



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE FINANCIAL PERIOD
ENDED 31 DECEMBER 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
1. Revenue	41,552	33,540	118,084	96,302
2. Profit before tax	16,840	13,596	43,082	29,766
3. Profit for the financial period	13,003	12,520	32,655	25,041
4. Profit attributable to ordinary equity holders of the Parent ¹	13,003	3,131	32,655	15,652
5. Basic earnings per ordinary share (sen)	1.01	0.27	2.55	1.36
6. Proposed/Declared dividend per share (sen)	-	-	10.50	-
		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the Parent (RM)		0.35		0.44

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
8. Gross interest income	590	465	1,456	3,108
9. Gross interest expense	5	7	14	21

¹ The profit attributable to ordinary equity holders of the Parent for the financial period ended 31 December 2014 was after taking into consideration the preference share dividend paid as disclosed in Note 8 attached to the interim financial report.



CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED	3 MONTHS ENDED	9 MONTHS ENDED	9 MONTHS ENDED
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Revenue	41,552	33,540	118,084	96,302
Other income	4,098	2,843	9,153	9,189
Interest expense applicable to revenue	(13,335)	(7,094)	(34,867)	(22,251)
Staff costs and directors' remuneration	(3,765)	(3,639)	(12,277)	(12,659)
Depreciation of plant and equipment and investment properties	(970)	(711)	(2,934)	(2,026)
Other expenses	(10,735)	(11,336)	(34,063)	(38,768)
Finance costs	(5)	(7)	(14)	(21)
Profit before tax	16,840	13,596	43,082	29,766
Taxation	(3,837)	(1,076)	(10,427)	(4,725)
Total comprehensive income for the financial period	13,003	12,520	32,655	25,041
Attributable to:				
Owners of the Parent	13,003	12,520	32,655	25,041
Earnings per ordinary share:				
Basic/Diluted (sen)	1.01	0.27	2.55	1.36

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF FINANCIAL POSITION

	AS AT 31.12.2015 RM'000	AS AT 31.03.2015 RM'000
ASSETS		
Non-Current Assets		
Plant and equipment	9,172	10,929
Investment properties	-	2,482
Goodwill on consolidation	47,666	47,666
Loans and receivables	1,086,173	920,162
Deferred tax assets	20,245	17,660
Total Non-Current Assets	1,163,256	998,899
Current Assets		
Loans and receivables	126,947	149,755
Trade receivables	10,251	17,885
Other receivables, deposits and prepaid expenses	22,134	16,817
Asset held for sale	1,022	-
Deposits with licensed financial institutions	153,397	40,576
Cash and bank balances	13,183	11,012
Total Current Assets	326,934	236,045
TOTAL ASSETS	1,490,190	1,234,944
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	136,381	133,400
Treasury shares	(20,157)	(16,784)
Reserves	333,406	449,598
Total Equity	449,630	566,214
Non-Current Liabilities		
Hire-purchase payables	282	177
Borrowings	532,949	336,145
Deferred tax liabilities	1,399	1,910
Total Non-Current Liabilities	534,630	338,232
Current Liabilities		
Payables and accrued expenses	36,578	27,523
Hire-purchase payables	135	125
Borrowings	458,078	295,550
Tax liabilities	11,139	7,300
Total Current Liabilities	505,930	330,498
Total Liabilities	1,040,560	668,730
TOTAL EQUITY AND LIABILITIES	1,490,190	1,234,944
NET ASSETS PER SHARE (RM)	0.35	0.44

