

# UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)  
(INCORPORATED IN MALAYSIA)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

(THE FIGURES HAVE NOT BEEN AUDITED )

	Current Quarter Ended 30/09/2017 RM'000	Comparative Quarter Ended 30/09/2016 RM'000	9 Months Cumulative To Date 30/09/2017 RM'000	Comparative 9 Months Cumulative To Date 30/09/2016 RM'000
<b><u>Continuing Operations</u></b>				
Revenue	2,671,008	2,807,134	8,185,997	7,635,415
Operating Expenses	(2,703,253)	(2,865,566)	(8,203,517)	(7,556,544)
Other Operating Income	21,402	27,313	61,391	37,394
<b>(Loss)/Profit From Operations</b>	<b>(10,843)</b>	<b>(31,119)</b>	<b>43,871</b>	<b>116,265</b>
Finance Costs	(20,288)	(8,294)	(73,139)	(41,623)
Share Of Results Of Associates And Joint Ventures	29,648	40,759	97,697	89,183
Investment Income	21,415	10,069	59,600	45,890
<b>Profit Before Taxation And Zakat</b>	<b>19,932</b>	<b>11,415</b>	<b>128,029</b>	<b>209,715</b>
Taxation And Zakat	(29,757)	(38,708)	(89,934)	(112,067)
<b>(Loss)/Profit For The Period From Continuing Operations</b>	<b>(9,825)</b>	<b>(27,293)</b>	<b>38,095</b>	<b>97,648</b>
<b><u>Discontinued Operations</u></b>				
Loss For The Period From Discontinued Operations	-	(135,583)	(283,372)	(269,183)
<b>Loss For The Period</b>	<b>(9,825)</b>	<b>(162,876)</b>	<b>(245,277)</b>	<b>(171,535)</b>
<b><u>Other Comprehensive Income/(Loss):</u></b>				
<b><u>Continuing Operations</u></b>				
Translation Of Foreign Operations	16,538	(75,710)	69,493	(33,266)
Reclassification Adjustment Of Exchange Reserve	-	-	(371,681)	-
Reclassification Adjustment Of Hedging Reserve	(6)	-	(2,442)	-
Cash Flow Hedge	-	3,462	-	6,307
Other Comprehensive Income/(Loss) Net Of Tax From Continuing Operations	16,532	(72,248)	(304,630)	(26,959)
<b><u>Discontinued Operations</u></b>				
Other Comprehensive Income/(Loss) Net Of Tax From Discontinued Operations	-	91,270	(83,944)	(123,716)
<b>Other Comprehensive Income/(Loss) Net Of Tax</b>	<b>16,532</b>	<b>19,022</b>	<b>(388,574)</b>	<b>(150,675)</b>
<b>Total Comprehensive Income/(Loss) For The Period</b>	<b>6,707</b>	<b>(143,854)</b>	<b>(633,851)</b>	<b>(322,210)</b>

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(THE FIGURES HAVE NOT BEEN AUDITED )

	Current Quarter Ended 30/09/2017 RM'000	Comparative Quarter Ended 30/09/2016 RM'000	9 Months Cumulative To Date 30/09/2017 RM'000	Comparative 9 Months Cumulative To Date 30/09/2016 RM'000
<b><u>(Loss)/Profit For The Period Attributable To:</u></b>				
Equity Holders Of The Company From:				
- Continuing Operations	(29,367)	6,604	(5,160)	84,794
- Discontinued Operations	-	(135,432)	(213,345)	(209,169)
	<u>(29,367)</u>	<u>(128,828)</u>	<u>(218,505)</u>	<u>(124,375)</u>
Non-Controlling Interests From:				
- Continuing Operations	19,542	(33,897)	43,255	12,854
- Discontinued Operations	-	(151)	(70,027)	(60,014)
	<u>19,542</u>	<u>(34,048)</u>	<u>(26,772)</u>	<u>(47,160)</u>
	<u>(9,825)</u>	<u>(162,876)</u>	<u>(245,277)</u>	<u>(171,535)</u>
<b><u>Total Comprehensive Income Attributable To :</u></b>				
Equity Holders Of The Company From:				
- Continuing Operations	(17,714)	(84,374)	(344,296)	87,572
- Discontinued Operations	-	(44,342)	(260,123)	(295,972)
	<u>(17,714)</u>	<u>(128,716)</u>	<u>(604,419)</u>	<u>(208,400)</u>
Non-Controlling Interests From:				
- Continuing Operations	24,421	(15,167)	77,761	(16,883)
- Discontinued Operations	-	29	(107,193)	(96,927)
	<u>24,421</u>	<u>(15,138)</u>	<u>(29,432)</u>	<u>(113,810)</u>
Non-Controlling Interests	<u>6,707</u>	<u>(143,854)</u>	<u>(633,851)</u>	<u>(322,210)</u>
<b><u>EPS Attributable To Equity Holders Of The Company:</u></b>				
Basic EPS For The Period (Sen)				
- Continuing Operations	(2.51)	0.57	(0.44)	7.26
- Discontinued Operations	0.00	(11.60)	(18.26)	(17.91)
	<u>(2.51)</u>	<u>(11.03)</u>	<u>(18.70)</u>	<u>(10.65)</u>
Diluted EPS For The Period (Sen)				
- Continuing Operations	(2.51)	0.57	(0.44)	7.26
- Discontinued Operations	0.00	(11.60)	(18.26)	(17.91)
	<u>(2.51)</u>	<u>(11.03)</u>	<u>(18.70)</u>	<u>(10.65)</u>

