



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPT 2014
 (The figures have not been audited)

	First Quarter 3 months ended 30 Sept		Cumulative Quarters 3 months ended 30 Sept	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Revenue	13,280	17,143	13,280	17,143
Operating expenses	(12,611)	(13,884)	(12,611)	(13,884)
Other income	3,554	586	3,554	586
Interest	6	10	6	10
Finance costs	(16)	(11)	(16)	(11)
Profit before tax	4,213	3,844	4,213	3,844
Taxation	(343)	(975)	(343)	(975)
Net profit for the period	<u>3,870</u>	<u>2,869</u>	<u>3,870</u>	<u>2,869</u>
Other Comprehensive Income:				
Translation of foreign operation	-	91	(112)	91
Net Gain/(loss) on Available for sale financial assets	14	120	14	120
	<u>14</u>	<u>211</u>	<u>(98)</u>	<u>211</u>
Total Comprehensive Income for the period	<u>3,884</u>	<u>3,080</u>	<u>3,772</u>	<u>3,080</u>
Profit Attributable to :				
Owners of the Company	<u>3,870</u>	<u>2,869</u>	<u>3,870</u>	<u>2,869</u>
Total Comprehensive Income attributable to:				
Owners of the Company	<u>3,884</u>	<u>3,080</u>	<u>3,772</u>	<u>3,080</u>
Earnings per share (sen):				
Basic (Part B, Note 11)	<u>5.37</u>	<u>3.98</u>	<u>5.37</u>	<u>3.98</u>

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 September 2014
(The figures have not been audited)

	As at 30 Sept 2014 RM ' 000	(Audited) As at 30 June 2014 RM ' 000
ASSETS		
Non-current assets		
Plant and equipment	8,970	9,235
Other investments	1,760	1,746
Total non-current assets	10,730	10,981
Current assets		
Inventories	11,987	15,036
Trade receivables	12,997	18,417
Other receivables, deposits and prepayments	10,489	1,537
Tax recoverable	1,248	710
Short term Investments	13,901	13,783
Cash and bank balances	19,924	11,125
Assets classified as held for sale (Note 8)	-	7,840
	70,546	68,448
TOTAL ASSETS	81,276	79,429
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Share premium	1,684	1,684
Other reserve	(16,524)	(16,426)
Treasury shares	(4,224)	(4,224)
Retained earnings	56,824	52,954
Total Equity	77,760	73,988
Non-current liabilities		
Deferred tax liabilities	1,258	1,260
Total non-current liabilities	1,258	1,260
Current liabilities		
Trade payables	1,119	529
Other payables and accruals	679	2,645
Provision for taxation	460	-
Liabilities classified as held for sale (Note 9)	-	1,007
Total current liabilities	2,258	4,181
TOTAL EQUITY AND LIABILITIES	81,276	79,429
Net asset per share (RM)	1.08	1.03

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2014
(The figures have not been audited)**

	Non-distributable					Distributable		
	Share Capital RM' 000	Share Premium RM' 000	Other Reserve RM' 000	Fair Value Reserve RM' 000	Translation Reserve RM' 000	Treasury Shares RM' 000	Retained Profits RM' 000	Total RM' 000
As at 1 July 2014	40,000	1,684	(16,833)	295	112	(4,224)	52,954	73,988
Total comprehensive income for the quarter				14	(112)		3,870	3,772
As at 30 September 2014	<u>40,000</u>	<u>1,684</u>	<u>(16,833)</u>	<u>309</u>	<u>-</u>	<u>(4,224)</u>	<u>56,824</u>	<u>77,760</u>

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Report.



