



JCY INTERNATIONAL BERHAD

(713422 X)

(Incorporated in Malaysia)

Interim Financial Statements

30 Sep 2016



JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME For the Financial Year Ended 30 September 2016 (Unaudited)

	Individual Quarter 3 Months Ended		Financial Year Ended	
	30 Sep 2016 Unaudited RM'000	30 Sep 2015 Unaudited RM'000	30 Sep 2016 Unaudited RM'000	30 Sep 2015 Audited RM'000
Revenue	411,204	465,893	1,740,493	1,942,312
Cost of sales	(415,603)	(408,830)	(1,679,643)	(1,747,389)
Gross profit	(4,399)	57,063	60,850	194,923
Other operating income	2,458	1,898	8,428	6,428
Foreign exchange gain	12,227	30,705	1,975	56,316
General and administrative expenses	(29,318)	(11,368)	(72,856)	(40,886)
Derivative loss	(2,546)	(7,982)	(3,959)	(7,982)
(Loss) / profit from operations	(21,578)	70,316	(5,562)	208,799
Finance costs	(285)	(278)	(1,362)	(1,571)
(Loss) / profit before taxation	(21,863)	70,038	(6,924)	207,228
Income tax expense	7,274	5,569	(1,298)	2,272
Net (loss) / profit for the period	(14,589)	75,607	(8,222)	209,500
Other comprehensive income / (loss):				
- Foreign currency translation	19,975	5,005	(25,854)	56,051
Total comprehensive income / (loss) for the period	5,386	80,612	(34,076)	265,551
Net (loss) / profit attributable to:				
- Equity holders of the Company	(14,589)	75,607	(8,222)	209,500
Basic (loss) / earnings per share (Sen)	(0.71)	3.70	(0.40)	10.28
Diluted (loss) / earnings per share (Sen)	(0.71)	3.66	(0.40)	10.14
Total comprehensive (loss) / income attributeable to:				
- Equity holders of the Company	5,386	80,612	(34,076)	265,551
Basic total comprehensive income / (loss) per share for the period (sen)	0.26	3.94	(1.66)	13.03
Diluted total comprehensive income / (loss) per share for the period (sen)	0.26	3.90	(1.65)	12.85

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 September 2016 (Unaudited)

	As At 30 Sep 2016 Unaudited RM'000	As At 30 Sep 2015 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	556,298	649,338
Land use rights	28,280	20,608
Other non-current assets	1,156	-
Deferred tax assets	3,899	10,673
Restricted bank deposits	1,541	1,419
	<u>591,174</u>	<u>682,038</u>
Current assets		
Inventories	262,162	366,238
Trade and other receivables	315,189	366,154
Other current assets	8,461	15,119
Tax recoverable	94	207
Investment with Financial Institution (Islamic Cash Fund)	40,782	-
Cash and bank balances	241,132	383,488
	<u>867,820</u>	<u>1,131,206</u>
TOTAL ASSETS	<u><u>1,458,994</u></u>	<u><u>1,813,244</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	519,030	515,669
Reserves	616,752	785,036
Total equity	<u>1,135,782</u>	<u>1,300,705</u>
Non-current liabilities		
Deferred tax liabilities	34,015	39,969
Long term employees benefits	7,746	2,695
	<u>41,761</u>	<u>42,664</u>
Current liabilities		
Trade and other payables	201,131	297,742
Short term borrowings	50,609	138,567
Dividends payable	25,752	25,584
Derivative liabilities	3,959	7,982
	<u>281,451</u>	<u>469,875</u>
Total liabilities	<u>323,212</u>	<u>512,539</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,458,994</u></u>	<u><u>1,813,244</u></u>

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 September 2016 (Unaudited)

	Non-distributable					Distributable		Total RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	Share premium RM'000	ESOS reserves RM'000	Treasury shares RM'000	Retained earnings RM'000	Retained earnings RM'000	
At 01 October 2015	515,669	87,403	9,686	3,719	(15,584)	699,812	1,300,705	
Total comprehensive loss for the period	-	(25,854)	-	-	-	(8,222)	(34,076)	
Transactions with owners:-								
Dividend	-	-	-	-	-	(139,048)	(139,048)	
Grant of ESOS	-	-	-	-	-	-	-	
Exercise of ESOS	3,361	-	7,426	(2,586)	-	-	8,201	
At 30 September 2016	519,030	61,549	17,112	1,133	(15,584)	552,542	1,135,782	
At 01 October 2014	511,982	31,352	1,652	5,513	(15,584)	587,215	1,122,130	
Total comprehensive income for the period	-	56,051	-	-	-	209,500	265,551	
Transactions with owners:-								
Dividend	-	-	-	-	-	(96,903)	(96,903)	
Grant of ESOS	-	-	-	931	-	-	931	
Exercise of ESOS	3,687	-	8,034	(2,725)	-	-	8,996	
At 30 September 2015	515,669	87,403	9,686	3,719	(15,584)	699,812	1,300,705	

