

## BRITISH AND MALAYAN TRUSTEES LIMITED

## THIRD QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2016

1(a) Statement of comprehensive income (for the Company) together with a comparative statement for the corresponding period of the immediately preceding financial year.

## Unaudited Third Quarter results for the period ended 31 March 2016

	3rd Quarter 1 Jan 2016 to 31 March 2016 S\$'000	3rd Quarter 1 Jan 2015 to 31 March 2015 S\$'000	% Increase/ (Decrease)	Year to Date 1 Jul 2015 to 31 March 2016 S\$'000	Year to Date 1 Jul 2014 to 31 March 2015 S\$'000	% Increase/ (Decrease)
Revenue	646	730	(12)	1,853	1,985	(7)
Interest Income	16	19	(16)	46	54	(15)
Dividend Income	44	34	29	119	190	(37)
Other Income	51	45	13	95	130	(27)
Net gain on sale of available for sale financial assets	-	441	(100)	-	1,029	(100)
Total Revenue	<u>757</u>	<u>1,269</u>	(40)	<u>2,113</u>	<u>3,388</u>	(38)
Employee Benefits Expense	(669)	(740)	(10)	(2,052)	(2,156)	(5)
Depreciation Expenses	(61)	(45)	36	(153)	(134)	14
Net foreign Exchange gain / (Loss)	(7)	7	(200)	(3)	14	(121)
Other Expenses	(430)	(428)	0	(1,166)	(1,260)	(7)
Profit / (Loss) Before Tax	<u>(410)</u>	<u>63</u>	(751)	<u>(1,261)</u>	<u>(148)</u>	752
Income Tax Expense	-	-	NA	(3)	-	NA
(Loss) / Profit for the Financial Period	<u>(410)</u>	<u>63</u>	(751)	<u>(1,264)</u>	<u>(148)</u>	754
Other Comprehensive Income:						
Net Gain / (Loss) on Available-For-Sale Assets	<u>53</u>	<u>(224)</u>		<u>(103)</u>	<u>(626)</u>	
Other Comprehensive Income / (Loss) for the Financial Period	<u>53</u>	<u>(224)</u>		<u>(103)</u>	<u>(626)</u>	
Total Comprehensive loss for the Financial Period	<u>(357)</u>	<u>(161)</u>		<u>(1,367)</u>	<u>(774)</u>	
Earnings per share (Dollars per share)						
(i) Based on weighted average number of ordinary shares in issue	<u>(0.05)</u>	<u>0.01</u>		<u>(0.14)</u>	<u>(0.02)</u>	
(ii) On a fully diluted basis	<u>(0.05)</u>	<u>0.01</u>		<u>(0.14)</u>	<u>(0.02)</u>	

1(b)(i) Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	31.03.2016 S\$'000	30.06.2015 S\$'000
<b>Non-Current Assets</b>		
Property, plant and equipment	3,619	3,502
Investment property	-	-
	<u>3,619</u>	<u>3,502</u>
<b>Current Assets</b>		
Cash and short term deposits	8,456	12,039
Trade and other receivables	523	1,029
Prepayments	137	217
Available-for-sale financial assets	2,263	2,357
	<u>11,379</u>	<u>15,642</u>
<b>Total Assets</b>	<u>14,998</u>	<u>19,144</u>
<b>Current Liabilities</b>		
Advance trustee services billings	435	333
Other liabilities	731	1,055
Income tax payable	-	-
	<u>1,166</u>	<u>1,388</u>
<b>Non-Current Liability</b>		
Deferred tax liability	4	4
<b>Total Liabilities</b>	<u>1,170</u>	<u>1,392</u>
<b>Net Assets</b>	<u>13,828</u>	<u>17,752</u>
<b>Equity attributable to equity holders of the Company</b>		
Share capital	2,737	2,737
Fair value reserve	1,222	1,325
Retained earnings	9,869	13,690
	<u>13,828</u>	<u>17,752</u>

**Note:**

Equity securities are valued using closing bid prices obtained from pricing services and corporate bonds are valued using broker quotes. Changes in fair values of these investments are recorded in equity until their subsequent disposal, at which time the cumulative gain or loss previously recorded in equity will be included in the income statement for the period. When there is objective evidence that one of these investments is impaired, the cumulative loss that has been recognised directly in the fair value reserve is removed from the fair value within equity and recognised in the income statement. The cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.03.2016		As at 30.06.2015	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.03.2016		As at 30.06.2015	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