BHS Industries Berhad (Company No: 719660-W)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 September 2014
(The figures have not been audited)

	Cumulative	
	3 months ended 30 September	
	2014	2013
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	4,213	3,844
Adjustments for:		
Depreciation and amortisation	384	424
Gains arising from disposal of land and subsidiary	(3,095)	-
Gains on foreign exchange (unrealised)	(358)	(111)
Impairment on quoted shares	-	13
Interest expense	6	35
Gains on disposal of plant & equipment	-	(300)
	<u>1,150</u>	<u>3,905</u>
Changes in working capital:		
Inventories	3,049	145
Receivables	5,365	3,550
Short term investments	-	5,211
Payables	(1,376)	(5,202)
Cash generated from operations	<u>8,188</u>	<u>7,609</u>
Interest paid	(6)	(35)
Taxes paid	(253)	(486)
Net cash generated from operating activities	<u>7,929</u>	<u>7,088</u>
Cash Flows From Investing Activities		
Purchase of plant & equipment	(119)	(2)
Proceeds from disposal of plant & machinery	-	300
Deposit received from non-current assets held for sale	989	-
Net cash generated from investing activities	<u>870</u>	<u>298</u>
Cash Flows From Financing Activities		
Increase in borrowings	-	93
Net cash generated from financing activities	<u>-</u>	<u>93</u>
Net Increase in cash and cash equivalents	8,799	7,479
Effects of foreign exchange rate changes	-	140
Cash and cash equivalents at beginning	<u>11,125</u>	<u>2,193</u>
Cash and cash equivalents at end #	<u>19,924</u>	<u>9,812</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Statement.

Please refer to Part A, Note 16 for the analysis of Cash and Cash equivalents

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The First Quarter Ended 30 September 2014
(The figures have not been audited)

Part A-Explanatory Notes Pursuant to FRS 134

1 Basis of Preparation

The unaudited interim financial statements have been prepared and presented in accordance with the reporting requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") No.134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements report should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2014 and the accompanying explanatory notes attached to the audited consolidated financial statements.

In the previous years, the financial statements were prepared in accordance with the Financial Reporting Standards in Malaysia. The first time adoption of MFRS does not have any significant impact on the Group's reported unaudited financial position, financial performance and cash flows.

The Group has not adopted the new standards, amendments to published standards and interpretations that have been issued but not yet effective. These new standards, amendments to published standards and interpretations do not result in significant changes in accounting policies of the Group.

2 Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2014 were not subject to any qualification.

3 Comments about Seasonality or Cyclicity of Operations

The business operations of The Group were not materially affected by seasonal or cyclical changes.

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

5 Changes in Estimates

There were no changes in estimates of amounts which have a material effect on the results in the current quarter under review.

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter under review.

7 Dividend Paid

The Company did not pay any dividend in the quarter.

8 Non-current assets held for sale RM7,840,000

	RM'000
Investment properties	6,794
Fixed deposit with a licensed bank	257
Bank balances	789
	<u>7,840</u>

Following the EGM dated 18 July 2014, the shareholders voted to approve the disposal, the sale of 7 pieces of land and the shares in a subsidiary had been effected in the quarter review.

9 Liabilities classified as held for sale RM1,007,000

Following the EGM dated 18 July 2014, the shareholders voted to approve the disposal, the sale of shares in the subsidiary had been effected in the quarter under review.

	RM'000
Liabilities:	
Other payables and accruals	109
Term loan	898
	<u>1,007</u>

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The First Quarter Ended 30 September 2014
(The figures have not been audited)

10 Segmental Information

Segmental Information for the Group by geographical segment is presented as follows:

	3 months Ended 30 Sept 2014 RM'000
Geographical Segments	
Revenue	
Export market	9,833
Local market	3,447
	<u>13,280</u>
Results	
Export market	484
Local market	169
Profit from operations	653
Add Other Income & Interest	3,560
	<u>4,213</u>
Less taxation	(343)
	<u>3,870</u>

Disclosure of segmental information of the Group by business segment is not presented as the Group is primarily engaged in the segment of printing.

11 Valuation of Property, Plant and Equipment

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

12 Material Events Subsequent to the End of the Quarter

There were no material events between the end of the current quarter and the date of this report, which are likely to substantially affect the current quarter results under review.

13 Changes in the Composition of the Group

The Company disposed of its subsidiary, BHS Resources Pte. Ltd during the quarter under review.

14 Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at 13 November 2014, the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results.

15 Capital Commitments

As at 13 November 2014 (the latest practicable date which is not earlier than 7 days from the date of issuance of these financial results), the Group did not have any material commitment for contracted capital expenditure which might have a material impact on the financial position or business of the Group.