This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2016 (Unaudited)

	Year Ended	
	30 Sep 2016	30 Sep 2015
CASH FLOWS FROM	Unaudited	Audited
OPERATING ACTIVITIES	RM'000	RM'000
(Loss) / profit before taxation	(6,924)	207,228
Adjustments for :		
Depreciation	96,491	94,704
Amortisation of prepaid land lease	487	434
Gain on disposal of property, plant and equipment / land use right	(1,869)	(33)
Inventory written down to NRV and obsolete inventory written-off	851	227
Unrealised loss / (gain) on foreign exchange	21,558	(37,698)
Derivative loss	3,959	7,982
Provision for and write off of receivables	2,815	-
Property, plant and equipment written off	22,371	766
Impairment loss on property, plant and equipment	11,213	-
ESOS Benefit	-	931
Interest income	(4,815)	(4,369)
Investment income	(782)	-
Interest expense	1,362	1,249
Operating cash flow before working capital changes	146,717	271,421
Inventories	103,225	(64,975)
Receivables	7,573	16,640
Other Current Assets	6,658	(2,646)
Derivatives	(7,982)	(7,982)
Payables	(76,764)	1,645
Cash generated from operations	179,427	214,103
Interest paid	(1,362)	(1,249)
Tax paid - net	(365)	(578)
Net cash generated from operating activities	177,700	212,276

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JCY International Berhad

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS For the Financial Year Ended 30 September 2016 (Unaudited)

	Year Ended	
	30 Sep 2016	30 Sep 2015
(Continued)		
CASH FLOWS FROM	Unaudited	Audited
 INVESTING ACTIVITIES	RM'000	RM'000
Purchase of property, plant and equipment	(66,611)	(65,519)
Prepayment for non-current assets	(1,156)	-
Acquisition of land use right	(8,449)	-
Proceeds from disposal of property, plant and equipment / land use right	12,475	99
Additional investment with financial institution (Islamic cash fund)	(40,782)	-
Investment income	782	-
Interest received	4,815	4,369
Net cash used in investing activities	<u>(98,926)</u>	<u>(61,051)</u>
CASH FLOWS FROM		
 FINANCING ACTIVITIES		
Dividend paid	(138,880)	(91,639)
Proceed from issuance of shares pursuant to exercise of ESOS	8,201	8,996
Additional restricted bank deposits	(122)	(595)
(Repayment) / drawdown of short-term borrowings	<u>(82,494)</u>	<u>36,826</u>
Net cash used in financing activities	<u>(213,295)</u>	<u>(46,412)</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(134,521)	104,813
EFFECTS OF FOREIGN EXCHANGE RATE DIFFERENCES	(7,835)	17,889
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	383,488	260,786
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>241,132</u>	<u>383,488</u>

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This statement should be read in conjunction with the Company's audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to the interim financial statements.

JCY International Berhad

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

A1. BASIS OF PREPARATION

These interim financial statements are unaudited and have been prepared in compliance with MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Main Market LR").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 September 2015 and the accompanying explanatory notes attached to this interim financial statements. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of JCY International Berhad and its subsidiaries ("the Group") since the financial year ended 30 September 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2015.

A3. AUDITORS' REPORT IN PRECEDING FINANCIAL STATEMENTS

The auditors' report on the financial statements for the preceding year was not subject to any audit qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The Group does not experience significant fluctuations in operations due to seasonal factors, although demand for hard disk drive ("HDD") components tends to increase slightly during the last quarter of the financial year as a result of higher demand for HDDs.

A5. UNUSUAL ITEMS AFFECTING THE ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASHFLOW

The Company announced on 23 May 2016 that its Board had resolved to cease the operations of the Company's subsidiary in Foshan, China. In the financial year under review, the Group had written off a total sum of RM21,018,000 on its properties, plants and equipment in the said subsidiary, or an additional RM7,858,000 during the quarter under review.

During the quarter under review, the Group began to discontinue supplying one of its product ranges to its customers. As a result, the Group had undertaken an impairment assessment on the relevant properties, plants and equipment and recognised an impairment loss of RM11,213,000.