(These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

# UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)

(INCORPORATED IN MALAYSIA)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) AS AT 30/09/2017 RM'000	(AUDITED) AS AT 31/12/2016 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant And Equipment	2,611,923	7,678,533
Investment Properties	1,319	2,457
Land Use Rights	3,847	6,482
Leased Assets	282,772	270,509
Other Receivables	43,210	47,756
Investments In Associates	1,970,225	1,953,223
Investments In Joint Ventures	56,424	54,875
Deferred Tax Assets	101,013	93,079
Other Investments	25,501	22,660
Derivative Assets	-	11,948
Deposits, Cash And Bank Balances	-	336,450
	<u>5,096,234</u>	<u>10,477,972</u>
<b>Current Assets</b>		
Inventories	1,625,295	1,931,189
Trade Receivables	698,941	867,691
Other Receivables	543,179	128,380
Other Investments	1,161,783	996,898
Derivative Assets	9,095	3,470
Deposits, Cash And Bank Balances	1,280,954	1,857,424
	<u>5,319,247</u>	<u>5,785,052</u>
Non-Current Assets Held For Sale	31,337	-
	<u>5,350,584</u>	<u>5,785,052</u>
<b>TOTAL ASSETS</b>	<u>10,446,818</u>	<u>16,263,024</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To The Equity Holders Of The Company</b>		
Share Capital	584,147	584,147
Share Premium	-	794,482
Capital Reserve	396	396
Foreign Currency Translation Reserve	54,976	437,793
Other Reserve	78,276	-
Hedging Reserve	2	3,099
Retained Profits	2,803,596	2,898,645
	<u>3,521,393</u>	<u>4,718,562</u>
Non-Controlling Interests	1,135,452	2,145,713
<b>Total Equity</b>	<u>4,656,845</u>	<u>6,864,275</u>
<b>Non-Current Liabilities</b>		
Provision For Warranties	103,167	104,203
Deferred Tax Liabilities	32,214	22,952
Long Term Borrowings	2,044,232	3,715,777
Other Payables	515,489	803,805
	<u>2,695,102</u>	<u>4,646,737</u>
<b>Current Liabilities</b>		
Provision For Warranties	140,869	97,270
Taxation	33,832	40,956
Short Term Borrowings	811,351	2,616,648
Bank Overdrafts	15,797	22,681
Trade Payables	789,630	1,038,902
Other Payables	1,226,565	839,740
Derivative Liabilities	2,476	95,815
Liabilities Associated With Assets Held For Sale	74,351	-
	<u>3,094,871</u>	<u>4,752,012</u>
<b>Total Liabilities</b>	<u>5,789,973</u>	<u>9,398,749</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>10,446,818</u>	<u>16,263,024</u>
<b>Net Assets Per Share (RM)</b>	<b>3.0141</b>	<b>4.0388</b>

(These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

# UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)

(INCORPORATED IN MALAYSIA)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Non - Distributable						Distributable		Non - Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>9 MONTHS ENDED 30 SEPTEMBER 2017</b>										
At 1 January 2017	584,147	794,482	396	437,793	-	3,099	2,898,645	4,718,562	2,145,713	6,864,275
Transactions with owners										
Acquisition of non-controlling interests	-	-	-	-	-	-	33,734	33,734	(33,734)	-
Dividends distributed to equity holders	-	-	-	-	-	-	-	-	(51,391)	(51,391)
Transfer to share capital *	794,482	(794,482)	-	-	-	-	-	-	-	-
Capital reduction	(794,482)	-	-	-	78,276	-	89,722	(626,484)	-	(626,484)
Effects of loss of control in a subsidiary	-	-	-	-	-	-	-	-	(895,704)	(895,704)
Total comprehensive income	-	-	-	(382,817)	-	(3,097)	(218,505)	(604,419)	(29,432)	(633,851)
At 30 September 2017	584,147	-	396	54,976	78,276	2	2,803,596	3,521,393	1,135,452	4,656,845

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2016

	Non - Distributable						Distributable		Non - Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>9 MONTHS ENDED 30 SEPTEMBER 2016</b>										
At 1 January 2016	584,147	794,482	396	445,306	-	-	4,760,127	6,584,458	2,799,413	9,383,871
Transactions with owners										
Acquisition of non-controlling interests	-	-	-	-	-	-	(14,116)	(14,116)	13,037	(1,079)
Dividends distributed to equity holders	-	-	-	-	-	-	(116,829)	(116,829)	(50,390)	(167,219)
Total comprehensive income	-	-	-	(79,696)	-	(4,329)	(124,375)	(208,400)	(113,810)	(322,210)
At 30 September 2016	584,147	794,482	396	365,610	-	(4,329)	4,504,807	6,245,113	2,648,250	8,893,363

\* The new Companies Act 2016 ("CA 2016"), which became effective on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account became part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the CA 2016.

(These Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

# UMW HOLDINGS BERHAD

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(INCORPORATED IN MALAYSIA)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	9 Months Ended 30/09/2017 RM'000	9 Months Ended 30/09/2016 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Taxation And Zakat From:		
Continuing operations	128,029	209,715
Discontinued operations	(283,204)	(265,458)
	<u>(155,175)</u>	<u>(55,743)</u>
Adjustments For:		
Depreciation and amortisation	271,663	413,400
Provision for/(reversal of) impairment on property, plant and equipment	1,166	(943)
Net inventories written down	6,730	3,106
Interest expense from:		
- Continuing operations	73,139	41,623
- Discontinued operations	74,003	83,995
Share of results of associates and joint ventures from:		
- Continuing operations	(97,697)	(89,183)
- Discontinued operations	(197)	(261)
(Gain)/loss on disposal of property, plant and equipment	(17,214)	653
Provision for/(reversal of) impairment on receivables	60,707	(2,184)
Net unrealised foreign exchange/fair value gain	(90,267)	(219,052)
Loss on demerger of a subsidiary	126,914	-
Interest and dividend income from other investments	(68,464)	(58,240)
Property, plant and equipment written off	167	-
Others	41,550	9,474
Operating Profit Before Working Capital Changes	<u>227,025</u>	<u>126,645</u>
(Increase)/decrease in receivables	(435,228)	733,495
Decrease/(increase) in inventories	84,179	(335,802)
Increase/(decrease) in payables	410,377	(536,999)
Cash Generated From/(Used In) Operating Activities	<u>286,353</u>	<u>(12,661)</u>
Interest paid	(146,082)	(124,230)
Taxation paid	(94,534)	(145,701)
Net Cash Generated From/(Used In) Operating Activities	<u>45,737</u>	<u>(282,592)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net cash outflow arising from equity investments	-	(1,079)
Net cash outflow arising from demerger of a subsidiary	(929,926)	-
Dividends received	76,887	59,233
Purchase of property, plant and equipment	(494,712)	(724,213)
Proceeds from disposal of property, plant and equipment	43,286	35,524
Interest income	66,368	58,240
Other Investments (net)	(165,167)	913,677
Net Cash (Used In)/Generated From Investing Activities	<u>(1,403,264)</u>	<u>341,382</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to equity holders of the Company	-	(116,829)
Dividend paid to non-controlling interests	(51,391)	(50,390)
Net drawdown of loans and borrowings	267,568	(437,162)
Net Cash Used In Financing Activities	<u>216,177</u>	<u>(604,381)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,141,350)</b>	<b>(545,591)</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1 JANUARY</b>	<b>2,171,193</b>	<b>2,655,357</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>235,314</b>	<b>(22,105)</b>
<b>CASH AND CASH EQUIVALENTS AS AT 30 SEPTEMBER</b>	<b><u>1,265,157</u></b>	<b><u>2,087,661</u></b>