16 Cash and Cash Equivalents

	As at 30 Sept 2014 RM'000	As at 30 June 2014 RM'000
Cash at bank	<u>19,924</u>	<u>11,125</u>

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
For The First Quarter Ended 30 Sept 2014
(The figures have not been audited)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Analysis of performance

	1st Quarter 30.09.2014 RM'000	1st Quarter 30.09.2013 RM'000
Revenue	<u>13,280</u>	<u>17,143</u>
Profit Before Tax (PBT)	<u>4,213</u>	<u>3,844</u>

For the first quarter under review, revenue is RM3.86 million lowered compared with the same quarter in the preceding year. The decrease in revenue is attributed to lower orders from overseas. The higher PBT is due to the gains arising from the disposals of lands and subsidiary of RM3.1 million. The lower operating profit of RM1.10 million is due to lower revenue and inability of the Company to operate at the optimal level of production.

2 Variation of Results Against Preceding Quarter

	Current Quarter 30.09.2014 RM'000	Preceding Quarter 30.06.2014 RM'000
Revenue	<u>13,280</u>	<u>9,938</u>
Profit Before Tax (PBT)	<u>4,213</u>	<u>436</u>

For the first quarter under review, the Group recorded an increase in revenue of RM3.34 million compared with the preceding quarter in June 14. Although the Company recorded PBT of RM4.21 million, only RM1.11 million is attributed to the profits of the operation. When compared with the PBT to Revenue, the operating profit for current quarter registers 8.35% compared with the previous quarter of 4.4%.

3 Prospects

During the first quarter, the Group was able to generate profits after tax of RM3.87 million including the gains arising from the disposals of lands and shares in subsidiary. Although there had been a slow down in overseas orders caused primarily by an outbreak of Ebola in African continent, the board of directors opines that over the next six months the situation would improve and the Company would be able to perform satisfactorily for the financial year.

4 Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in the current financial year.

5 Taxation

	3 months Ended 30 Sept 2014 RM'000
Provision of Income tax	<u>343</u>

The provision of income tax is made based on the statutory tax rate of 25% in the YA 2015.

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Notes To The Interim Report
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6 The following items have been deducted/(credited) in arriving at the Net Profit:

	3 months Ended 30 Sept 2014 RM'000
Depreciation and amortisation	385
Foreign exchange loss/(gains)	(524)
Gains arising from the disposal of land and shares in subsidiary	(3,095)
Unrealised gains on short term investments	(119)

Interest as appeared on the Comprehensive Income Statement refers to bank interest only.

*There are no allowance for debts, no gains or losses on derivative, exceptional items, provision for and write off of inventories, and impairment of assets.

7 Group's Borrowings and Debt Securities

The Company did not have any borrowing or debt securities in the quarter under review.

8 Material Litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration, either as plaintiff or defendant, which have a material effect on the financial position of the Company or its subsidiaries and the Board is not aware of any proceedings pending or threatened or of any acts likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries.

9 Dividends

The Board of Directors proposes in the quarter under review a first and final dividend of 3 sen or 6% of tax exempt dividend to be paid on 8 January 2015 subject to the approval by the shareholders in the forthcoming AGM.

	RM' 000
10 Retained profits/(accumulated losses) of the Group	
- Realised	59,977
-Unrealised	(1,258)
	<hr/> 58,719
Less Consolidated adjustment	(1,895)
	<hr/> 56,824
Total group's retained profits	<hr/> <hr/> 56,824

BHS Industries Berhad (Company no: 719660-W)
Notes To The Interim Report
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(The figures have not been audited)

11 Earnings Per Share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Weighted average number of shares for calculation of basic earnings per share:

	3 months Ended 30 Sept 2014 RM'000
Profit attributable to shareholders	<u>3,870</u>
Weighted average number of shares in issue ('000) (Excluding treasury shares)	<u>72,100</u>
Basic earnings per share (sen)	<u>5.37</u>

12 Corporate Proposals

There was no corporate proposal for the period under review.

13 Authorisation for Issue

The unaudited interim financial statements were authorised for issuance by the Board of Directors.