N.A.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3rd Quarter 1 Jan 2016 to 31 March 2016 S\$'000	3rd Quarter 1 Jan 2015 to 31 March 2015 S\$'000	Year to Date 1 Jul 2015 to 31 March 2016	Year to Date 1 Jul 2014 to 31 March 2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net (loss) / profit before tax	(410)	63	(1,261)	(148)
Adjustments for:				
Depreciation of property, plant and equipment	61	45	153	134
Interest income	(16)	(19)	(46)	(54)
Dividend income	(44)	(34)	(119)	(190)
Net (gain) on sale of available for sale assets	-	(441)	-	(1,029)
Operating cash flow before changes in working capital	(409)	(386)	(1,273)	(1,287)
Changes in working capital:				
(Increase) in trade and other receivables and prepayments	(133)	(301)	584	(120)
Increase in trade and other payables and advance trustee services billings	461	831	(220)	396
Cash flow (used in) / from operating activities	(81)	144	(909)	(1,011)
Income tax paid	-	(3)	(3)	(37)
Net cash flows (used in) / generated from operating activities	(81)	141	(912)	(1,048)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(223)	(3)	(270)	(90)
Purchase of available-for-sale financial assets	(9)	(5)	(9)	(29)
Proceeds from available-for-sale financial assets	-	2,089	-	3,311
Interest received	16	19	46	54
Dividends received	44	34	119	190
Net cash flows (used in) / generated from investing activities	(172)	2,134	(114)	3,436
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>				
Dividends paid	(131)	(131)	(2,557)	(1,244)
Net cash flows used in financing activity	(131)	(131)	(2,557)	(1,244)
Net increase in cash and cash equivalents	(384)	2,144	(3,583)	1,144
Cash and cash equivalents at beginning of quarter	8,840	10,388	12,039	11,388
<b>Cash and cash equivalents at the end of quarter</b>	<b>8,456</b>	<b>12,532</b>	<b>8,456</b>	<b>12,532</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					
	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Profits \$'000	Total \$'000
Balance at 1 July 2015	2,737	-	1,325	13,690	17,752
Net profit	-	-	-	(854)	(854)
Other comprehensive income	-	-	(156)	-	(156)
Final dividends - 2015	-	-	-	(2,426)	(2,426)
Balance at 31 December 2015	2,737	-	1,169	10,410	14,316
Net profit	-	-	-	(410)	(410)
Other comprehensive income	-	-	53	-	53
Interim dividends- 2016	-	-	-	(131)	(131)
<b>Balance at 31 March 2016</b>	<b>2,737</b>	<b>-</b>	<b>1,222</b>	<b>9,869</b>	<b>13,828</b>
Balance at 1 July 2014	2,737	6,666	3,158	7,495	20,056
Net profit	-	-	-	(211)	(211)
Other comprehensive income	-	-	(402)	-	(402)
Transfer to capital reserve	-	588	-	(588)	-
Final dividends - 2014	-	-	-	(1,112)	(1,112)
Balance at 31 December 2014	2,737	7,254	2,756	5,584	18,331
Net profit	-	-	-	63	63
Other comprehensive income	-	-	(224)	-	(224)
Transfer to capital reserve	-	441	-	(441)	-
Interim dividends- 2015	-	-	-	(131)	(131)
<b>Balance at 31 March 2015</b>	<b>2,737</b>	<b>7,695</b>	<b>2,532</b>	<b>5,075</b>	<b>18,039</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

N.A.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year

The total number of issued shares as at 31 March 2016 and 30 June 2015 was 8,758,080

1(d)(iv) A statement showing all sales, disposals, cancellation and / or use of treasury shares as at the end of the current financial period reported on.

N/A

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N.A.

4 Interested Person Transactions

The Company does not have a general mandate from shareholders for Interested Person Transactions.

5 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation have been applied.

6 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

N.A.