(These Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

## **NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”)**

### **Basis of preparation**

The interim financial statements have been prepared in accordance with the requirements of International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* and MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2016.

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2016, except for the newly-issued MFRS and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2017.

### **Adoption of Amendments and Annual Improvements to Standards**

The Group has adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2017 -

- Amendments to MFRS 107 Statement of Cash Flows - *Disclosure Initiative*
- Amendments to MFRS 112 Income Taxes - *Recognition of Deferred Tax Assets for Unrealised Losses*
- Amendments to MFRS 12 Disclosure of Interests in Other Entities (*Annual Improvements to MFRSs 2014-2016 Cycle*)

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

## **NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)**

### **Standards issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards, Amendments and Annual Improvements to Standards were issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group –

### **Effective for financial periods beginning on or after 1 January 2018**

- Amendments to MFRS 2 Share-based Payment - *Classification and Measurement of Share-based Payment Transactions*
- MFRS 9 Financial Instruments (IFRS 9 as issued by the International Accounting Standards Board in July 2014)
- MFRS 15 Revenue from Contracts with Customers
- MFRS 15 Revenue from Contracts with Customers - *Clarifications to MFRS 15 Revenue from Contracts with Customers*
- Amendments to MFRS 140 Investment Property - *Transfers of Investment Property*
- Annual Improvements to MFRSs 2014-2016 Cycle - *Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards and Amendments to MFRS 128 Investments in Associates and Joint Ventures*

### **Effective for financial periods beginning on or after 1 January 2019**

- MFRS 16 Leases

### **MFRSs, Interpretations and Amendments effective for a date yet to be confirmed**

- 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\**

\* *The effective date of these Standards has been deferred, and has yet to be announced by MASB.*

## **NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)**

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncements other than for the three standards described below, for which the effects are still being assessed -

### a. MFRS 9: Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's and the Company's financial assets, but will have no impact on the classification and measurement of the Group's and the Company's financial liabilities. The Group is currently assessing the impact of MFRS 9 and plans to adopt the new standard on the required effective date.

### b. MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e., when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.



## **NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)**

### **c. MFRS 16: Leases**

MFRS 16 replaces the guidance in MFRS 117 Leases. The new standard requires lessees to present right-of-use assets and lease liabilities on the statement of financial position and to recognise the following for leases at the commencement date:

- A lease liability, which is a lessee’s obligation to make lease payments arising from a lease, measured on a discounted basis; and
- A right-of-use asset, which is an asset that represents the lessee’s right to use, or control the use of, a specified asset for the lease term.

MFRS 16 is effective for annual periods on or after 1 January 2019, with early application permitted. The Group will assess the impact of MFRS 16 and plans to adopt the new standard on the required effective date.

### **Companies Act 2016**

The Companies Act 2016 (“CA 2016”) was enacted to replace the Companies Act 1965 with the objective of modernising the legal framework in line with advanced jurisdictions, reduce costs for doing and maintaining business and enhance internal controls, governance and corporate responsibility. The CA 2016 became effective on 31 January 2017.

Amongst the key changes introduced in the CA 2016 which will affect the financial statements of the Group and of the Company upon the commencement of the CA 2016 on 31 January 2017 are-

- a. removal of the authorised share capital;
- b. shares of the Company will cease to have par or nominal value; and
- c. the Company’s share premium account will become part of the Company’s share capital.

The adoption of the above did not have any significant effect on the interim financial report upon their initial application.

### **NOTE 2 - Seasonal or Cyclical Factors**

The Group is principally engaged in the -

- a. import, assembly and marketing of passenger and commercial vehicles and related spares and manufacturing of original/replacement automotive parts;
- b. trading and manufacturing of a wide range of light and heavy equipment including related spares for use in the industrial, construction, agricultural and mining sectors; and
- c. manufacturing and trading of oil pipes and providing various oil and gas services including drilling and pipe-coating.

The Group’s products and services are generally dependent on the Malaysian and global economies, consumer demand and market sentiment.

**NOTE 3 - Exceptional Items**

There were no material unusual items affecting assets, liabilities, equity, net income, or cash flows except as disclosed below and in Note 1 above.

**NOTE 4 - Accounting Estimates**

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior years that have a material effect in the current interim period.

**NOTE 5 - Issuance or Repayment of Debt and Equity Securities**

On 22 June 2017, the Company completed the issuance of Islamic Medium Term Notes (“IMTN”) with a nominal value of RM700 million under the IMTN programme for a period of maturities of three (3) years and five (5) years.

On 28 June 2017, the Company completed the redemption of the issuance of IMTN with a nominal value of RM190 million.

Other than the above, there were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period ended 30 September 2017.

