BRITISH AND MALAYAN TRUSTEES LIMITED

SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 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 Second Quarter results for the period ended 31 December 2014

	2nd Quarter 1 Oct 2014 to 31 Dec 2014 S$'000	2nd Quarter 1 Oct 2013 to 31 Dec 2013 S$'000	% Increase/ (Decrease)	Year to Date 1 Jul 2014 to 31 Dec 2014 S$'000	Year to Date 1 Jul 2013 to 31 Dec 2013 S$'000	% Increase/ (Decrease)
Revenue	673	673	-	1,256	1,396	(10)
Interest Income	17	15	13	35	31	13
Dividend Income	67	74	(9)	156	145	8
Rental Income	-	24	(100)	-	48	(100)
Other Income	25	-	NA	85	15	467
Gain on sale of available for sale	-	-	NA	588	-	100
Total Revenue	782	786	(1)	2,120	1,635	30
Employee Benefits Expense	(702)	(667)	5	(1,417)	(1,131)	25
Depreciation Expenses	(45)	(44)	2	(89)	(86)	3
Net foreign Exchange gain / (loss)	5	-	NA	7	(1)	(800)
Other Expenses	(445)	(408)	9	(832)	(641)	30
(Loss) Before Tax	(405)	(333)	22	(211)	(224)	(6)
Income Tax Credit	-	6	(100)	-	-	NA
(Loss) for the Financial Period	(405)	(327)	24	(211)	(224)	(6)
Other Comprehensive Income:						
Net Gain / (Loss) on Available-For-Sale Assets	165	(94)		(402)	(425)	
Other Comprehensive Income / (loss) for the Financial Period	165	(94)		(402)	(425)	
Total Comprehensive (Loss) for the Financial Period	(240)	(421)		(613)	(649)	
Earnings per share (Dollars per share)						
(i) Based on weighted average number of ordinary shares in issue	(0.05)	(0.04)		(0.02)	(0.03)	
(ii) On a fully diluted basis	(0.05)	(0.04)		(0.02)	(0.03)	

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.

	31.12.2014 S$'000	30.06.2014 S$'000
Non-Current Assets		
Property, plant and equipment	3,588	3,590
Current Assets		
Cash and short term deposits	10,387	11,388
Trade and other receivables	417	516
Prepayments	118	196
Available-for-sale financial assets	4,351	5,365
	15,273	17,465
Total Assets	18,861	21,055
Current Liabilities		
Advance trustee services billings	-	399
Other liabilities	519	555
Income tax payable	3	36
	522	990
Non-Current Liability		
Deferred tax liability	9	9
Total Liabilities	531	999
Net Assets	**18,330**	**20,056**
Equity attributable to equity holders of the Company		
Share capital	2,737	2,737
Fair value reserve	2,756	3,158
Capital reserve	7,254	6,666
Retained earnings	5,583	7,495
	18,330	**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 31.12.2014		As at 30.06.2014	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.12.2014		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.

	2nd Quarter 1 Oct 2014 to 31 Dec 2014 S$'000	2nd Quarter 1 Oct 2013 to 31 Dec 2013 S$'000	Year to Date 1 Jul 2014 to 31 Dec 2014	Year to Date 1 Jul 2013 to 31 Dec 2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) / profit before tax	(405)	(333)	(211)	(224)
Adjustments for:				
Amortisation of deferred trustee revenue	-	-	-	0
Depreciation of property, plant and equipment	45	44	89	86
Interest income	(17)	(15)	(35)	(31)
Dividend income	(67)	(74)	(156)	(145)
Gain on sale of available-for-sale financial assets	-	-	(588)	-
Operating cash flow before changes in working capital	(444)	(378)	(901)	(314)
Changes in working capital:				
(Increase)/ Decrease in trade and and other receivables and prepayments	77	(148)	178	143
(Increase) /Decrease in trade and other payables and advance trustee services bi	(236)	(244)	(437)	(754)
Decrease in deferred trustee revenue	-	-	-	0
Cash flow used in operating activities	(603)	(770)	(1,160)	(925)
Income tax paid	(3)	-	(33)	-
Net cash flows used in operating activities	(606)	(770)	(1,193)	(925)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(11)	(4)	(87)	(7)
Purchase of available-for-sale financial assets	(20)	-	(20)	-
Proceeds from available-for-sale	-	-	1,220	-
Interest received	17	15	35	31
Dividends received	67	74	156	145
Net cash flows generated from investing activities	53	85	1,304	169
CASH FLOWS FROM FINANCING ACTIVITY				
Dividends paid	(1,112)	(236)	(1,112)	(236)
Net cash flows used in financing activity	(1,112)	(236)	(1,112)	(236)
Net decrease in cash and cash equivalents	(1,665)	(921)	(1,001)	(992)
Cash and cash equivalents at beginning of quarter	12,052	8,589	11,388	8,660
Cash and cash equivalents at the end of quarter	**10,387**	**7,668**	**10,387**	**7,668**

