



APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015

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APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2015 – unaudited**

INDIVIDUAL/CUMULATIVE QUARTER

<i>In thousands of RM</i>	Current Quarter Ended 31-Mar-15	Corresponding Quarter Ended 31-Mar-14
Revenue	318,255	308,124
Results from operating activities	31,389	34,254
Finance costs	(302)	(69)
Finance income	1,980	2,623
Share of profit of equity-accounted investee, net of tax	261	401
Profit before tax	33,328	37,209
Income tax expense	(12,163)	(8,450)
Profit for the period	21,165	28,759
Other comprehensive income/(expense), net of tax		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit liability	-	50
Items that will be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	3,461	1,320
Share of foreign currency translation differences of equity-accounted investee	174	300
Other comprehensive income/ (expense) for the period, net of tax	3,635	1,670
Total comprehensive income for the period	24,800	30,429
Profit attributable to :		
Owners of the Company	17,827	25,409
Non-controlling interests	3,338	3,350
Profit for the period	21,165	28,759
Total comprehensive income attributable to :		
Owners of the Company	21,462	27,079
Non-controlling interests	3,338	3,350
Total comprehensive income for the period	24,800	30,429
Earnings per share		
Basic (sen)	9.11	12.98
Diluted (sen)	N/A	N/A

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015 - unaudited**

<i>In thousands of RM</i>	As at 31-Mar-15	As at 31-Dec-14
Assets		
Property, plant & equipment	413,539	406,103
Prepaid lease payments	15,328	14,869
Investment properties	97,290	97,290
Investment in an associate	9,326	8,864
Investments in joint ventures	34,499	34,524
Intangible assets	10,739	11,632
Deferred tax assets	11,958	14,731
Total non-current assets	592,679	588,013
Inventories	232,378	209,096
Trade and other receivables, including derivatives	331,976	343,603
Other investments	78,562	78,506
Cash and cash equivalents	268,425	279,384
Total current assets	911,341	910,589
Total assets	1,504,020	1,498,602
Equity		
Share capital	201,600	201,600
Reserves	976,236	954,774
Treasury shares	(12,823)	(12,818)
Total equity attributable to owners of the Company	1,165,013	1,143,556
Non-controlling interests	34,285	32,949
Total equity	1,199,298	1,176,505
Liabilities		
Employee benefits	11,833	11,448
Deferred tax liabilities	28,977	28,246
Total non-current liabilities	40,810	39,694
Trade and other payables, including derivatives	223,921	242,967
Short term borrowings	35,605	37,029
Current tax liabilities	4,386	2,407
Total current liabilities	263,912	282,403
Total liabilities	304,722	322,097
Total equity and liabilities	1,504,020	1,498,602
Net assets per share attributable to owners of the Company (RM)	5.95	5.84

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD
(Company No. 424838-D)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2015 - unaudited**

<i>In thousands of RM</i>	<----- Attributable to the owners of the Company ----->								Non- controlling interests	Total equity
	Share capital	Treasury shares	Translation reserve	Revaluation reserve	Share premuim	Retained profits	Total	Distributable		
At 1-Jan-14, as previously stated	201,600	(12,806)	(12,142)	-	17,898	722,204	916,754	26,200	942,954	
Revaluation of investment properties	-	-	-	-	-	71,758	71,758	-	71,758	
At 1-Jan-14, restated	201,600	(12,806)	(12,142)	-	17,898	793,962	988,512	26,200	1,014,712	
Remeasurement of defined benefit liabilities	-	-	-	-	-	50	50	-	50	
Foreign currency translation differences for foreign operations	-	-	1,620	-	-	-	1,620	-	1,620	
Profit for the period	-	-	-	-	-	25,409	25,409	3,350	28,759	
Total comprehensive income for the period	-	-	1,620	-	-	25,459	27,079	3,350	30,429	
Own shares acquired	-	(6)	-	-	-	-	(6)	-	(6)	
Total distribution to owners	-	(6)	-	-	-	-	(6)	-	(6)	
At 31-Mar-2014	201,600	(12,812)	(10,522)	-	17,898	819,421	1,015,585	29,550	1,045,135	
At 1-Jan-15	201,600	(12,818)	(9,725)	92,395	17,898	854,206	1,143,556	32,949	1,176,505	
Foreign currency translation differences for foreign operations	-	-	3,635	-	-	-	3,635	-	3,635	
Profit for the period	-	-	-	-	-	17,827	17,827	3,338	21,165	
Total comprehensive income for the period	-	-	3,635	-	-	17,827	21,462	3,338	24,800	
Own shares acquired	-	(5)	-	-	-	-	(5)	-	(5)	
Total distribution to owners	-	(5)	-	-	-	-	(5)	-	(5)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(2,002)	(2,002)	
At 31-Mar-2015	201,600	(12,823)	(6,090)	92,395	17,898	872,033	1,165,013	34,285	1,199,298	