**NOTE 6 - Dividends Paid**

There was no dividend paid during the period ended 30 September 2017.

## NOTE 7 - Segmental Reporting

Business Segment	Financial Period Ended 30 September 2017		
	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Profit/(Loss) Attributable to Owners of the Company RM'000
Automotive	6,567,123	292,112	175,828
Equipment	1,063,118	110,995	87,567
Manufacturing & Engineering	475,572	(13,232)	(28,447)
Oil & Gas (Unlisted)	105,475	(121,253)	(91,053)
Others	51,703	(140,593)	(149,055)
<b>Sub-total</b>	<b>8,262,991</b>	<b>128,029</b>	<b>(5,160)</b>
Elimination of Inter-Segment Sales	(76,994)	-	-
<b>Total From Continuing Operations</b>	<b>8,185,997</b>	<b>128,029</b>	<b>(5,160)</b>
Oil & Gas (Listed)	214,186	(156,290)	(86,431)
Loss On Demerger	-	(126,914)	(126,914)
<b>Total From Discontinued Operations</b>	<b>214,186</b>	<b>(283,204)</b>	<b>(213,345)</b>
<b>CONSOLIDATED TOTAL</b>	<b>8,400,183</b>	<b>(155,175)</b>	<b>(218,505)</b>

There has been no other material increase in total assets compared to the last annual financial statements.

## NOTE 8 - Subsequent Material Events

In the opinion of the directors, there has been no material event or transaction during the period ended 30 September 2017 to the date of this announcement, which affects substantially the results of the Group for the period ended 30 September 2017.

## NOTE 9 - Changes in Composition of the Group

- a. On 28 March 2017, UMW Corporation Sdn Bhd ("UMWC"), a wholly-owned subsidiary of the Company, together with its 90%-owned subsidiary, UMW Development Sdn Bhd ("UMWD"), entered into a Share Sale and Purchase Agreement ("SSPA") with Permodalan Negeri Selangor Berhad ("PNSB"), for the acquisition by UMWC of PNSB's 200,000 ordinary shares and 800,000 7.4% Cumulative Redeemable Preference Shares ("CRPS") ("collectively referred to as "Sale Shares") in UMWD for cash considerations of RM2,961,351 and RM1,588,550 respectively.

In consideration of PNSB agreeing to sell the Sale Shares to UMWC, UMWC warrants to repay the shareholder advances granted to UMWD by PNSB amounting to RM869,587, together with any interest accrued, which remained owing as at the date of the SSPA ("PNSB Advances"), for and on behalf of UMWD. In return, UMWD warrants to repay UMWC the amount at such time and in such manner to be agreed upon between the parties.

## NOTE 9 - Changes in Composition of the Group (Cont'd)

With the repayment of the PNSB Advances, all amount owing by UMWD to PNSB will be deemed fully settled.

On 10 April 2017, the Sale Shares held by PNSB in UMWD were transferred to UMWC, resulting in UMWD becoming a wholly-owned subsidiary of UMWC. Subsequently, both parties decided to settle the liabilities due from UMWD to UMWC of RM241,156,779 as at 30 April 2017 via the issuance of redeemable convertible preference shares ("RCPS") by UMWD to UMWC.

On 25 May 2017, UMWC and UMWD entered into a new Settlement Agreement ("New Settlement Agreement") to effect the revised mode of settlement of all liabilities due from UMWD to UMWC, i.e., via RCPS. The New Settlement Agreement supersedes the First Settlement Agreement entered into between the parties on 27 November 2015 wherein the mode of settlement of the liabilities was to be via a transfer of several parcels of land belonging to UMWD to UMWC. With the issuance of the RCPS, all liabilities due from UMWD to UMWC will be deemed fully settled.

- b. On 5 May 2017, Vina Offshore Holdings Pte Ltd, a dormant subsidiary within the Group commenced a members' voluntary winding up pursuant to Section 290(1) of the Singapore Companies Act (Chapter 50).
- c. On 29 May 2017, UMW Petropipe (L) Ltd ("UPP"), a wholly-owned subsidiary of the Company, had entered into an Equity Transfer Agreement ("ETA") with Sichuan Jinyang Antisepsis Engineering Co., Ltd ("Jinyang"), Elite International Investment (HK) Ltd ("Elite") and Sichuan Gangrong Energy Co., Ltd ("SGEC"), for the proposed disposal by UPP of its entire 75.59% equity interest in Sichuan Haihua Petroleum Steelpipe Co., Ltd ("SCHH"), to SGEC, Jinyang and Elite ("Proposed Disposal"), for a total consideration of RMB9.00, in the following tranches:

Transferor	Transferee/(s)	Equity interest to be transferred (%)
<b>1<sup>st</sup> Tranche</b> UPP	SGEC	35.59
<b>2<sup>nd</sup> Tranche</b> UPP	SGEC Jinyang Elite	32.40 5.06 2.54
<b>Total</b>		<b>75.59</b>

The Proposed Disposal is undertaken in line with the Company's strategic plan to exit from its investments in the oil and gas sector.

Subject to the fulfilment of the conditions precedent in the ETA, registration of transfers of equity interests will be made with relevant authorities in the People's Republic of China accordingly. Upon completion of the registration for the first tranche transfer of UPP's 35.59% equity interest, SCHH will cease to be a subsidiary in the UMW Group, and upon completion of the registration for the second tranche transfer of UPP's 40% equity interest, SCHH will cease to be a company in the UMW Group.

Accordingly, the assets and liabilities of SCHH have been reclassified as Held for Sale in the statement of financial position since second quarter of the year.

