("Asset Pool"), whereby GOVCO has the option to:
- (i) require the Company to transfer the Asset Pool to GOVCO in consideration for GOVCO transferring the PROTON ordinary shares to be received from the conversion of GOVCO's unredeemed principal amount of the RCCPS at the tenure expiry date of 6 June 2031, or
 - (ii) terminate the Asset Exchange Agreement and keep the new PROTON ordinary shares to be received.

Effectively, the Company had issued a put option to GOVCO in relation to new PROTON ordinary shares to be received from the conversion of the unredeemed principal of the RCCPS of RM1.2 billion. The put option will give rise to a financial liability at the Group under FRS 132 *Financial Instruments: Presentation*.

As at 5 October 2017, the unredeemed principal amount of the RCCPS is RM1.2 billion. The initial carrying amount of the RCCPS liability will be RM529.60 million being the net present value of the redemption value of the RCCPS of RM1.2 billion discounted at the Company's borrowing rate of 6% per annum. Accordingly, the Group has reclassified RM529.60 million from RCCPS equity to RCCPS liability.

6. CHANGES IN ESTIMATES

There was no material change in the estimate of amount reported in prior financial years that has a material effect to this interim financial report.

7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as disclosed below, there was no issuance and repayment of debt securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial year ended 31 March 2018.

Issuance of RCCPS by PROTON

On 22 June 2017, GOVCO Holdings Berhad ("GOVCO") completed the subscription of the 250,000,000 redeemable convertible cumulative preference shares ("RCCPS") at an issue price of RM1.00 each in PROTON.

8. DIVIDEND PAID

The shareholders have approved a single tier first and final dividend of 1.0 sen per share at the last Annual General Meeting held on 30 August 2017 in respect of the financial year ended 31 March 2017. The dividend of RM19,332,371 was paid on 3 October 2017.

9. SEGMENTAL INFORMATION

The information on each of the Group's business segments for the financial year ended 31 March 2018 is as follows:

	Automotive RM'000	Services RM'000	Property, Asset & Construction RM'000	Investment Holding RM'000	Group RM'000
Revenue					
Total revenue	7,871,379	4,646,101	876,430	46,638	13,440,548
Inter-segment revenue	(401,341)	(151,325)	(51,567)	(46,638)	(650,871)
External revenue	7,470,038	4,494,776	824,863	-	12,789,677
Results					
Segment (loss)/profit	(57,521)	474,562	110,072	(35,074)	492,039
Unallocated expenses					(31,636)
Interest income on short term deposits					71,243
Finance costs					(360,267)
Share of results of joint ventures (net of tax)	(2,190)	-	2,592	-	402
Share of results of associated companies (net of tax)	242,417	932	-	-	243,349
Profit before taxation					415,130
Taxation					(119,824)
Net profit for the financial year					295,306
Attributable to:					
Owners of the Company					498,441
Holder of Perpetual Sukuk					79,453
Non-controlling interest					(282,588)

10. PROPERTY, PLANT AND EQUIPMENT

There is no revaluation of property, plant and equipment brought forward from the previous annual audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

11. SUBSEQUENT EVENTS

Save as disclosed in Note 21, there has not arisen in the interval between the end of this reporting year and the date of this announcement, any item, transaction or event of a material and unusual nature that would likely affect substantially the results of the operations of the Group.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2018