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD
(Company No. 424838-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2015 – unaudited

<i>In thousands of RM</i>	For the 3 months period ended 31-Mar-15	For the 3 months period ended 31-Mar-14
Cash flows from operating activities		
Profit before tax and non-controlling interests	33,328	37,209
Adjustments for non-cash items	9,415	13,998
Changes in working capital	(28,547)	6,280
Cash generated from operations	14,196	57,487
Interest/Tax/Employee benefits/provision	(7,801)	(11,736)
Net cash generated from operating activities	6,395	45,751
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	310	363
Acquisition of property, plant and equipment	(16,707)	(21,933)
Acquisition of other investments	(56)	-
Lease payment for leasehold land	-	(642)
Additions of intangible assets	-	(80)
Subscription of shares in joint ventures	-	(1,044)
Net cash used in investing activities	(16,453)	(23,336)
Cash flows from financing activities		
Dividends paid to non-controlling interests	(2,002)	-
Net (repayment) / drawdown of short-term borrowings	(1,424)	1,218
Purchase of treasury shares	(5)	(6)
Net cash (used in) / from financing activities	(3,431)	1,212
Net (decrease) / increase in cash and cash equivalents	(13,489)	23,627
Effect of exchange rate fluctuations	2,530	2,123
Cash and cash equivalents at 1 January	279,384	306,416
Cash and cash equivalents at the end of period	268,425	332,166

Cash and cash equivalents at the end of financial period comprise the following:

Cash and bank balances	105,362	67,393
Deposits placed with licensed banks	163,063	264,773
	268,425	332,166

The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

This condensed consolidated interim financial statement (Condensed Report) has been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. The explanatory notes attached to the condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2014.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014, except the adoption of the following Malaysian Financial Reporting Standards (“MFRS”), Amendments to MFRSs and IC Interpretations:

(a) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits - Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 140, *Investment Property (Annual Improvements 2011-2013 Cycle)*

The following are MFRSs, Amendments to MFRSs, and IC Interpretations that have been issued by the Malaysian Accounting Standards Board but not yet effective:

(a) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (continued)

- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements - Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

(c) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- MFRS 15, *Revenue from Contracts with Customers*

(d) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments* (2014)

The Group will adopt the abovementioned accounting standards, amendments and interpretation when they become effective in the respective financial periods.

A3. AUDIT QUALIFICATIONS

There were no audit qualifications in the annual financial statements for the year ended 31 December 2014.

A4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The operations of the Group were not affected by any seasonal or cyclical factors, other than the general economic environment in which the Group operates.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flows for the period.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial year.

A7. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to date, other than the following repurchase of shares by the Company:

<u>Month</u>	<u>No. of shares repurchased</u>	<i>In thousands of RM</i>	
		<u>Total</u>	<u>consideration</u>
Mar-15	1,000		5
Total	1,000		5

A8. DIVIDENDS PAID

No dividends were paid during the quarter ended 31 March 2015.