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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	-	-	-	193	193
Other comprehensive income	-		(567)	-	(567)
Transfer to capital reserve	-	588	-	(588)	-
Final dividends - 2013	-	-	-	-	-
Balance at 30 September 2014	2,737	7,254	2,591	7,100	19,682
Net profit	-	-	-	(405)	(405)
Other comprehensive income	-	-	165	-	165
Final dividends- 2014	-	-	-	(1,112)	(1,112)
Balance at 31 December 2014	2,737	7,254	2,756	5,583	18,330
Balance at 1 July 2013	2,737	6,666	3,097	4,202	16,702
Net profit	-	-	-	104	104
Other comprehensive income	-	-	(331)	-	(331)
Balance at 30 September 2013	2,737	6,666	2,766	4,306	16,475
Net profit	-	-	-	(327)	(327)
Other comprehensive income	-	-	(94)	-	(94)
Final dividends- 2013	-		-	(236)	(236)
Balance at 31 December 2013	2,737	6,666	2,672	3,743	15,818

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 December 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.

	QUARTER		YEAR TO DATE	
	2Q 2015	2Q 2014	31.12.2014	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.	(0.05)	(0.04)	(0.02)	0.42
(ii) On a fully diluted basis	(0.05)	(0.04)	(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.

	31.12.2014	30.06.2014
Net asset value per ordinary share based on issued capital at the end of the financial period/year.	2.09	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.

Review of the quarter
For the quarter ended 31 December 2014, the Company's total revenue was $782,000. This is in line with the corresponding quarter (31 December 2013 : $786,000).
For the quarter, the Company incurred an operating loss before tax of $405,000 compared with an operating loss before tax of $333,000 in the corresponding quarter of 2013.
The decline in profitability is due to an increase in staff and other costs incurred in positioning the company for its future growth.

Review of the half year
For the half year ended 31 December 2014, the Company's total revenue was $2,120,000. This was 30 % higher than the corresponding half-year (31 December 2013 : $1,635,000). 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 6%. The decline in revenue is mainly attributable to the maturity of a number of corporate trust financing transactions.

For the half-year ended 31 December 2014, the Company incurred an operating loss before tax of $211,000 compared with an operating loss before tax of $224,000 in the corresponding half-year. On a like for like basis, after adjusting for sale of the available for sale asset above, the result for the half-year ended 31 December 2014 will be an operating loss of $799,000 compared with an operating loss before tax of $224,000 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.

Balance sheet analysis
Current assets have declined to $15,273,000 from $17,465,000 over the reporting period. The decrease is due to the payment of the Company's final ordinary and special dividend totalling $1,112,000 and the Company's operating loss for the half year.The decline in available-for-sale financial assets is due to the sale of one of the assets which was reported in the previous quarter.

Current liabilites have declined to $522,000 from $990,000 over the reporting period. The decrease is due to the accounting treatment for advance trustee service billings which is amortised over the calendar year.

Cash flow analysis
The Company's cash position over the half-year has declined by $1,001,000. This decline is due to a number of factors such as the payment of the Company's final ordinary and special dividend totalling $1,112,000 and the Company's operating loss for the half year which was offset by the sale proceeds from the available for sale assets.

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 2014.

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 Directors expect the company's results for the financial year 2015 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 the benefit of the Company's investments in its future growth.

12 Dividend

(a) Current Financial Period Report on:

Any dividend declared for the current financial period reported on?	Yes
Name of Dividend	Interim
Dividend Type	Cash
Dividend amount per share in cents	1.50 cents per ordinary share
Tax rate	Tax Exempt

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceeding financial year?	Yes
Name of Dividend	Interim
Dividend Type	Cash
Dividend amount per share in cents	1.50 cents per ordinary share
Tax rate	Tax Exempt

(c) Date payable : 11 March 2015

(d) Books closure date : 24 February 2015 to 27 February 2015

Registrable Transfers received by the Company up to 5.00pm on 23 February 2015 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the Transfer Books and the Register of Members will be closed from 24 February 2015 to 27 February 2015, both dates inclusive, for the purpose of determining the shareholders' entitlement to the interim dividend. Duly completed transfers received by the Company at 1 Coleman Street #08-01 The Adelphi Singapore 179803 up to 5.00pm on 23 February 2015 will be registered for entitlement to the interim dividend.

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

Other than interim dividend, no other dividend has been declared / recommended for the period ended 31 December 2014.

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 December 2014, to be false or misleading in any material respect.
On behalf of the Board of Directors.

BY ORDER OF THE BOARD

PAUL PAVEY / ANGELA HO
COMPANY SECRETARIES
10 February 2015