7 **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	QUARTER		YEAR TO DATE	
	3Q 2016	3Q 2015	31.12.2015	30.06.2015
Earnings per ordinary share for the period based on operating profit after tax attributable to members of the company after deducting any provision for preference dividends:				
(i) Based on weighted average number of ordinary shares in issue during the financial period.	(0.05)	0.01	(0.14)	0.09
(ii) On a fully diluted basis	(0.05)	0.01	(0.14)	0.09

8 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-  
(a) current financial period reported on; and  
(b) immediately preceding financial year.**

	31.03.2016	30.06.2015
Net asset value per ordinary share based on issued capital at the end of the financial period/year.	1.58	2.03

9 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Review of the quarter**

For the quarter ended 31 March 2016, the Company's total revenue was \$757,000 compared to \$1,269,000 in the corresponding quarter. This is a decline of 40% that can be accounted for by the sale in the corresponding quarter of a number of the Company's available for sale assets on which the company reported a gain on sale of \$441,000 and was reflected as other income. On a normalised basis i.e. excluding the sale, revenue decreased by 9% (\$757,000 compared to \$828,000). The decrease was due to the maturity of a number of corporate trust financing transactions.

For the quarter, the Company incurred an operating loss before tax of \$410,000 compared with a profit before tax of \$63,000 in the corresponding quarter of 2015. On a like for like basis, after adjusting for the sale of the available for sale assets above, the result will be an operating loss of \$410,000 compared with an operating loss before tax of \$378,000 in the corresponding period. The decline in profitability is due to lower revenue as outlined above and partially offset by lower staff costs incurred.

**Review of the nine months**

For the nine months ended 31 March 2016, the Company's total revenue was \$2,113,000. This was 38% lower than the corresponding period (31 March 2015: \$3,388,000). The decrease was due to the sale in the corresponding period of a number of the Company's available for sale assets on which the company reported a gain on sale of \$1,029,000 and was reflected as other income. On a normalised basis i.e. excluding the sale, revenue decreased by 10% (\$2,113,000 compared to \$2,359,000). The decline in revenue is mainly attributable to the maturity of a number of corporate trust financing transactions and lower dividend income from available for sale assets.

For the nine months ended 31 March 2016, the Company incurred an operating loss before tax of \$1,261,000 compared with an operating loss before tax of \$148,000 in the corresponding period. On a like for like basis, after adjusting for the sale of the available for sale asset above, the result for the nine months ended 31 March 2016 will be an operating loss before tax of \$1,261,000 compared with an operating loss before tax of \$1,177,000 in the corresponding period. The decline in profitability is due to lower revenue as outlined above and partially offset by lower staff and other costs incurred.

**Balance Sheet analysis**

Net assets have declined to \$13,828,000 from \$17,752,000 over the reporting period. The decrease is due to the payment of the company's interim, final ordinary and special dividend totalling \$2,557,000 and the company's operating loss for the year-to-date reporting period. Notwithstanding the decline in net assets we believe our strong balance sheet with cash and cash equivalents of \$8,456,000, representing 56% of total assets, will work to our advantage as well as provide our clients and business partners the comfort level it carries as we continue to see a challenging period for the Singapore economy.

**Cash flow analysis**

The company's cash position over the nine months has declined from \$12,039,000 to \$8,456,000. This decline is due to the payment of the company's interim, final ordinary and special dividend totalling \$2,557,000 and the company's operating loss for the year-to-date reporting period.

10 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current period are generally in line with the prospect statement disclosed in the results announcement for the financial period ended 30 June 2015.

11 **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect of the group in the next reporting and the next 12 months.**

The Company expects to be profitable and grow in the calendar year 2017 based on current projections.

12 **Dividend**

(a) **Current Financial Period Report on:**

Any dividend declared for the current financial period reported on? No

(b) **Corresponding Period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) **Date payable**

Not applicable

(d) **Books closure date**

Not applicable

13 **If no dividend has been declared/recommended, a statement to that effect.**

No other dividend has been declared / recommended for the period ended 31 March 2016.

14 **Statement Pursuant to SGX Listing Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of British and Malayan Trustees Limited for the quarter ended 31 March 2016, to be false or misleading in any material respect.  
On behalf of the Board of Directors.

15 **Confirmation that the issuer has procured undertakings from all its directors and executive officers ( in the format set out in Appendix 7.7) under Rule 720(1)**

Yes

**BY ORDER OF THE BOARD**

PAUL PAVEY / ANGELA HO  
COMPANY SECRETARIES  
6 May 2016