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share Capital		Total Share Capital RM'000	Treasury Shares RM'000	Reserves				Total Reserves RM'000	Total RM'000
	Ordinary Shares RM'000	RCPS RM'000			Share Premium RM'000	Capital Redemption Reserve RM'000	Share Options RM'000	Retained Earnings RM'000		
As at 1 April 2014	117,359	46,944	164,303	(4,580)	149,570	-	4,784	371,173	525,527	685,250
Total comprehensive income	-	-	-	-	-	-	-	25,041	25,041	25,041
Transactions with owners										
Dividends	-	-	-	-	-	-	-	(26,444)	(26,444)	(26,444)
Share options granted under Employees' Share Option Scheme ("ESOS")	-	-	-	-	-	-	839	-	839	839
Cancellation of share options	-	-	-	-	-	-	(171)	171	-	-
Shares repurchased	-	-	-	(10,530)	-	-	-	-	-	(10,530)
Issuance of shares pursuant to conversion of RCPS	16,000	(16,000)	-	-	-	-	-	-	-	-
Total transactions with owners	16,000	(16,000)	-	(10,530)	-	-	668	(26,273)	(25,605)	(36,135)
As at 31 December 2014	133,359	30,944	164,303	(15,110)	149,570	-	5,452	369,941	524,963	674,156
As at 1 April 2015	133,400	-	133,400	(16,784)	63,041	30,903	5,385	350,269	449,598	566,214
Total comprehensive income	-	-	-	-	-	-	-	32,655	32,655	32,655
Transactions with owners										
Dividends	-	-	-	-	-	-	-	(153,918)	(153,918)	(153,918)
Issuance of shares pursuant to ESOS exercised	2,981	-	2,981	-	5,071	-	(3,186)	3,186	5,071	8,052
Cancellation of share options	-	-	-	-	-	-	(2,199)	2,199	-	-
Shares repurchased	-	-	-	(3,373)	-	-	-	-	-	(3,373)
Total transactions with owners	2,981	-	2,981	(3,373)	5,071	-	(5,385)	(148,533)	(148,847)	(149,239)
As at 31 December 2015	136,381	-	136,381	(20,157)	68,112	30,903	-	234,391	333,406	449,630

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial report.



CONDENSED STATEMENT OF CASH FLOWS

	CUMULATIVE QUARTER 31.12.2015 RM'000	CUMULATIVE QUARTER 31.12.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	43,082	29,766
Adjustments for:		
Allowance for impairment loss on receivables, net	21,676	20,690
Depreciation of plant and equipment and investment properties	2,934	2,026
Amortisation of discount on Fixed Rate Medium Term Notes ("MTNs")	230	365
Finance costs	14	21
Loss on early redemption of Asset-Backed Securities ("ABS")	-	7,285
Share options granted under ESOS	-	839
Plant and equipment written off	-	3
Net gain on disposal of:		
- investment property	(1,880)	-
- plant and equipment	(1)	(2)
Interest income	(1,456)	(3,108)
Operating profit before working capital changes	<u>64,599</u>	<u>57,885</u>
(Increase)/Decrease in working capital:		
Loans and receivables	(162,268)	(126,164)
Trade receivables	5,023	(5,054)
Other receivables, deposits and prepaid expenses	(9,426)	(4,217)
Increase in working capital:		
Payables and accrued expenses	9,641	5,874
Cash used in operations	<u>(92,431)</u>	<u>(71,676)</u>
Taxes paid	(10,353)	(13,109)
Taxes refunded	191	-
Net cash used in operating activities	<u>(102,593)</u>	<u>(84,785)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal of investment property	3,297	-
Interest income	1,456	3,108
Proceeds from disposal of plant and equipment	1	90
Additions to plant and equipment	(954)	(3,511)
Acquisition of subsidiary companies, net	-	(16,590)
Net cash generated from/(used in) investing activities	<u>3,800</u>	<u>(16,903)</u>



CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	CUMULATIVE QUARTER 31.12.2015 RM'000	CUMULATIVE QUARTER 31.12.2014 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	402,000	75,620
Drawdown of revolving credits	372,762	245,690
Drawdown of other borrowings	16,221	29,017
Proceeds from issuance of shares	8,052	-
Repayment of revolving credits	(238,275)	(234,342)
Dividends paid	(153,918)	(26,444)
Repayment of term loans	(150,110)	(10,097)
Redemption of MTNs	(20,000)	(30,000)
Repayment of other borrowings	(19,435)	(28,534)
(Placements)/Withdrawal of deposits and cash and bank balances, net:		
- pledged to licensed financial institutions	(12,833)	1,510
- assigned in favour of the trustees	(4,012)	245,116
Shares repurchased	(3,373)	(10,530)
Repayment of hire-purchase payables	(125)	(245)
Finance costs paid	(14)	(21)
Redemption of ABS	-	(142,285)
Net cash generated from financing activities	<u>196,940</u>	<u>114,455</u>
Net change in cash and cash equivalents	98,147	12,767
Cash and cash equivalents at beginning of financial period	23,147	17,749
Cash and cash equivalents at end of financial period	<u>121,294</u>	<u>30,516</u>

CASH AND CASH EQUIVALENTS AS AT END OF FINANCIAL PERIOD COMPRISE THE FOLLOWING:

Deposits with licensed financial institutions	153,397	55,537
Cash and bank balances	13,183	1,685
	<u>166,580</u>	<u>57,222</u>
Less: Deposits and cash and bank balances		
- assigned in favour of the trustees	(21,455)	(19,144)
- pledged to licensed financial institutions	(23,831)	(7,562)
	<u>121,294</u>	<u>30,516</u>

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to the interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT

1 BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 (Interim Financial Reporting) issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB"). The interim financial report also complies with IAS 34 (Interim Financial Reporting) issued by the International Accounting Standards Board ("IASB"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2015.

2 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2015, except for the adoption of the following standards, amendments to published standards and interpretation to existing standards which are effective for the financial period commencing 1 April 2015:

Amendments to:

MFRS 119 Employee Benefits - Defined Benefit Plans: Employee Contributions

Amendments to MFRSs classified as "Annual Improvements to MFRSs 2010 - 2012 Cycle"

Amendments to MFRSs classified as "Annual Improvements to MFRSs 2011 - 2013 Cycle"

The adoption of the above does not give rise to any material financial effects to the Group.

3 AUDITORS' REPORT ON PRECEDING ANNUAL AUDITED FINANCIAL STATEMENTS

The auditors' report on the preceding annual audited financial statements was not subject to any qualification.



NOTES TO THE INTERIM FINANCIAL REPORT

4 SEASONAL OR CYCLICAL FACTORS

The Group's operations were not significantly affected by any seasonal or cyclical factors.

5 UNUSUAL ITEMS

There were no unusual items for the current quarter and financial period except for the special interim single-tier dividend as disclosed in Note 8.

6 CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect for the current quarter and financial period.

7 DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities for the financial period except for the following:

- (a) Redemption of the MTNs by RCE Advance Sdn Bhd, a subsidiary of the Company, as follows:

	CURRENT QUARTER RM'000	CUMULATIVE QUARTER RM'000
Redemption of MTNs upon maturity	15,000	20,000



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7 DEBT AND EQUITY SECURITIES (CONT'D)

(b) During the financial period ended 31 December 2015, the Company repurchased 9,810,000 of its issued ordinary shares of RM0.10 each from the open market. The total consideration paid (including transaction costs) of RM3,373,180 was financed by internally generated funds and the shares repurchased were held as treasury shares. The Company has the right to cancel, resell and/or distribute the treasury shares as dividends at a later date. None of the treasury shares repurchased have been sold or cancelled during the financial period.

(c) Issuance of shares pursuant to ESOS exercised

During the financial period ended 31 December 2015, the issued and paid-up share capital of the Company was increased from RM133,400,099 to RM136,380,994 by way of the issuance of 29,808,950 ordinary shares of RM0.10 each pursuant to share options exercised.