**NOTE 9 - Changes in Composition of the Group (Cont'd)**

- d. The winding up of the following subsidiaries within the Group have been completed on the dates stated below -

<b>Date</b>	<b>Company</b>
17 January 2017	Lada Motors Sendirian Berhad
1 February 2017	UMW Equipment Rental Services Sdn Bhd
1 March 2017	UMW Aero Industries Sdn Bhd
28 April 2017	UMW Vehicle Components Sdn Bhd
7 July 2017	Tracpart Centre Sdn Bhd

**NOTE 10 - Commitments for the Purchase of Property, Plant and Equipment**

These are in respect of capital commitments -

	<b>RM'000</b>	<b>RM'000</b>
Approved and contracted for:		
Land and buildings	62,222	
Equipment, plant and machinery	93,728	
Others	<u>14,647</u>	170,597
Approved but not contracted for:		
Land and buildings	790,382	
Equipment, plant and machinery	635,536	
Others	<u>23,498</u>	1,449,416
Total		<u><u>1,620,013</u></u>

**NOTE 11 - Significant Related Party Transactions**

In the opinion of the directors, there were no significant related party transactions ("RPTs") except for those in the recurrent RPT mandate duly approved by shareholders at the 35<sup>th</sup> Annual General Meeting held on 25 May 2017.

**NOTE 12 - Classification of Financial Assets**

There were no changes in the classification of financial assets as a result of a change in the purpose or use of the asset.

### NOTE 13 - Changes in Contingent Liabilities and Contingent Assets

Contingent liabilities of the Group had decreased to RM149.0 million as at 30 September 2017 from RM410.3 million as at 31 December 2016. Included in the amount is credit risk of RM134.4 million being corporate guarantees and financial indemnity granted by the Group as at 30 September 2017.

### NOTE 14 - Review of Performance

#### Current Quarter Ended 30 September 2017

	Revenue		Profit/(Loss) Before Taxation	
	Quarter ended 30/09/2017 RM'000	Quarter ended 30/09/2016 RM'000	Quarter ended 30/09/2017 RM'000	Quarter ended 30/09/2016 RM'000
<b>CONSOLIDATED TOTAL</b>	<b>2,671,008</b>	<b>2,856,787</b>	<b>19,932</b>	<b>(121,624)</b>
<b>Total From Continuing Operations</b>	<b>2,671,008</b>	<b>2,807,134</b>	<b>19,932</b>	<b>11,415</b>
<b>Business Segment:</b>				
Automotive	2,115,924	2,263,372	106,073	133,474
Equipment	369,334	342,849	39,251	33,551
Manufacturing & Engineering	155,818	144,574	(6,730)	2,458
Oil & Gas (Unlisted)	37,534	58,419	(35,592)	(36,137)
<b>Total From Discontinued Operations</b>	<b>-</b>	<b>49,653</b>	<b>-</b>	<b>(133,039)</b>
Oil & Gas (Listed)	-	49,653	-	(133,039)

#### Group

The Group registered a revenue from Continuing Operations of RM2,671.0 million for the current quarter ended 30 September 2017, a reduction of RM136.1 million or 4.8% over the RM2,807.1 million recorded in the same quarter of 2016. Revenue contribution by the Automotive segment had reduced as a result of the decrease in units sold whilst the Oil & Gas (Unlisted) segment was affected by the cessation of business of its Oman operations.

The Group posted a profit before taxation from Continuing Operations of RM19.9 million for the current quarter compared to RM11.4 million in the same quarter of 2016.

There was no contribution from Discontinuing Operations as UMW Oil and Gas Corporation Berhad ("UMW-OG") has been demerged at the end of previous quarter.

## **NOTE 14 - Review of Performance (Cont'd)**

### **Current Quarter Ended 30 September 2017 (Cont'd)**

#### **Automotive Segment**

The Automotive segment reported a revenue of RM2,115.9 million, a decline of RM147.4 million, due to lower demand for the current Toyota models in anticipation of new launches of the Innovative international Multipurpose Vehicle ("IMV") improvement models for Innova, Fortuner and Hilux in the second half of 2017. As a result of the lower sales contribution, profit before taxation decreased by RM27.4 million or 20.5% to RM106.1 million.

#### **Equipment Segment**

The Equipment segment reported a revenue of RM369.3 million in the third quarter of 2017, higher than the RM342.8 million registered in the same quarter of 2016. Malaysian operations recorded a 37% surge in revenue and 46% increase in profit before taxation for the quarter under review due to higher construction activities, resulting in better performance in the equipment sales and product support segment.

Profit before taxation for the third quarter ended 30 September 2017 increased to RM39.3 million, as compared to RM33.6 million in the same quarter of 2016, mainly attributed from improved revenue contributions.

#### **Manufacturing & Engineering Segment**

The Manufacturing & Engineering segment reported an improved revenue of RM155.8 million in the third quarter of 2017 compared with RM144.6 million in the same quarter of 2016. The auto components manufacturing business continued to contribute positively to the segment.

However, the segment registered a loss before taxation of RM6.7 million, compared to a profit before taxation of RM2.5 million in the same quarter of 2016 due to pre-operating expenses incurred for the aerospace business of RM17.9 million.

#### **Oil & Gas (Unlisted) Segment**

The segment registered a revenue of RM37.5 million in the quarter under review, a drop of RM20.9 million compared to the RM58.4 million recorded in the same quarter of 2016. Performance of the segment was primarily affected by the continued low demand for drilling activities coupled with the cessation of drilling operations in Oman.

Despite the lower revenue contribution, the segment posted a slightly lower loss before taxation of RM35.6 million, compared to the loss before taxation of RM36.1 million in the same quarter of 2016 due to the lower share of losses in associated companies in China.

#### **Oil & Gas (Listed) Segment**

Following completion of the demerger exercise, results from UMW-OG are no longer included as part of the Group's performance effective 1 July 2017. Hence, the contribution from UMW-OG was not reflected in the quarter ended 30 September 2017.