A9. SEGMENTAL INFORMATION

The Group's operating structure comprises the following strategic business divisions, each offering different groups of products or activities as described below:

- *Suspension Division, Malaysia:* comprises business in products such as leaf springs, parabolic springs, coil springs, shock absorbers, Gas Springs, U-bolts and metal parts.
- *Interior & Plastics Division, Malaysia:* comprises business in products such as plastics parts, interiors, seatings for motor vehicles, buses, auditoriums, cinemas, and rails and light rails system.
- *Electrical & Heat Exchange Division, Malaysia:* comprises business in products such as air-conditioning systems, radiators, starter motors, alternators, wiper system, distributors and other electrical parts.
- *Marketing Division, Malaysia:* main activity is that of trading and distribution of automotive components/parts manufactured by the Group for the replacement and export market.
- *Others, Malaysia:* comprises mainly operations related to the rental of investment properties in Malaysia, provision of management services for companies within the Group and provision of automotive research and development services.
- *Operations Outside Malaysia:* comprises businesses in Indonesia, Vietnam and Australia.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A9. SEGMENTAL INFORMATION (CONTINUED)

Performance of these operating segments is measured primarily on the gross sales and the profit before tax. The results by segments for the quarter are as follows:

<i>In thousands of RM</i>	INDIVIDUAL / CUMULATIVE QUARTER			
	31-Mar-15		31-Mar-14	
	Segment Revenue	Profit/ before tax	Segment Revenue	Profit / (loss) before tax
Operations within Malaysia				
Suspension	55,056	3,710	57,959	4,835
Interior & Plastics	230,096	22,919	225,355	25,331
Electricals & Heat Exchange	45,877	4,192	62,035	4,550
Marketing	32,966	592	46,813	2,050
Others	11,931	475	8,109	(895)
Operations outside Malaysia	23,348	1,533	12,232	818
	<u>399,274</u>	<u>33,421</u>	<u>412,503</u>	<u>36,689</u>
Eliminations	<u>(81,019)</u>	<u>(93)</u>	<u>(104,379)</u>	<u>520</u>
	<u>318,255</u>	<u>33,328</u>	<u>308,124</u>	<u>37,209</u>

A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT ROPERTIES

The valuation of property, plant and equipment and investment properties were brought forward without amendment from the annual financial statements for the year ended 31 December 2014.

A11. RELATED PARTY DISCLOSURES

The following are significant related party transactions:-

<i>In thousands of RM</i>	INDIVIDUAL / CUMULATIVE QUARTER	
	Current Quarter Ended 31-Mar-15	Corresponding Quarter Ended 31-Mar-14
<u>With TCMH Group</u>		
Sales	12,370	11,485
Purchases	(861)	(1,987)
Administrative and consultancy services	(457)	(308)
Insurance	(3,300)	(1,852)
Rental expenses	(2)	(2)
Rental income	531	501

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong Motor Holdings Berhad and its subsidiaries ("TCMH Group").

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A11. RELATED PARTY DISCLOSURES (CONTINUED)

<i>In thousands of RM</i>	INDIVIDUAL / CUMULATIVE QUARTER	
	Current	Corresponding
<u>With WTCH Group</u>	Quarter Ended	Quarter Ended
	31-Mar-15	31-Mar-14
Sales	-	3
Administrative and consultancy services	(185)	(554)
Rental income	11	-
Rental expenses	(370)	(259)

The above transactions had been entered into the ordinary course of business on normal commercial terms with Warisan TC Holdings Berhad and its subsidiaries (“WTCH Group”).

<i>In thousands of RM</i>	INDIVIDUAL / CUMULATIVE QUARTER	
	Current	Corresponding
<u>With TCIL Group</u>	Quarter Ended	Quarter Ended
	31-Mar-15	31-Mar-14
Sales	4,123	33,423
Provision of consultancy services	175	78

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong International Limited and its subsidiaries (“TCIL Group”).

A12. MATERIAL SUBSEQUENT EVENT

There has not arisen in the interval between the end of this reporting period and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.

A13. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group since 31 December 2014.

A14. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or contingent liability as at 31 March 2015.

A.15 CAPITAL COMMITMENTS

<i>In thousands of RM</i>	31-Mar-15	31-Mar-14
Authorized but not contracted for	43,097	18,238
Contracted but not provided for	33,794	7,082
Total	76,891	25,320

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

B1 OPERATING SEGMENTS REVIEW

Analysis Of Performance Of All Operating Segments

1Q15 vs. 1Q14

The Group recorded revenue of RM318.3 million for the first quarter of 2015, a marginal increase of 3% compared to 1Q14 of RM308.1 million, thanks to higher sales for operations outside Malaysia.