A6. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates that have had a material effect in the current financial period results.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

A7. CAPITAL COMMITMENTS

The Group has capital commitments for the followings:

	As at 30 Sep 16 RM'000	As at 30 Sep 15 RM'000
Approved and contracted for :		
Purchase of properties, plants and equipment	10,293	9,575

A8. DEBTS AND EQUITY SECURITIES

There were no issuance, repurchase, cancellation, resale and repayment of debt and equity securities during the quarter under review.

A9. DIVIDENDS PAID

Dividends declared or paid, if any, during the financial quarter under review and the financial year ending 30 September 2016 are disclosed in note B11.

A10. DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are disclosed in the Condensed Consolidated Statements of Comprehensive Income and note B12.

A11. SEGMENTAL INFORMATION

The Group's activities are predominantly in the sector of trading, manufacturing and assembling of HDD components. As such, segmental information is only presented by geographical segments. The geographical segments are based on the location of assets and these are :

- (i) Malaysia
- (ii) Thailand
- (iii) Others : These consist of segments which cover mainly China and Singapore but which individually fall below the 10% threshold of a reportable segment

	Malaysia RM'000	Thailand RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Financial Year Ended 30 September 2016					
Segment revenue					
Sales to external customers	1,345,946	394,522	25	-	1,740,493
Inter-segment sales	247,107	-	69,827	(316,934)	-
Total	<u>1,593,053</u>	<u>394,522</u>	<u>69,852</u>	<u>(316,934)</u>	<u>1,740,493</u>
Segment results	<u>(7,461)</u>	<u>15,137</u>	<u>(40,094)</u>	<u>24,196</u>	<u>(8,222)</u>
As at 30 September 2016					
Total assets	1,486,936	249,780	256,028	(533,750)	1,458,994
Total liabilities	320,847	261,232	225,333	(484,200)	323,212

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

A11. SEGMENTAL INFORMATION (CONTINUED)

	Malaysia RM'000	Thailand RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Financial Year Ended 30 September 2015					
Segment revenue					
Sales to external customers	1,542,263	386,151	13,898	-	1,942,312
Inter-segment sales	265,985	-	84,586	(350,571)	-
Total	<u>1,808,248</u>	<u>386,151</u>	<u>98,484</u>	<u>(350,571)</u>	<u>1,942,312</u>
Segment results	<u>282,848</u>	<u>(26,796)</u>	<u>4,372</u>	<u>(50,924)</u>	<u>209,500</u>
As at 30 September 2015					
Total assets	1,833,946	264,973	324,749	(610,424)	1,813,244
Total liabilities	529,309	292,292	240,235	(549,297)	512,539

A12. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

A13. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial year.

A14. CONTINGENT LIABILITIES

There were no changes in contingent liabilities since the previous Statement of Financial Position as at 30 September 2013 except as disclosed in note B10.

A15. RELATED PARTY TRANSACTIONS

	Financial Year Ended	
	30-Sep-16 RM'000	30-Sep-15 RM'000
PCA Mahlin Technology Sdn. Bhd. - a company in which a director is the brother of the Company's substantial shareholder		
- Rental of building	900	1,200
- Payment for acquisition of land and building	<u>23,000</u>	<u>-</u>
YK Technology (Foshan) Co., Ltd - a company in which a substantial shareholder has equity interest in a company in which a director is also the key management personnel		
- Rental of building	<u>572</u>	<u>740</u>

A16. MATERIAL EVENT SUBSEQUENT TO END OF CURRENT FINANCIAL QUARTER

There was no material event after the current financial quarter under review that have not been reflected in the financial statements for the period.

JCY International Berhad

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

	Revenue		Net Profit / (Loss)	
	3 Months Ended		3 Months Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
Segments	RM'000	RM'000	RM'000	RM'000
Malaysia	364,616	445,475	(10,214)	111,212
Thailand	91,453	81,642	4,161	(13,911)
Group	411,204	465,893	(14,589)	75,607

	Revenue		Net Profit / (Loss)	
	Financial Year Ended		Financial Year Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
Segments	RM'000	RM'000	RM'000	RM'000
Malaysia	1,593,053	1,808,248	(7,461)	282,848
Thailand	394,522	386,151	15,137	(26,796)
Group	1,740,493	1,942,312	(8,222)	209,500

Detailed Analysis for current quarter and cumulative period

The Group recorded a revenue of RM411.2 million for the reporting quarter and RM1,740.5 million for the financial year under review, representing a reduction of 11.7% and 10.4% respectively compared to previous year's corresponding periods. These were due mainly to lower sales volume and lower average selling price recorded in the reporting quarter, despite at a favourable USD exchange rate against Ringgit.