## NOTE 14 - Review of Performance (Cont'd)

### Nine Months Ended 30 September 2017

	Revenue		(Loss)/Profit Before Taxation	
	Nine Months Ended 30/09/2017 RM'000	Nine Months Ended 30/09/2016 RM'000	Nine Months Ended 30/09/2017 RM'000	Nine Months Ended 30/09/2016 RM'000
<b>CONSOLIDATED TOTAL</b>	<b>8,400,183</b>	<b>7,902,757</b>	<b>(155,175)</b>	<b>(55,743)</b>
<b>Total From Continuing Operations</b>	<b>8,185,997</b>	<b>7,635,415</b>	<b>128,029</b>	<b>209,715</b>
<b>Business Segment:</b>				
Automotive	6,567,123	5,996,492	292,112	349,497
Equipment	1,063,118	1,051,967	110,995	116,137
Manufacturing & Engineering	475,572	446,986	(13,232)	19,956
Oil & Gas (Unlisted)	105,475	154,226	(121,253)	(116,964)
<b>Total From Discontinued Operations</b>	<b>214,186</b>	<b>267,342</b>	<b>(283,204)</b>	<b>(265,458)</b>
Oil & Gas (Listed)	214,186	267,342	(156,290)	(265,458)
Loss On Demerger	-	-	(126,914)	-

*Note: The results attributable to the Discontinued Operations for nine months ended 30 September 2017 were from 1 Jan 2017 up to 30 June 2017.*

### Group

The Group posted a revenue from Continuing Operations of RM8,186.0 million for the nine months ended 30 September 2017. This was 7.2% higher than the RM7,635.4 million recorded in the corresponding period of 2016, mainly contributed by the Automotive segment which was supported by better sales in Innova, Fortuner and Sienta.

The Group recorded a profit before taxation from Continuing Operations of RM128.0 million, a decrease of 39.0%, compared to the RM209.7 million registered in the same period last year. The decrease in profit before taxation was mainly due to forex loss which has affected the Automotive segment and competitive business environment.

The Group posted a loss before taxation from Discontinued Operations of RM283.2 million for the nine months ended 30 September 2017, compared to the RM265.5 million in the corresponding period of 2016 which was mainly attributed to the loss from the demerger of UMW-OG of RM126.9 million.

### Automotive Segment

The segment's revenue for the nine months ended 30 September 2017 of RM6,567.1 million improved by RM570.6 million or 9.5% compared to the RM5,996.5 million recorded in the corresponding period of 2016, driven by better sales in Innova, Fortuner and Sienta coupled with sales promotion activities. Consequently, market share for Toyota and Lexus improved to 11.7% in the period under review compared to 10.9% in the same period of 2016.

Profit before taxation decreased by 16.4% to RM292.1 million in the period under review from RM349.5 million in the same period of 2016. The lower profit was largely due to the compressed profit margin as US dollar remained strong against ringgit.



## **NOTE 14 - Review of Performance (Cont'd)**

### **Nine Months Ended 30 September 2017 (Cont'd)**

#### **Equipment Segment**

The Equipment segment generated a revenue of RM1,063.1 million for the nine months ended 30 September 2017, marginally improved from the RM1,052.0 million recorded in the same period of 2016. Heavy equipment business registered an improved contribution principally due to the high demand for spare parts and services. However, contributions from industrial equipment remained subdued mainly due to lower contribution from Singapore Operations.

Profit before taxation for the Equipment segment reduced from RM116.1 million recorded in the nine months of 2016 to RM111.0 million in the current period mainly due to the reduced profit margin from industrial equipment businesses in Malaysia and Singapore.

#### **Manufacturing & Engineering Segment**

The Manufacturing & Engineering segment recorded a revenue of RM475.6 million for the nine months ended 30 September 2017, RM28.6 million or 6.4% higher than the RM447.0 million recorded in the same period of 2016. Core businesses contributed positively on the back of strong demand for shock absorbers coupled with the effective advertising and promotional campaigns to boost sales of lubricants.

The segment recorded a profit before taxation of RM29.1 million from their core businesses in Auto Components and Lubricants. The aerospace manufacturing operations which is still at the pre-operating stage, reported a loss before taxation of RM42.3 million, compared to RM13.5 million in the same period of 2016. Overall, the segment posted a loss before taxation of RM13.2 million as opposed to a profit before taxation of RM20.0 million recorded in the same corresponding period in 2016.

#### **Oil & Gas (Unlisted) Segment**

The Oil & Gas (Unlisted) segment registered a revenue of RM105.5 million in the nine months ended 30 September 2017, a decline of RM48.7 million compared to the RM154.2 million recorded in the same period of 2016. Performance of this segment was affected by weak demand for drilling activities and cessation of drilling business in Oman.

The segment reported a higher loss before taxation of RM121.3 million, compared to the loss before taxation of RM117.0 million in the same period of 2016, mainly due to the lower revenue contribution and redundancy expenses incurred on cessation of drilling operations in Oman.

#### **Oil & Gas (Listed)**

The segment posted a lower revenue of RM214.2 million, up to June 2017 following the completion of the demerger exercise. In comparison, nine months revenue of RM267.3 million was reported for the same period of 2016. Similarly, the lower loss before taxation of RM156.3 million was for the first half of 2017 as opposed to a nine months loss before taxation of RM265.5 million in the same period of 2016.

## NOTE 15 - Comparison with Preceding Quarter's Results

	Revenue		Profit/(Loss) Before Taxation	
	3rd Quarter Ended 30/09/2017 RM'000	2nd Quarter Ended 30/06/2017 RM'000	3rd Quarter Ended 30/09/2017 RM'000	2nd Quarter Ended 30/06/2017 RM'000
<b>CONSOLIDATED TOTAL</b>	<b>2,671,008</b>	<b>2,925,590</b>	<b>19,932</b>	<b>(189,495)</b>
<b>Total From Continuing Operations</b>	<b>2,671,008</b>	<b>2,785,682</b>	<b>19,932</b>	<b>(11,199)</b>
<b>Business Segment:</b>				
Automotive	2,115,924	2,260,343	106,073	98,968
Equipment	369,334	351,351	39,251	32,196
Manufacturing & Engineering	155,818	153,871	(6,730)	(9,600)
Oil & Gas (Unlisted)	37,534	31,684	(35,592)	(70,630)
<b>Total From Discontinued Operations</b>	<b>-</b>	<b>139,908</b>	<b>-</b>	<b>(178,296)</b>
Oil & Gas (Listed)	-	139,908	-	(51,382)
Loss On Demerger	-	-	-	(126,914)

The Group registered a revenue of RM2,671.0 million, a decrease of RM254.6 million from the RM2,925.6 million recorded in the previous quarter. Contributions from the Automotive segment reduced primarily due to lower units sold in anticipation of the launch of Toyota IMV for Innova, Fortuner and Hilux models in the second half of 2017. UMW-OG, which had been demerged from the Group in June 2017, no longer contributes to the current quarter.