Group's profit before tax came in at RM33.3 million as compared with RM37.2 million in the corresponding quarter of last year due to higher operating costs and higher imported raw material cost (from a stronger US Dollar). RM denominated margins remains under pricing pressure.

Segmentation Review

Suspension Division

The Suspension Division's revenue declined by 5% to RM55.1million in the current quarter compared to RM58 million in 1Q14 due to lower exports and replacement market sales. Profit before tax was RM3.7 million. This is a decrease of 23.3% compared to RM4.8 million a year ago as production volume reduced while production overheads remained fixed.

Interior & Plastics Division

Revenue for Interior and Plastics Division recorded a marginal increase of 2.1% to RM230.1 million in 1Q15 on the back of higher demand for OEM parts. Total production volume of vehicles in the first quarter of 2015 increased by 7% from 153,565 units to 163,697 units in the same period last year. [Source: Malaysian Automotive Association].

However, pricing pressure from OEMs coupled with increase in imported raw material cost caused by the stronger US Dollar resulted in a lower profit before tax of RM22.9 million compared to RM25.3 million in 1Q14.

Electrical & Heat Exchange Division

Compared to corresponding same quarter last year, Electrical & Heat Exchange division revenue decreased by 26% to RM45.9 million. This was mainly due to lower off take from OEM customers and replacement market. The bottom-line registered slight drop to RM4.2 million compared to RM4.6 million in the same quarter last year in line with decrease in revenue.

Marketing Division

Marketing division recorded RM33 million in revenue for the current quarter 2015, a decline of 29.6% compared to RM46.8 million for corresponding quarter in previous year. Economic uncertainties in Russia affected our exports that were concentrated on a few key clients. The segment's profit before tax also was lower by 71.1% to RM0.6 million from RM2.1 million in the same quarter last year.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

B1 OPERATING SEGMENTS REVIEW (CONTINUED)

Others Division, Malaysia

This segment comprises mainly operations relating to the rental of properties in Malaysia, provision of management services, automotive research and development services for companies within the Group. The revenue streams were mainly rental and services fee charged within the Group and formed part of inter-segment elimination for the total Group's results (as depicted in Note A9).

For the current quarter of 2015, the Other Operations recorded a profit of RM0.5 million compared to a loss of RM0.9 million recorded the previous year mainly attributed to higher billing.

Operations Outside Malaysia

Operations outside Malaysia continues to register impressive revenue growth with increase of 91% for its first quarter of 2015 at RM23.3 million compared to RM12.2 million recorded in corresponding quarter last year. The revenue from the coach's seat business in Australia of RM10.3 million remains the main contributor to the increase in revenue.

In tandem with the higher revenue, the segmental profit was higher by 87.4% compared to RM0.9 million in the same quarter of 2014.

B2 MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

There was no material change to the Group's performance compared to fourth quarter of 2014. The Group's revenue of RM318.3 million recorded in first quarter of 2015 was 10.6% higher than that of RM287.8 million recorded in preceding quarter. The increase was mainly due to higher take up from OEM customers. The Group's current quarter profit before tax on the other hand, was lower by 6.5% compared to preceding quarter of RM35.6 million because of a fair value adjustment on investment properties of RM6.2 million recorded in the preceding quarter.

B3 COMMENTARY ON PROSPECTS AND TARGETS

The Malaysian Automotive Association has forecasted total industry volume of 680,000 in 2015 which is a growth of 2% above the 666,465 units achieved in 2014. There are several key challenges for the automotive industry in Malaysia. The strong US Dollar and a weaker Malaysia Ringgit will push costs of imported raw materials up.