The Group recorded a net loss after tax of RM14.6 million for the reporting quarter and RM8.2 million for the financial year under review, compared to net profit after tax of RM75.6 million and RM209.5 million respectively in the previous year's corresponding periods, these were due mainly to the lower revenue as explained above and a combined RM19.1 million (current quarter) or RM32.2 million (current financial year) one-time write-off and impairment on the properties, plants and equipment due to the cessation of operation in Foshan, China and the discontinuation of a product line in Malaysia.

As our segmental report is based on geographical performance with similar business activities, the factors affecting the earnings and revenue for Malaysia and Thailand segments are similar to those affecting the Group as discussed above.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group recorded a revenue of approximately RM411.2 million for the reporting quarter or an improvement of 19.6% compared to RM343.8 million recorded in the immediate preceding quarter ended 30 June 2016, this was due mainly to the higher quantity shipped and better exchange rates reporting quarter.

The Group also recorded a loss before tax of RM21.9 million for the reporting quarter, compared to loss before tax of RM25.2 million reported in the immediate preceding quarter ended 30 June 2016. The improvement of the result was due mainly to the better revenue as explained above and the higher one-time write-off of properties, plants and equipment in previous reporting period due to cessation of operation in Foshan, PRC.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B3. FUTURE PROSPECT

Growth in data centers capacity continues to be driven largely by cloud-related storage demands has resulted in solid year over year growth in total Exabyte shipped by our customers. Nearline HDD capacity grew almost 50%.

Some OEMs also recorded healthy increase in demand for notebooks and desktop PCs recently and this better than expected PC demand trend is expected to continue for the coming quarter ending December 2016.

Seasonal strong demand for HDDs in the gaming sector may potentially create additional strength in demand for HDD products and will have positive implications across the component supply chain.

JCY continues to be competitive in the HDD space. We will also strive to leverage our operational efficiency and economies of scale to achieve reasonable returns from our business. We are also exploring the possibilities of leveraging our capabilities in other fields.

B4. VARIANCE FROM PROFIT FORECAST

Not applicable as the Group has not issued any profit forecast for the period under review.

B5. TAXATION

Domestic current income tax is calculated at the statutory tax rate of 24% (2015: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Certain subsidiaries of the Group enjoy tax exemptions from the relevant authorities on their business income for current and future periods. The computation of deferred tax as at 30 September 2016 has reflected the effects of such exemptions.

	Financial Year Ended 30 Sep 16 RM'000	Financial Year Ended 30 Sep 15 RM'000
Current year tax	909	686
Under-provision in previous year	11	11
Relating to temporary tax differences	<u>378</u>	<u>(2,969)</u>
	<u><u>1,298</u></u>	<u><u>(2,272)</u></u>

B6. PROFIT ON SALES OF UNQUOTED INVESTMENT OR PROPERTIES

There were no sales of unquoted investment or property by the Group for the current quarter under review.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B7. STATUS OF CORPORATE PROPOSALS

On 02 February 2016, the Company announced that a Sales and Purchase Agreement had been entered into between PCA Mahlin Technology Sdn. Bhd. ("PCA") and JCY HDD Technology Sdn. Bhd. ("JCY HDD"), a wholly-owned subsidiary of the Company, for the purchase of all that piece of leasehold land held under HS(D) 26391 PT 261 in the Mukim of 13, District of Seberang Perai Tengah, State of Pulau Pinang, and the factory building erected thereon ("the Acquisition").

On 27 July 2016, the Company further announced that the Acquisition has been completed in accordance with the terms and conditions of the SPA.

B8. BORROWING AND DEBT SECURITIES

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 September 2016.

	As At 30 Sep 16	As At 30 Sep 15
	RM'000	RM'000
Short Term Borrowings		
Foreign currency trade loans	50,429	110,636
Bills payable	180	27,931
Total short term borrowings	<u>50,609</u>	<u>138,567</u>

All the above borrowings are unsecured.

B9. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any off balance sheet financial instruments.

B10. MATERIAL LITIGATION

There is no major changes to material litigation since the last statement of financial position date as of 30 September 2013, save for:-

Tenaga Nasional Berhad ("TNB") vs JCY HDD Technology Sdn Bhd ("JCY HDD")

A subsidiary of the Company, JCY HDD Technology Sdn. Bhd. ("JCY HDD"), has received letters dated 14 December 2010 from Tenaga Nasional Berhad ("TNB") claiming for additional electricity charges of approximately RM8.36 million. JCY HDD had disputed the claims and had discussed with TNB as to their basis and quantification of the additional electricity charges.