- (a) On 10 March 2017, DRB-HICOM Defence Technologies Sdn. Bhd. (“DEFTECH”), a wholly-owned subsidiary company of the Group, entered into a share sale agreement with its 96.87% owned subsidiary company, Composites Technology Research Malaysia Sdn. Bhd. (“CTRM”) for the proposed acquisitions of the entire equity interests in the three wholly-owned subsidiary companies of CTRM namely, CTRM Systems Integration Sdn. Bhd., CTRM Aviation Sdn. Bhd. and Unmanned Systems Technology Sdn. Bhd. for a total cash consideration of RM1.05 million. The transaction was completed on 30 June 2017. As a result, the above three companies have become direct subsidiary companies of DEFTECH. On 15 March 2018, the above companies have been renamed as DEFTECH Systems Integration Sdn. Bhd., DEFTECH Aviation Sdn. Bhd. and DEFTECH Unmanned Systems Sdn. Bhd. respectively.
- (b) On 18 September 2017, Proton Motor Pars Co. (Private Joint Stock), an indirect wholly-owned subsidiary company of PROTON, was dissolved and ceased to be an indirect subsidiary company of the Group.
- (c) On 29 September 2017, following the completion of PROTON corporate exercise set out in Note 5(a), the Group’s equity interest in PROTON reduced from 100% to 50.1% and Lotus Advance Technologies Sdn. Bhd. ceased to be an indirect wholly-owned subsidiary company of the Group. Further, the Group has undertaken the following transactions via internal re-organisation:
 - (i) Acquisition of the following investments by HICOM Holdings Berhad, a direct wholly-owned subsidiary company of the Group:
 - 45% equity interest in Exedy (Malaysia) Sdn. Bhd., a joint venture of PROTON for a nominal value of RM1.
 - 37.5% equity interest in PHN Industry Sdn. Bhd., an associated company of PROTON for a nominal value of RM1.
 - 25% equity interest in Marutech Elastomer Industries Sdn. Bhd., an associated company of PROTON for a nominal value of RM1.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2018 (Continued)

(c) (Continued)

(ii) HICOM Berhad, an indirect wholly-owned subsidiary company of the Group, acquired 100% equity interest in EON Properties Sdn. Bhd. from Proton Edar Sdn. Bhd., an indirect wholly-owned subsidiary company of PROTON for a nominal value of RM1.

(iii) Glenmarie Properties Sdn. Bhd., an indirect wholly-owned subsidiary company of the Group, acquired 100% equity interest in Proton Hartanah Sdn. Bhd. ("PHSB") from PROTON for a nominal value of RM1. PHSB owns 100% equity interest in Proton Properties Sdn. Bhd. and 40% equity interest in Proton City Development Corporation Sdn. Bhd.

(d) On 5 October 2017, Pos Malaysia Berhad, a 53.50% owned subsidiary company of the Group, announced the proposed winding-up of its direct and indirect dormant/inactive subsidiary companies via members' voluntary winding up ("MVL") and creditors' voluntary winding up ("CVL") and the companies involved in the exercise are as follows:

Companies under MVL

1. Pos Takaful Agency Sdn. Bhd.
2. PSH Allied Berhad
3. Maya Perkasa (M) Sdn. Bhd.
4. Kaypi Logistics Depot Sdn. Bhd.
5. Asia Pacific Freight System Sdn. Bhd.
6. Diperdana Selatan Sdn. Bhd.

Companies under CVL

1. Diperdana Terminal Services Sdn. Bhd.

Upon the completion of the liquidation exercise, the above companies will cease to be subsidiary companies of the Group.

(e) On 29 November 2017, PT Proton Cikarang Indonesia, an indirect dormant wholly-owned subsidiary company of PROTON was dissolved and ceased to be an indirect subsidiary company of the Group.

(f) On 11 January 2018, DRB-HICOM Geely Sdn. Bhd. ("DHG") was incorporated and the shareholdings in DHG are held by DRB-HICOM Berhad (50.10%) and Geely International (Hong Kong) Limited (49.90%). DHG is an investment holding company.

12. CHANGES IN THE COMPOSITION OF THE GROUP DURING THE FINANCIAL YEAR ENDED 31 MARCH 2018 (Continued)

- (g) On 25 January 2018, the following dormant/inactive companies of the Group were voluntarily wound up and as a result, ceased to be subsidiary companies of the Group.