The Group will continue to focus on operational efficiency, strengthening our automotive research and development capabilities and maintaining our commitment to expand beyond the domestic market.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

B4 INCOME TAX EXPENSE

(RM'000)	INDIVIDUAL / CUMULATIVE QUARTER	
	Current Quarter Ended <u>31-Mar-15</u>	Corresponding Quarter Ended <u>31-Mar-14</u>
<u>Current tax</u>		
- Current year	8,085	9,431
- Prior year	765	138
<u>Deferred tax</u>		
- Current year	265	(2,096)
- Prior year	3,048	970
Withholding Tax	-	7
	12,163	8,450

The Group's effective tax rate is higher than the statutory tax rate mainly due to the absence of full group relief.

B5 CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the reporting date.

B6 FINANCIAL INSTRUMENTS AND REALISED AND UNREALISED PROFITS

a) Derivatives

The outstanding forward foreign currency contracts entered as at 31 March 2015 are as follows:

Type of Derivatives	Notional Amount RM'000	Net Fair Value Assets / (Liabilities) RM'000	Maturity
Forward foreign exchange contracts	59,257	407	Less than 1 year

Derivative financial instruments entered into by the Group are similar to those disclosed in the consolidated annual financial statements as at and for the year ended 31 December 2014. There is no change to the Group's financial risk management policies in managing these derivative financial instruments and its related accounting policies.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

B6 FINANCIAL INSTRUMENTS AND REALISED AND UNREALISED PROFITS (CONTINUED)

b) RETAINED EARNINGS

(RM'000)	As At 31-Mar-15	As At 31-Dec-14
Total retained profits/(accumulated losses) of the company and its subsidiaries		
- realised profit	801,699	775,618
- unrealised losses	66,010	70,323
	<u>867,709</u>	<u>845,941</u>
Total share of retained profits of associate:		
- realised profit	8,903	8,488
Total share of retained profits of joint ventures		
- realised profit	23,925	24,079
	<u>900,537</u>	<u>878,508</u>
Consolidation adjustments	(28,504)	(24,302)
Total group retained profits as per consolidated accounts	<u>872,033</u>	<u>854,206</u>

B7 BORROWINGS AND DEBT SECURITIES

Group borrowings as at the end of reporting period are as follow:

<i>In thousands of RM</i>	31-Mar-15
Unsecured - Trade loan	20,605
- Short term borrowings	15,000
	<u>35,605</u>
Amount due within the next 12 months	<u>35,605</u>
	<u>35,605</u>

Group borrowings breakdown by currencies.

<i>In thousands of RM</i>		
<u>Currency</u>	<u>In</u>	31-Mar-15
RM	RM	15,000
USD	USD	20,605
		<u>35,605</u>

B8 CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

B9. PROPOSED DIVIDEND

There was no dividend proposed for the current quarter ended 31 March 2015.

B10 EARNINGS PER SHARE

The calculation of basic earnings per share for the period is based on the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the periods as follows:

	Individual / Cumulative Quarter	
	(Restated)	
	31-Mar-15	31-Mar-14
Profit attributable to the owners of the Company (RM'000)	17,827	25,409
Weighted average number of ordinary shares in issue ('000)	195,684	195,686
Basic EPS (sen)	9.11	12.98

B11 NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

Profit before tax is arrived at after charging / (crediting) the following items:

<i>In thousands of RM</i>	INDIVIDUAL/CUMULATIVE QUARTER	
	(Unaudited)	(Unaudited)
	Current	Corresponding
	Quarter Ended	Quarter Ended
	31-Mar-15	31-Mar-14
(a) Interest income	(1,980)	(2,623)
(b) Other income including investment income	(1,888)	(1,305)
(c) Interest expense	302	69
(d) Depreciation and Amortization	10,357	8,012
(e) (Reversal) / Provision for and write off receivables	(44)	(412)
(f) (Reversal) /Provision for and write off inventories	2,205	1,528
(g) (Gain) / loss on disposal of property, plant and equipment	(29)	(129)
(h) Foreign exchange (gain) / loss	2,188	113
(i) (Gain) / loss on derivative	(1,054)	203

BY ORDER OF THE BOARD
 LEE KWEE CHENG
 ANG LAY BEE
 QUAH KHIAN KHOON

Company Secretaries
 Kuala Lumpur
 14 May 2015