The Group posted a profit before taxation from Continuing Operations of RM19.9 million compared to a loss before taxation of RM11.2 million, mainly attributed to the overall improved performance of all business segments.

## NOTE 16 - Current Prospects

### Automotive Segment

The Total Industry Volume for the fourth quarter is expected to improve due to boost from the Malaysia 2017 Autoshow to be organized by the Malaysia Automotive Institute in November 2017, year end promotions, and new model launches by carmaker. Nevertheless, strong competition among industry players will continue to impact the performance of the segment.

Hence, the outlook for the segment is expected to improve in the last quarter of 2017.

### Equipment Segment

The heavy equipment businesses are expected to be well supported by the growth in the construction and infrastructure segment whilst industrial equipment business continues to perform to expectation.

Consequently, performance of this segment is expected to be satisfactory in the final quarter of 2017.

## **NOTE 16 - Current Prospects (Cont'd)**

### **Manufacturing & Engineering Segment**

The outlook of the auto component manufacturing businesses is expected to be stable with continued positive contribution from the manufacturing of shock absorbers. This is to be supported by the high market share in the Original Equipment Manufacturer business and also Replacement Market for exports. Lubricants businesses from the domestic and overseas operations are also expected to contribute positively despite the challenging economic conditions.

The aerospace business is progressing on schedule and the financial performance is expected to be improved with the first delivery of fan case in the last quarter of the year.

### **Oil & Gas (Unlisted) Segment**

As announced earlier on the decision for the Group to exit from the Oil & Gas segment, management is actively implementing its action plans towards this direction. The Board had on 28 September 2017 established a Board Committee, known as the Value Group Execution Committee, to provide strategic guidance and/or direction to management and to make recommendation to the Board on proposed action plans/resolutions/strategies to achieve the intended objective of exiting the investments under the Oil & Gas (Unlisted) segment.

### **Group**

Following its completion of the demerger of UMW-OG, the Group is in the better position to focus on the growth of its remaining three core businesses, namely automotive, equipment, and manufacturing and engineering.

## **NOTE 17 - Variance from Profit Forecast and Profit Guarantee**

This is not applicable to the Group.

## NOTE 18 - Taxation

	<b>3rd Quarter Ended 30/09/2017 RM'000</b>	<b>Nine Months Ended 30/09/2017 RM'000</b>
Current period's provision	31,250	84,813
Over provision in prior periods	(1,487)	(1,787)
	29,763	83,026
Deferred taxation	(6)	(11)
Taxation	29,757	83,015
Zakat	-	6,919
Total taxation and zakat	29,757	89,934

The effective tax rates for the period ended 30 September 2017 were higher than the statutory tax rate of 24.0% primarily due to -

- certain expenses were not allowable for tax purposes; and
- some subsidiaries were in a loss position.

## NOTE 19 - Corporate Proposals

On 19 January 2017, the Company announced the proposed distribution of its entire shareholding in UMW-OG of 1,204,777,400 ordinary shares of RM0.50 each, representing 55.73% of the issued and paid-up share capital of UMW-OG to the entitled shareholders of the Company ("Proposed Distribution").

To facilitate the Proposed Distribution, the Company will undertake a bonus issue of 1,204,777,400 Redeemable Preference Shares ("RPS") of RM0.01 each to the Company's shareholders after receipt of all relevant approvals for the Proposed Distribution on the basis of approximately 1.03 RPS for each existing ordinary share of RM0.50 each in the Company ("Proposed Bonus Issue"), and proposed subsequent redemption of all the RPS at a premium which will be satisfied in the form of UMW-OG Shares ("Proposed Redemption") via the distribution of 1,204,777,400 UMW-OG Shares held by the Company ("Distribution Shares") to its entitled shareholders.

On 27 February 2017, the Company announced that in view of the enforcement of the new Companies Act 2016 on 31 January 2017, all amounts standing to the credit of the Company's share premium account will become part of the Company's share capital. The immediate impact is that the Company will no longer be able to carry out the mechanism under the Proposed Distribution as set out in the proposal. Hence, the Company will not be undertaking the Proposed Bonus Issue and Proposed Redemption to facilitate the Proposed Distribution as envisaged earlier. Instead, the Company will undertake the Proposed Distribution exercise via a reduction of its share capital by approximately RM704.8 million, being the cost of investment of the Company in the UMW-OG Shares.

On 3 March 2017, the Company proposed to further reduce its issued share capital by approximately RM89.7 million ("Proposed Capital Reduction").

## NOTE 19 - Corporate Proposals (Cont'd)

The above Proposed Distribution and Proposed Capital Reduction (collectively referred to as "Proposals") were subject to the following being obtained –

- Approval of the shareholders of the Company at an extraordinary general meeting ("EGM") to be convened;
- Confirmation from the High Court for the Proposals via an order; and
- Approvals/consents of any other relevant authorities and/or parties, if required.

The Proposed Capital Reduction is conditional upon the Proposed Distribution.

On 4 May 2017, the Company announced that its shareholders have approved all the resolutions in relation to the Proposals at the EGM held earlier.

On 14 June 2017, the Company announced that the High Court of Malaya had on 13 June 2017 granted an order confirming the special resolutions for the Proposed Distribution and the Proposed Capital Reduction. With the granting of the order, the Company ceased to exercise control over UMW-OG.