Companies under MVL

1. HICOM Technical and Engineering Services Sdn. Bhd.
2. Syarikat Pengangkutan Malaysia Sendirian Berhad
3. EON Trading Sdn. Bhd.
4. HICOM-Potenza Sports Sdn. Bhd.

Companies under CVL

1. NSE Development Sdn. Bhd.
2. S.J. Binateknik Sdn. Bhd.
3. EONMobil Sdn. Bhd.
4. Euro Truck & Bus (Malaysia) Sdn. Bhd.
5. Comtrac Trading Sdn. Bhd.
6. Imatex Management Services Sdn. Bhd.

- (h) On 15 March 2018, the following dormant/inactive companies of the Group were voluntarily wound up and as a result, ceased to be subsidiary companies of the Group.

Companies under MVL

1. Ladang Gadek Development Sdn. Bhd.
2. Ladang Kupang Development Sdn. Bhd.
3. DRB-HICOM Export Corporation Sdn. Bhd.
4. Gemilang Komposit Auto Sdn. Bhd.
5. Mega Komposit Auto Sdn. Bhd.
6. Comtrac Premises Sdn. Bhd.
7. Comtrac-Sabkar Development Sdn. Bhd.
8. CTRM Excelnet Engineering Sdn. Bhd.

Companies under CVL

1. Bukit Kledek Development Sdn. Bhd.
2. Intrakota Komposit Sdn. Bhd.
3. S.J. Kenderaan Sdn. Bhd.
4. Intrakota Consolidated Berhad

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no material change in contingent liabilities or contingent assets from what was reported in the last annual audited financial statements.

14. COMMITMENTS AND CONTINGENT LIABILITIES OF BANK MUAMALAT MALAYSIA BERHAD

No material loss is anticipated as these amounts arose in the business of Bank Muamalat Malaysia Berhad in which it makes various commitments and incurs certain contingent liabilities with legal recourse to its customers.

Risk Weighted Exposures of Bank Muamalat Malaysia Berhad are as follows:

	As at 31.03.2018		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Total Risk Weighted Amount RM'000
Direct credit substitutes	237,010	237,010	208,603
Trade-related contingencies	25,603	5,121	528
Transaction related contingencies	342,229	171,114	166,532
Credit extension commitment:			
- maturity within one year	927,991	185,598	170,493
- maturity exceeding one year	2,336,704	1,168,352	371,012
Profit rate related contracts	1,200,000	10,875	2,175
Foreign exchange related contracts	1,707,391	98,531	30,839
	6,776,928	1,876,601	950,182

15. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting) the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2018 RM'000	31.03.2017 (Restated) RM'000	31.03.2018 RM'000	31.03.2017 (Restated) RM'000
Allowance for doubtful debts	20,941	18,491	17,442	55
Amortisation of:				
- intangible assets	49,129	77,563	185,202	235,184
- concession assets	2,831	2,836	11,905	11,819
Depreciation/amortisation of property, plant and equipment /prepaid lease properties	191,767	154,869	701,373	669,730

15. (LOSS)/PROFIT BEFORE TAXATION (Continued)

(Loss)/profit before taxation is arrived at after charging/(crediting) the following: (Continued)