NOTES TO THE INTERIM FINANCIAL REPORT

8 DIVIDENDS

	31.12.2015	31.12.2014
	RM'000	RM'000
Recognised during the financial period:		
- Preference share dividend: 20.0% (2.00 sen) on 469,436,998 RCPS, paid on 4 December 2014 to RCPS holders whose names appear in the record of depositors on 27 November 2014	-	9,389
- Final dividend for 2014: 15.0% (1.50 sen) under single-tier system on 1,137,025,595 ordinary shares, paid on 1 October 2014 to shareholders whose names appeared in the record of depositors on 18 September 2014	-	17,055
- Final dividend for 2015: 15.0% (1.50 sen) under single-tier system on 1,282,651,295 ordinary shares, paid on 8 October 2015 to shareholders whose names appeared in the record of depositors on 25 September 2015	19,240	-
- Special interim dividend for 2016: 105.0% (10.5 sen) under single-tier system on 1,282,651,295 ordinary shares, paid on 8 October 2015 to shareholders whose names appeared in the record of depositors on 25 September 2015	134,678	-
	<u>153,918</u>	<u>26,444</u>

No ordinary share dividend has been recommended by the directors for the current quarter ended 31 December 2015.



NOTES TO THE INTERIM FINANCIAL REPORT

9 SEGMENT INFORMATION

Segmental revenue and results for the financial period were as follows:

	Loan Financing RM'000	Investment Holding & Mgmt Services RM'000	Factoring, Confirming & Industrial Hire Purchase RM'000	Group RM'000
Segment Revenue				
Total revenue	115,641	15,767	1,977	133,385
Inter-segment revenue	-	(15,301)	-	(15,301)
External revenue	<u>115,641</u>	<u>466</u>	<u>1,977</u>	<u>118,084</u>
Segment Results				
Segment results	44,303	860	(2,067)	43,096
Finance costs	(14)	-	-	(14)
Profit/(Loss) before tax	<u>44,289</u>	<u>860</u>	<u>(2,067)</u>	<u>43,082</u>
Taxation	(9,486)	(872)	(69)	(10,427)
Profit/(Loss) for the financial period	<u>34,803</u>	<u>(12)</u>	<u>(2,136)</u>	<u>32,655</u>
Interest income including investment income	114,992	183	1,539	116,714
Interest expense applicable to revenue	(34,249)	(173)	(445)	(34,867)



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10 PROFIT BEFORE TAX

	INDIVIDUAL QUARTER 31.12.2015 RM'000	CUMULATIVE QUARTER 31.12.2015 RM'000
Interest income including investment income	41,182	116,714
Allowance for impairment loss on receivables, net	7,193	21,676
Net gain on disposal of investment property	1,880	1,880
Amortisation of discount on MTNs	69	230
Gain on foreign exchange, net:		
- Realised	3	6
- Unrealised	-	-

There were no exceptional items, inventories written down and written off, allowance for impairment loss on investment properties and gain or loss on disposal of quoted or unquoted investments for the current quarter and financial period.

11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

As at the date of this announcement, there were no material events subsequent to the end of the interim period that affect the results of the Group.

12 CHANGES IN THE COMPOSITION OF THE GROUP

On 25 June 2015, the Company announced the incorporation of a wholly-owned subsidiary, RCE Dynamics Sdn Bhd ("RCE Dynamics"), a company incorporated in Malaysia with an authorised share capital of RM400,000 divided into 400,000 ordinary shares of RM1 each and issued and paid-up share capital of RM2 comprising 2 ordinary shares of RM1 each. The incorporation has no material financial effect to the Group.



NOTES TO THE INTERIM FINANCIAL REPORT

13 REVIEW OF PERFORMANCE

For the third quarter ended 31 December 2015, the Group registered higher revenue of RM41.6 million as compared to RM33.5 million in the corresponding quarter. This was mainly contributed by RM7.9 million increase in interest income from the loan financing segment due to higher loan base and introduction of improved margin products.

Pre-tax profit of the Group rose by RM3.2 million to RM16.8 million as compared to RM13.6 million in the corresponding quarter, mainly due to RM1.9 million net gain on disposal of an investment property and higher net interest income by RM1.5 million.