On 11 July 2017, the Company announced that the Proposals have been completed, following the lodgement of a sealed copy of the order from the High Court of Malaya confirming the special resolutions for the Proposals on 5 July 2017 and the crediting of the Distribution Shares into the accounts of the entitled shareholders of the Company on 11 July 2017.

Accordingly, the financial results of UMW-OG have been accounted for up to June 2017 and presented as Discontinued Operations. The comparative condensed consolidated statement of comprehensive income has been re-presented to show the discontinued operations separately from the continuing operations.

The results of UMW-OG are as follows –

	(Note 1)	
	<b>Nine Months Ended 30/09/2017 RM'000</b>	<b>Nine Months Ended 30/09/2016 RM'000</b>
Revenue	214,186	267,342
Operating Expenses	(305,628)	(494,884)
Other Operating Income	1,175	33,468
<b>Loss From Operations</b>	<b>(90,267)</b>	<b>(194,074)</b>
Finance Costs	(74,003)	(83,995)
Share Of Results Of Associates And Joint Ventures	197	261
Investment Income	7,783	12,350
Loss On Demerger <sup>(Note 2)</sup>	(126,914)	-
<b>Loss Before Taxation And Zakat</b>	<b>(283,204)</b>	<b>(265,458)</b>
Taxation And Zakat	(168)	(3,725)
<b>Loss For The Period From Discontinued Operations</b>	<b>(283,372)</b>	<b>(269,183)</b>
<b>Net Cash Flows:</b>		
Operating activities	(87,231)	(65,521)
Investing activities	8,831	49,006
Financing activities	(74,610)	(31,439)
	<b>(153,010)</b>	<b>(47,954)</b>

## NOTE 19 - Corporate Proposals (Cont'd)

**Note:**

1. The results of UMW-OG was accounted for up to June 2017.

2. The loss on Demerger of RM126.9 million was calculated as the difference between the fair value/market value of UMW-OG dated 13 June 2017 and share of net assets of UMW-OG, which was in conjunction with granting of the court order that the Company ceased to exercise control over UMW-OG.

Other than the above, there were no corporate proposals announced but not completed at the date of this announcement.

## NOTE 20 - Group Borrowings and Debt Securities

	RM'000	RM'000	'000
a. Short term borrowings			
- Unsecured			
Short term loans and trade facilities		525,442	( USD90,040
- Secured			
Short term loans and trade facilities	228,401		( USD45,410 ( AUD10,658 ( INR22,806
Portion of long term loans payable within 12 months	57,508		( USD6,503 ( OMR2,741
		285,909	
		811,351	( USD141,953 ( AUD10,658 ( INR22,806 ( OMR2,741
b. Long term borrowings			
- Unsecured			
Long term loans		1,856,590	( USD81,450
- Secured			
Long term loans	245,150		( USD40,279 ( OMR6,852
Portion of long term loans payable within 12 months	(57,508)		( (USD6,503) ( (OMR2,741)
		187,642	
		2,044,232	( USD115,226 ( OMR4,111

## NOTE 21 - Material Litigation

There was no material litigation pending as at the date of this announcement.

**NOTE 22 - Dividend**

No interim dividend has been recommended for the quarter ended 30 September 2017 (2016 – Nil).

**NOTE 23 - Earnings Per Share**

Basic earnings per share for the current quarter and financial period ended 30 September 2017 is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue as at 30 September 2017.

	<b>Quarter Ended 30/09/2017</b>	<b>Nine Months Ended 30/09/2017</b>
Net loss attributable to shareholders (RM'000)		
- Continuing operations	(29,367)	(5,160)
- Discontinued operations	-	(213,345)
	(29,367)	(218,505)
Weighted average number of ordinary shares	1,168,293,932	1,168,293,932
Basic/Diluted earnings per share (sen)		
- Continuing operations	(2.51)	(0.44)
- Discontinued operations	-	(18.26)
	(2.51)	(18.70)

**NOTE 24 - Realised and Unrealised Profits/(Losses)**

The breakdown of retained profits of the Group as at 30 September 2017, pursuant to the format prescribed by Bursa Securities, is as follows -

	<b>As at 30/09/2017 RM'000</b>	<b>As at 31/12/2016 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	869,987	2,362,206
- Unrealised	(214,988)	(165,850)
	654,999	2,196,356
Total share of retained profits/(accumulated losses) from associated companies:		
- Realised	1,306,415	1,402,112
- Unrealised	46,614	(16,217)
Total share of retained profits/(accumulated losses) from jointly-controlled entities:		
- Realised	(285,147)	(279,516)
- Unrealised	(309)	(3,289)
	1,722,572	3,299,446
Less: Consolidation adjustments	1,081,024	(400,801)
Total Group retained profits as per consolidated accounts	2,803,596	2,898,645

**NOTE 25 - Audit Qualification**

The audit report in respect of the annual financial statements for the financial year ended 31 December 2016 was not qualified.



**NOTE 26 - Items to Disclose in the Statement of Comprehensive Income**

	<b>3rd Quarter Ended 30/09/2017 RM'000</b>	<b>Nine Months Ended 30/09/2017 RM'000</b>
a. Interest income	11,457	46,682
b. Other investment income	9,898	21,782
c. Depreciation and amortisation	(48,151)	(271,663)
d. Provision for impairment losses of receivables	(56,299)	(60,707)
e. Reversal/(Provision) for write down of inventories	1,453	(6,730)
f. Loss on disposal of quoted or unquoted investment	-	(1)
g. Gain on disposal of property, plant and equipment	7,433	17,214
h. Provision for impairment on property, plant and equipment	(617)	(1,166)
i. Foreign exchange gain/(losses) (net)	2,249	(77,082)
j. Gain on derivatives (net)	2,760	96,821
k. Property, plant and equipment written off	19	(167)
l. Loss on demerger of a subsidiary	-	(126,914)

**By Order Of The Board****FADZILAH BINTI SAMION**  
**Secretary**  
**(MACS 01262)**Shah Alam  
28 November 2017