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2018 RM'000	31.03.2017 (Restated) RM'000	31.03.2018 RM'000	31.03.2017 (Restated) RM'000
Effect of PROTON restructuring	73,364	-	595,513	-
Finance costs	92,329	87,312	360,267	370,905
Financing of customers written off	3,506	44	6,684	1,689
Impairment loss of/(reversal of impairment of):				
- intangible assets	(2,457)	55,326	262	55,593
- investment securities: available-for-sale	(2,165)	(2,835)	(2,406)	16,899
- property, plant and equipment /prepaid lease properties	9,456	8,049	19,786	8,049
- property development costs	40,440	-	40,440	-
Inventories written off/down (net of write backs)	30,977	11,288	61,584	17,730
Loss on re-measurement of the previously held equity interest in an associated company at its acquisition-date fair value	-	-	-	130,221
Marked to market (gain)/loss on derivatives (net)	(14,106)	6,849	12,522	(54,025)
Net foreign exchange differences	(42,255)	(37,775)	(148,884)	81,915
(Write back)/allowance for financing of customers (net)	(28,545)	(7,529)	(47,815)	75,778
Write off of				
- intangible assets	7,306	71,348	7,306	71,348
- property, plant and equipment	807	702	4,982	3,729
Dividend income	-	-	(202)	(1,328)
Gain on disposal of:				
- assets held for sale	-	(479)	-	(4,213)
- investment properties	(86)	-	(712)	-
- investment securities	(5,255)	(8,925)	(35,069)	(18,890)
- property, plant and equipment	(2,760)	(2,325)	(16,742)	(52,339)
- subsidiary company	-	(151)	-	(398,257)

15. (LOSS)/PROFIT BEFORE TAXATION (Continued)

(Loss)/profit before taxation is arrived at after charging/(crediting) the following: (Continued)

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2018 RM'000	31.03.2017 (Restated) RM'000	31.03.2018 RM'000	31.03.2017 (Restated) RM'000
Gain on fair value adjustment of :				
- investment properties	(17,316)	(16,475)	(16,990)	(15,647)
- investment securities	(3,385)	(4,872)	(11,086)	(4,812)
Interest income on short term deposits	(20,617)	(18,475)	(71,243)	(57,375)
R&D grant income	-	-	(1,100,000)	-

16. REVIEW OF PERFORMANCE

16.1 Revenue

	Group Business Sectors	Financial Quarter 3 Months Ended			Financial Year 12 Months Ended		
		31.03.2018 RM'000	31.03.2017 RM'000	Variance RM'000	31.03.2018 RM'000	31.03.2017 RM'000	Variance RM'000
(i)	Automotive	1,657,485	2,110,135	(452,650)	7,470,038	8,077,510	(607,472)
(ii)	Services	1,218,429	1,124,552	93,877	4,494,776	3,553,512	941,264
(iii)	Property, Asset & Construction (PAC)	186,097	246,909	(60,812)	824,863	427,312	397,551
	Total	3,062,011	3,481,596	(419,585)	12,789,677	12,058,334	731,343 ↑ 6.1%

For the three months ended 31 March 2018, the Group's revenue declined by 12% to RM3.06 billion compared with RM3.48 billion in the corresponding quarter ended 31 March 2017. This was due to lower sales performance of the Automotive sector, mainly caused by reduced sales volume by PROTON for the quarter under review.

However, in respect of the financial year ended 31 March 2018, the Group's revenue improved by 6.1% to RM12.79 billion compared with RM12.06 billion in the previous year ended 31 March 2017 mainly contributed by the increased sales revenue from the Services and PAC sectors of the Group.

16. REVIEW OF PERFORMANCE (Continued)

16.1 Revenue (Continued)

(i) Automotive Sector

The decrease in the revenue for the financial year was largely due to lower sales by PROTON and certain other automotive companies.

(ii) Services Sector

The improved performance was mainly derived from the courier and logistics businesses of Pos Malaysia group and higher sales from Alam Flora group.

(iii) PAC Sector

The increase was mainly attributed to revenue recognised from construction related projects.

16.2 (Loss)/profit Before Tax

The Group incurred a lower pre-tax loss of RM142.64 million for the financial quarter ended 31 March 2018 compared with pre-tax loss of RM258.39 million in the corresponding quarter ended 31 March 2017. For the financial year ended 31 March 2018, the Group achieved a pre-tax profit of RM415.13 million compared with pre-tax loss of RM227.70 million in the previous financial year ended 31 March 2017. The improvement in the financial results was mainly attributable to the recognition of R&D grant and better financial performance of operating companies. However, the effects of PROTON restructuring reduced the overall profits.

17. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group incurred a pre-tax loss of RM142.64 million in the current quarter ended 31 March 2018 compared with pre-tax loss of RM259.89 million in the preceding quarter ended 31 December 2017. The losses for the current quarter was mainly due to unfavourable performance of the Group's automotive companies. In the preceding quarter, the pre-tax loss included impairment charges and potential claims of certain intangible assets.

18. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2019

The Malaysian economy as measured by gross domestic product (GDP) expanded 5.4% in the first quarter of 2018 with private-sector demand continuing to be the primary growth driver.

With stronger economic growth seen in 2018 and positive spillover into domestic economic activity, the Group's overall businesses are expected to improve as well. The Group's automotive sector aims to enhance its performance through launches of new models and facelifts by marques within its stable. The aerospace business via the composite manufacturing arm is undergoing business expansion which is also on track to achieve higher growth going forward.

Services sector will continue its momentum with logistics, banking and concession businesses remaining as the key growth contributors. In respect of the Property sector, the rationalisation exercise of non-industrial assets is expected to be completed by the end of current financial year, in line with Group's strategic direction to have leaner property portfolio focusing on industrial land.

The Group is cautiously optimistic and expects to deliver satisfactory performance for the financial year ending 31 March 2019.

19. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the financial year ended 31 March 2018 in a public document.

20. TAXATION

Taxation comprises the following:

	Financial Quarter 3 Months Ended		Financial Year 12 Months Ended	
	31.03.2018	31.03.2017 (Restated)	31.03.2018	31.03.2017 (Restated)
	RM'000	RM'000	RM'000	RM'000
Current taxation	15,642	2,291	66,475	63,140
Deferred taxation	(34,960)	3,686	53,349	(26,246)
Total	(19,318)	5,977	119,824	36,894

For the financial year ended 31 March 2018, the Group's effective tax rate is higher than the statutory rate mainly due to certain expenses which were not deductible for tax purposes.

21. STATUS OF CORPORATE PROPOSALS

As announced to Bursa Malaysia on 8 March 2018, DRB-HICOM Group had entered into various agreements for the proposed disposals of certain property assets and investments to Prisma Dimensi Sdn. Bhd. (“Prisma Dimensi”) and Kelana Ventures Sdn. Bhd. (“Kelana Ventures”). The total consideration for the Proposed Disposals is approximately RM1,934.7 million to be satisfied via approximately 1,243.45 acres of freehold land in the Mukim of Tebrau, District of Johor Bahru, Johor, held by Prisma Dimensi and Kelana Ventures and cash consideration of approximately RM288.7 million. The Proposed Disposals are pending fulfilment of conditions precedent.

22. BORROWINGS AND DEFERRED LIABILITIES

Total Group borrowings are as follows:

	As at 31.03.2018 RM'000
(a) Short Term Borrowings	
Bank overdrafts	
- Secured	3,694
- Unsecured	5,368
Total	9,062
(b) Others	
<u>Secured</u>	
Bankers acceptances	34,276
Revolving credits	209,661
Short term loans	14,963
Short term loans under Islamic financing	158,304
Hire purchase and finance lease liabilities - portion repayable within 12 months	16,191
Long term loans - portion repayable within 12 months	243,719
Long term loans under Islamic financing - portion repayable within 12 months	807,795
Sub-total	1,484,909
<u>Unsecured</u>	
Bankers acceptances	554,645
Revolving credits	244,445
Short term loans under Islamic financing	25,000
Long term loans under Islamic financing - portion repayable within 12 months	1,760
Deferred liability	4,587
Sub-total	830,437
Total	2,315,346

22. BORROWINGS AND DEFERRED LIABILITIES (Continued)

	As at 31.03.2018 RM'000
(c) Long Term Borrowings	
<u>Secured</u>	
Hire purchase and finance lease liabilities - portion repayable within 12 months	55,296 (16,191)
	39,105
Long term loans - portion repayable within 12 months	866,827 (243,719)
	623,108
Long term loans under Islamic financing - portion repayable within 12 months	2,843,165 (807,795)
	2,035,370
<u>Unsecured</u>	
Long term loans under Islamic financing - portion repayable within 12 months	769,468 (1,760)
	767,708
Total	3,465,291
Grand Total	5,789,699

22. BORROWINGS AND DEFERRED LIABILITIES (Continued)

(d) Apart from the following Ringgit Malaysia (“RM”) equivalent of foreign currency borrowings, the rest of the borrowings and deferred liabilities are denominated in RM.