On 15 December 2011, the Judge fixed for decision for the case after a preliminary question of law that TNB's claim is only restricted to 3 months backcharges and JCY HDD is only required to pay to TNB for an amount of approximately RM1.05 million. However, TNB had filed an appeal to the Court of Appeal against the decision of the High Court made on 15 December 2011.

Currently, the matter is fixed for case management before the Penang High Court on 19 December 2016 to update the court with regards to the delivery of the Federal Court decision of other similar cases.

There will be no significant financial impact arising from the case as the major shareholder of the Company has undertaken to indemnify the Company for any claim awarded.

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B11. DIVIDENDS

	In Respect of	
	Financial Year Ended 30 Sep 16 RM'000	Financial Year Ended 30 Sep 15 RM'000
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,035,475,300 ordinary shares (excluding Treasury Shares), declared on 13 February 2015 and paid on 06 April 2015	-	25,443
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,044,464,300 ordinary shares (excluding Treasury Shares), declared on 20 May 2015 and paid on 08 July 2015	-	25,556
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,046,727,300 ordinary shares (excluding Treasury Shares), declared on 19 Aug 2015 and paid on 09 Oct 2015	-	25,584
Single Tier Interim Dividend of 3 sen per ordinary share on 2,059,720,300 ordinary shares (excluding Treasury Shares), declared on 23 Nov 2015 and paid on 08 Jan 2016*	-	61,792
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,060,172,300 ordinary shares (excluding Treasury Shares), declared on 26 Feb 2016 and paid on 8 Apr 2016	25,752	-
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,060,172,300 ordinary shares (excluding Treasury Shares), declared on 19 May 2016 and paid on 12 Jul 2016	25,752	-
Single Tier Interim Dividend of 1.25 sen per ordinary share on 2,060,172,300 ordinary shares (excluding Treasury Shares), declared on 18 Aug 2016 and paid on 6 Oct 2016	25,752	-

The Board has further resolved to declare a Single Tier Tax Exempt Forth Interim Dividend for the financial year ended 30 September 2016 of 1.25 sen per share or 5.0% on 24 November 2016 with the entitlement date and payable date to be determined in due course.

* Being dividend declared for the results of financial year ended 30 September 2015, but paid and recognised in financial year ending 30 September 2016

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ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B12. EARNINGS PER SHARE

The basic and diluted earnings per share were derived as below:-

	3 months Ended		Financial Year Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
Net (loss) / profit (RM '000)	(14,589)	75,607	(8,222)	209,500
Weighted average number of ordinary shares (excluding Treasury Shares) ('000)	2,060,172	2,045,948	2,058,296	2,038,169
Basic (loss) / earnings per share (Sen)	(0.71)	3.70	(0.40)	10.28
Diluted weighted average no. of ordinary shares (excluding Treasury Shares) ('000)	2,065,353	2,065,843	2,065,533	2,065,948
Diluted (loss) / earnings per share (Sen)	(0.71)	3.66	(0.40)	10.14

B13. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	3 months Ended		Financial Year Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
After charging:-	RM'000	RM'000	RM'000	RM'000
Interest Expense	285	278	1,362	1,571
Depreciation and Amortization	22,611	24,035	96,978	95,138
Foreign Exchange Loss (net)	-	-	-	-
Property, plant and equipment written-off	8,372	766	22,371	766
Inventory written down to NRV and obsolete inventory written-off	851	227	851	227
Impairment on PPE	11,213	-	11,213	-
Provision for and write off of receivables	-	-	-	-
Derivative losses	2,546	7,982	3,959	7,982
After crediting:-				
Interest Income	879	1,185	4,815	4,369
Investment Income	338	-	782	-
Other Income	1,241	713	2,831	2,059
Foreign Exchange Gain (Net)	12,227	30,705	1,975	56,316
Gain on disposal of property, plant and equipment (Net)	2,585	113	1,869	33

There were no gain or loss on disposal of quoted or unquoted investments and exceptional items for the current quarter under review and the Financial Year ended 30 September 2016.

JCY International Berhad

(Incorporated in Malaysia - Company No. 713422-X)

ADDITIONAL NOTES REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B14. DISCLOSURE ON REALISED AND UNREALISED PROFITS / LOSSES

	As at	
	30 Sep 16	30 Sep 15
	RM'000	RM'000
Retained earnings of the Company and its subsidiaries :		
- Realised Profit	534,488	656,320
- Unrealised (Loss) / Profit	27,514	77,388
	<u>562,002</u>	<u>733,708</u>
Less: Consolidation adjustments	(9,460)	(33,896)
Retained earnings per financial statements	<u>552,542</u>	<u>699,812</u>

By Order of the Board

Company Secretary
24 November 2016