For the nine months financial period ended 31 December 2015, the Group's pre-tax profit was RM43.1 million, representing RM13.3 million or 44.7% higher than the corresponding period of RM29.8 million. The increase was primarily attributed to higher net interest income by RM8.3 million coupled with lower other expenses by RM4.7 million.

Arising thereof, the Group registered a high post-tax profit of RM32.7 million, representing 30.4% higher than corresponding period of RM25.0 million.

The performance of the respective operating business segments for the nine months financial period ended 31 December 2015 as compared to the corresponding period was as follows:

Loan financing segment

Pre-tax profit for this segment was RM44.3 million, an increase of RM8.6 million or 23.9% as compared to RM35.7 million in the corresponding period. This was mainly due to higher net interest income by RM8.5 million.

Investment holding and management services segment

This segment registered a pre-tax profit of RM0.9 million as compared to a pre-tax loss of RM2.1 million in the corresponding period. The improvement was mainly arising from RM1.9 million net gain on disposal of an investment property and lower other expenses by RM0.6 million.



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13 REVIEW OF PERFORMANCE (CONT'D)

Factoring, confirming and industrial hire purchase segment

This segment recorded a lower pre-tax loss of RM2.1 million as compared to RM3.9 million in the corresponding period mainly attributed to lower allowance for impairment loss on receivables and other expenses by RM1.0 million and RM0.3 million respectively.

14 MATERIAL CHANGE IN RESULTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

The Group recorded a pre-tax profit of RM16.8 million for the current quarter ended 31 December 2015, which was RM2.9 million higher than the preceding quarter of RM13.9 million. This was mainly due to higher interest income by RM2.5 million.

15 CURRENT YEAR PROSPECTS

Notwithstanding the good performance for the first three quarters, the Group remains focused on strengthening its asset quality, improving turnaround time for loan disbursements and controlling costs.

In addition, our initiatives to secure access to the Central Credit Reference Information System (“CCRIS”) are making good progress and the system is expected to go live before end of the financial year.

Meanwhile, for factoring, confirming and industrial hire-purchase segment, the Group remains conservative on its performance in view of uncertainty in the economic outlook.

In the absence of any unexpected events, the Group’s financial performance for the financial year ending 31 March 2016 will be an improvement over the previous year's results.



NOTES TO THE INTERIM FINANCIAL REPORT

16 PROFIT FORECAST

There were no profit forecast prepared or profit guarantee made by the Group.

17 TAXATION

	INDIVIDUAL QUARTER 31.12.2015 RM'000	CUMULATIVE QUARTER 31.12.2015 RM'000
Taxation:		
Current period	5,220	13,705
Overprovision in prior year	(182)	(182)
	<hr/> 5,038 <hr/>	<hr/> 13,523 <hr/>
Deferred taxation:		
Current period	(1,070)	(2,965)
Overprovision in prior year	(131)	(131)
	<hr/> (1,201) <hr/>	<hr/> (3,096) <hr/>
	<hr/> 3,837 <hr/>	<hr/> 10,427 <hr/>

The effective tax rate of the Group in the current quarter and financial period is higher than the statutory tax rate due to non-deductibility of certain expenses for taxation purposes.



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18 STATUS OF CORPORATE PROPOSALS

There was no corporate proposal announced but not completed as at the date of this report except for the following:

On 5 November 2015, the Company announced its proposals to undertake:

- i) a capital repayment to the Company's shareholders of up to approximately RM98.3 million or RM0.075 for each ordinary share of RM0.10 each in the Company by way of a proposed share capital reduction; and
- ii) share consolidation involving the consolidation of every four (4) ordinary shares of RM0.025 each into one (1) ordinary share of RM0.10 each after the proposed share capital reduction ("Proposed Share Consolidation")

(collectively referred to as the "Proposals").

BMSB has via its letter dated 7 December 2015 approved the Proposed Share Consolidation subject to condition as stated in the announcement dated 8 December 2015.

The Proposals were approved by the shareholders of the Company at the Extraordinary General Meeting held on 14 January 2016.