	Short Term			Long Term			Total		
	Foreign currency	Foreign '000	RM '000	Foreign currency	Foreign '000	RM '000	Foreign currency	Foreign '000	RM '000
As at 31 March 2018									
Secured									
Revolving credits	GBP	1,500	8,132				GBP	1,500	8,132
Short term loans under Islamic financing	GBP	1,313	7,120				GBP	1,313	7,120
	USD	35,807	138,411				USD	35,807	138,411
Long term loans	USD	28,250	110,797	USD	56,596	221,969	USD	84,846	332,766
Long term loans under Islamic financing	USD	4,504	17,663	USD	9,023	35,386	USD	13,527	53,049
Total			282,123			257,355			539,478

23. OUTSTANDING DERIVATIVES

(a) Derivatives outstanding as at 31 March 2018 consist mainly of foreign exchange contracts, profit rate swap and capped cross currency interest rate swap which are measured at their fair value together with their corresponding contract/notional amounts as below:

	Contract/ Notional Value RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Financial instruments at fair value through profit or loss			
Currency forward foreign exchange contracts	1,098,432	1,973	75,301
Currency swap foreign exchange contracts	841,470	70,995	1,498
Islamic profit rate swap	1,200,000	-	4,942
Capped cross currency interest rate swap	434,600	-	7,119
	3,574,502	72,968	88,860

23. OUTSTANDING DERIVATIVES (Continued)

(a) (Continued)

There is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 March 2017:

- (i) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (ii) the cash requirements of the financial derivatives; and
- (iii) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

(b) Disclosure of gain/loss arising from fair value changes of financial derivatives

During the financial year ended 31 March 2018, the Group recognised a total net loss of RM12.52 million in profit or loss arising from the fair value changes on the currency forward foreign exchange contracts, currency swap foreign exchange contracts, Islamic profit rate swap and capped cross currency interest rate swap which are marked to market as at 31 March 2018.

24. MATERIAL LITIGATION

There is no significant update of material litigation since the last audited financial statements.

25. DIVIDEND

The Board of Directors recommend for approval at the forthcoming Annual General Meeting, the payment of a first and final dividend of 3.0 sen (2017: 1.0 sen) per share in respect of the financial year ended 31 March 2018. The book closure and dividend payment dates will be announced later. The total dividend payout for the financial year ended 31 March 2018 is 3.0 sen (2017: 1.0 sen) per share.

26. (LOSS)/EARNINGS PER SHARE

The basic and diluted (loss)/earnings per share is calculated by dividing the Group's net (loss)/profit attributable to Owners of the Company by the number of ordinary shares in issue during the financial year.

	3 Months Ended		12 Months Ended	
	31.03.2018	31.03.2017 (Restated)	31.03.2018	31.03.2017 (Restated)
Net (loss)/profit attributable to Owners of the Company (RM'000)	(10,267)	(329,572)	498,441	(456,643)
Number of ordinary shares in issue ('000)	1,933,237	1,933,237	1,933,237	1,933,237
Basic and diluted (loss)/earnings per share (sen)	(0.53)	(17.05)	25.78	(23.62)

27. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's preceding audited annual financial statements was not subject to any qualification.

BY ORDER OF THE BOARD

SABARINA LAILA BINTI MOHD HASHIM
Secretary

Shah Alam
31 May 2018