BRITISH AND MALAYAN TRUSTEES LIMITED

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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 First Quarter results for the period ended 30 September 2014

	First Quarter 1 Jul 2014 to 30 Sep 2014 S$'000	First Quarter 1 Jul 2013 to 30 Sep 2013 S$'000	% Increase/ (decrease)
Trustee Services	517	706	(27)
Other Services	65	18	261
Operating Revenue	582	724	(20)
Dividend Income	89	71	25
Interest Income	17	16	6
Rental Income	-	24	NA
Gain on sale of available for sale	588	-	NA
Other Income	60	15	300
Total Revenue	1,336	850	57
Staff Costs	(715)	(463)	54
Depreciation	(44)	(42)	5
Net foreign exchange gain	2	-	NA
Other expenses	(385)	(234)	65
Operating Profit Before Tax	194	111	75
Profit Before Tax	194	111	75
Income Tax Expense	-	(7)	NA
Net Profit for the Financial Period	194	104	87
Other Comprehensive Income:			
Net (loss) on available-for-sale assets	(566)	(330)	
Income tax effect	-	-	
Other Comprehensive Income / (loss) for the Financial Period, net of tax	(566)	(330)	
Total Comprehensive Income for the Financial Period	(372)	(226)	
Earnings per share			
(i) Based on weighted average number of ordinary shares in issue	0.02	0.01	
(ii) On a fully diluted basis	0.02	0.01	

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

	30.09.2014 S$'000	30.06.2014 S$'000
Current Assets		
Cash and cash equivalents	12,052	11,388
Available-for-sale financial assets	4,167	5,365
Trade receivables	179	-
Other receivables	239	516
Prepayments	193	196
	16,830	17,465
Non-Current Assets		
Property, plant and equipment	3,622	3,590
Total Assets	20,452	21,055
Current Liabilities		
Advance trustee services billings	203	399
Trade creditors	4	-
Other liabilities	544	555
Taxation	7	36
Deferred tax liability	10	9
	768	999
Total Liabilities	768	999
Net Assets	**19,684**	**20,056**
Equity		
Share capital	2,737	2,737
Fair value reserve	2,592	3,158
Capital reserve	7,254	6,666
Retained earnings	7,101	7,495
	19,684	**20,056**

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 30.09.2014		As at 30.06.2014	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.09.2014		As at 30.06.2014	
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.

	First Quarter 1 Jul 2014 to 30 Sep 2014 S$'000	First Quarter 1 Jul 2013 to 30 Sep 2013 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	194	111
Adjustments for:		
Depreciation	44	42
Interest income	(17)	(16)
Dividend income	(89)	(71)
Gain on sale of available-for-sale financial assets	588	-
Operating cash flow before working capital change	720	66
Change in operating assets and liabilities		
Trade and other receivables and prepayments	101	293
Trade and other payables and advance trustee services billing	(230)	(512)
Cash generated from operations	591	(153)
Income tax paid	-	-
Net cash flows generated from / (used in) operating activities	591	(153)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(76)	(4)
Interest received	17	16
Dividends received	89	71
Proceeds from sale of available-for-sale financial assets	1,241	-
Disposal of available-for-sale financial assets	(1,197)	-
Net cash inflow from investing activities	74	83
CASH FLOWS USED IN FINANCING ACTIVITY		
Dividends paid	-	-
Net cash outflow used in financing activity	-	-
Net increase/ (decrease) in cash held	665	(70)
Cash and cash equivalents at beginning	11,387	8,659
Cash and cash equivalents at the end (30 Sep)	**12,052**	**8,589**

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 2014	2,737	6,666	3,158	7,495	20,056
Net profit	-			194	194
Other comprehensive income			(566)		(566)
Transfer to capital reserve	-	588	-	(588)	-
Interim dividends- 2013	-			-	-
Balance at 30 Sep 2014	2,737	7,254	2,592	7,101	19,684
Balance at 1 July 2013	2,737	6,666	3,097	4,202	16,702
Net profit	-			104	104
Other comprehensive income			(330)		(330)
Interim dividends- 2012	-			-	-
Balance at 30 Sep 2013	2,737	6,666	2,767	4,306	16,476

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 end of the preceding year

The total number of issued shares as at 30 September 2014 and 30 June 2014 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.

N.A

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.

There were no impact to the financial statements upon mandatory adoption of new or amended FRS and Interpretations to FRS for the financial year beginning 1 July 2014.

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.

	30.09.2014	30.06.2014
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.	0.02	0.42
(ii) On a fully diluted basis	0.02	0.42

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.

	30.09.2014	30.06.2014
Net asset value per ordinary share based on issued capital at the end of the financial period/year.	2.25	2.29

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.

For the quarter ended 30 September 2014, the Company's total revenue was $1,336,000. This was 57% higher than the corresponding quarter (30 September 2013: $850,000).
The increase was due to the sale of one of the Company's available for sale assets on which the company reported a gain on sale of $588,000 and is reflected as other income.
On a normalised basis i.e. excluding the sale,revenue decreased by 12%. The decline in revenue is mainly attributable to the termination of a number of corporate trust financing transactions.

For the quarter ended 30 September 2014,the Company generated an operating profit before tax of $194,000 compared with an operating profit before tax of $111,000 in the corresponding quarter.
The increase in operating profit was due to the gain on sale of the available for sale asset outlined aboved. On a like for like basis,after adjusting for the sale of the available for sale asset above, the result for the quarter ended 30 September 2014 will be an operating loss of $394,000 compared with an operating profit before tax of $111,000 in the corresponding quarter. The decline in profitability is in line with the forecast stated in the 2014 annual report and is due to lower revenue as outlined above and an increase in staff and other costs incurred in positioning the company for its future growth.

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

No forecast or a prospect statement has been previously disclosed to shareholders.

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.

As stated in the 2014 annual report the Directors expect the company's performance over the first half of the 2015 financial year to show an operating loss due to the increase in expenses incurred in positioning the company for future growth and expect the results in the next two to three years to show benefit of the company's investment in its future growth.

12 Dividend

(a) Current Financial Period Report on:

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceeding financial year?

None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable

14 Negative Assurance on first quarter financial results

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the first quarter financial results for the Company ended 30 September 2014, to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

PAUL PAVEY/ ANGELA HO
COMPANY SECRETARIES
31 October 2014