The Company had on 15 January 2016 filed a petition to the High Court of Malaya to obtain a court order to confirm the proposed share capital reduction pursuant to Section 64 of the Companies Act, 1965.

Barring any unforeseen circumstances, the Company expects to complete the Proposals by the fourth quarter of the financial year ending 31 March 2016.



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19 GROUP BORROWINGS AND DEBT SECURITIES

Total borrowings and debt securities (all denominated in Ringgit Malaysia) of the Group as at 31 December 2015 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
At amortised cost			
Secured:			
- Term loans	65,853	528,002	593,855
- Revolving credits	343,632	-	343,632
- Fixed rate medium term notes	40,934	4,947	45,881
- Bank overdrafts	5,460	-	5,460
	<u>455,879</u>	<u>532,949</u>	<u>988,828</u>
Unsecured:			
- Bankers' acceptances	2,199	-	2,199
	<u>458,078</u>	<u>532,949</u>	<u>991,027</u>

20 CAPITAL COMMITMENTS

31.12.2015
RM'000

Capital expenditure in respect of plant
and equipment not provided for:

Approved and contracted for 425

Other than as disclosed in this report, there were no other material capital commitments as at the date of this report.



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21 CHANGES IN CONTINGENT LIABILITIES AND ASSETS

There were no changes in contingent liabilities and assets since the last financial year ended 31 March 2015.

22 DERIVATIVES AND FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

- (a) There were no derivatives as at 31 December 2015.
- (b) There were no fair value gain/(loss) on fair value changes of financial liabilities as all financial liabilities were measured at amortised cost.

23 CHANGES IN MATERIAL LITIGATION

There were no pending material litigation for the Group as at the date of this report.



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24 EARNINGS PER SHARE ("EPS")

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31.12.2015	31.12.2014	31.12.2015	31.12.2014
(a) Basic EPS:					
Profit for the period attributable to owners of the Parent	(RM'000)	13,003	12,520	32,655	25,041
Preference share dividends on RCPS	(RM'000)	-	(9,389)	-	(9,389)
Profit for the period attributable to ordinary equity holders of the Parent	(RM'000)	13,003	3,131	32,655	15,652
Weighted average number of ordinary shares in issue	(unit'000)	1,287,268	1,167,056	1,279,021	1,149,700
Basic EPS	(sen)	1.01	0.27	2.55	1.36

Basic EPS for the current quarter and financial period are calculated by dividing the net profit attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares in issue during the period.

The computation of the weighted average number of ordinary shares in issue is net of treasury shares.



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24 EPS (CONT'D)**(b) Diluted EPS:**

The Group has no dilution in its EPS in the current quarter and the corresponding quarter.

There was no outstanding dilutive potential ordinary shares as at 31 December 2015.

The ESOS options are anti-dilutive for the corresponding quarter and financial period ended 31 December 2014 as the options' exercise price exceeds the average market price of the Company ordinary shares during the period. Accordingly, the options are assumed not to be exercised in the calculation of diluted EPS.

The incremental shares from assumed conversions of the RCPS are not included in the calculation of diluted EPS in the corresponding quarter and financial period as they are anti-dilutive.

25 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of financial assets and liabilities of the Group for the financial period approximate their fair values except for the following:

	31.12.2015	
	Carrying amount RM'000	Fair value RM'000
Financial assets		
Loans and receivables	<u>1,213,120</u>	<u>1,219,714</u>
Financial liabilities		
Borrowings - MTNs	<u>45,881</u>	<u>46,545</u>



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NOTES TO THE INTERIM FINANCIAL REPORT

26 DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained earnings of the Group as at 31 December 2015 pursuant to BMSB's directive dated 20 December 2010, is as follows:

	INDIVIDUAL QUARTER	
	31.12.2015	31.03.2015
	RM'000	RM'000
Total retained earnings of the Group:		
- Realised	215,545	334,519
- Unrealised	18,846	15,750
	<u>234,391</u>	<u>350,269</u>

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
3 February 2016