

Unaudited Financial Statements for the 3rd Quarter and Nine Months Ended 31 March 2015

The Board of Directors of PCI Limited is pleased to announce the third quarter financial statements on consolidated results for the nine months period ended 31 March 2015. These figures have not been audited.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group					
	3rd quarter ended 31/03/2015 US\$'000	3rd quarter ended 31/03/2014 US\$'000	% increase/ (decrease)	9 months ended 31/03/2015 US\$'000	9 months ended 31/03/2014 US\$'000	% increase/ (decrease)
Revenue	47,417	38,507	23.1%	142,438	132,236	7.7%
Cost of sales						
Raw material and consumables	(35,107)	(28,576)	22.9%	(106,711)	(100,078)	6.6%
Manufacturing expenses	(5,745)	(4,924)	16.7%	(16,951)	(15,231)	11.3%
Other operating expenses	(1,385)	(710)	95.1%	(2,846)	(2,280)	24.8%
Direct depreciation/amortisation	(314)	(365)	(14.0%)	(1,018)	(1,098)	(7.3%)
	(42,551)	(34,575)	23.1%	(127,526)	(118,687)	7.4%
Gross profit	4,866	3,932	23.8%	14,912	13,549	10.1%
Other income (Note 1)	13,614	213	n.m.	14,056	387	n.m.
Other expenses						
Business development expenses	(1,051)	(1,195)	(12.1%)	(3,096)	(3,794)	(18.4%)
General & administrative expenses	(2,213)	(1,150)	92.4%	(4,780)	(3,687)	29.6%
Indirect depreciation	(106)	(112)	(5.4%)	(344)	(270)	27.4%
Foreign exchange loss	(587)	(27)	n.m.	(727)	(595)	22.2%
Mark to market valuation gain/(loss)	25	10	150.0%	(897)	201	n.m.
	(3,932)	(2,474)	58.9%	(9,844)	(8,145)	20.9%
Profit from operations	14,548	1,671	n.m.	19,124	5,791	n.m.
Profit before income tax	14,548	1,671	n.m.	19,124	5,791	n.m.
Income tax expenses						
Current period	(429)	(234)	83.3%	(1,337)	(999)	33.8%
Prior period	-	-	-	50	285	(82.5%)
Profit after income tax	14,119	1,437	n.m.	17,837	5,077	251.3%
Attributable to :						
Equity holders of the company	14,118	1,439	n.m.	17,836	5,062	n.m.
Non-controlling interests	1	(2)	n.m.	1	15	(93.3%)
	14,119	1,437	n.m.	17,837	5,077	n.m.

Notes to the Income Statement:

Note 1 Other income included the gain on disposal of leasehold property

n.m. : not meaningful

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2015

	The Group					
	3rd quarter ended 31/03/2015 US\$'000	3rd quarter ended 31/03/2014 US\$'000	% increase/ (decrease)	9 months ended 31/03/2015 US\$'000	9 months ended 31/03/2014 US\$'000	% increase/ (decrease)
PROFIT FOR THE PERIOD	14,119	1,437	n.m.	17,837	5,077	n.m.
OTHER COMPREHENSIVE INCOME						
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translation of foreign operations	(1,228)	(54)	n.m.	(2,138)	(348)	n.m.
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	(1,228)	(54)	n.m.	(2,138)	(348)	n.m.
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	12,891	1,383	n.m.	15,699	4,729	n.m.
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Equity holders of the company	12,890	1,385	n.m.	15,698	4,714	n.m.
Non-controlling interests	1	(2)	n.m.	1	15	n.m.
	12,891	1,383	n.m.	15,699	4,729	n.m.

Notes to the statement of comprehensive income:
n.m. : not meaningful

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

	The Group		The Company	
	31/03/2015	30/06/2014	31/03/2015	30/06/2014
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and bank balances	59,130	57,208	31,866	45,658
Trade receivables	30,377	30,654	28,037	28,012
Other receivables and prepayments	4,114	1,491	3,057	775
Amounts due from subsidiaries	-	-	664	2,378
Amounts due from holding company	2	3	-	-
Derivative financial instruments	-	21	-	21
Inventories	30,786	27,753	28,034	24,603
Total current assets	124,409	117,130	91,658	101,447
Non-current assets				
Property, plant and equipment	2,800	3,418	2,275	2,637
Prepaid lease payment	-	5,424	-	-
Investments in subsidiaries	-	-	13,986	14,822
Other assets	260	284	260	284
Total non-current assets	3,060	9,126	16,521	17,743
Total assets	127,469	126,256	108,179	119,190
LIABILITIES AND EQUITY				
Current liabilities				
Trade payables, other payables and provision	39,832	39,995	31,538	31,049
Amounts due to subsidiaries	-	-	9,311	9,969
Amounts due to holding company	22	7	22	7
Derivative financial instruments	876	-	876	-
Income tax payable	2,366	1,966	1,810	1,566
Total current liabilities	43,096	41,968	43,557	42,591
Non-current liability				
Deferred tax liabilities	271	335	271	335
Total non-current liability	271	335	271	335
Capital, reserves and non-controlling interests				
Share capital	44,667	44,667	44,667	44,667
Foreign currency translation reserve	1,643	3,780	-	-
Retained earnings	37,746	35,426	19,684	31,597
Equity attributable to equity holders of the company	84,056	83,873	64,351	76,264
Non-controlling interests	46	80	-	-
Total equity	84,102	83,953	64,351	76,264
Total liabilities and equity	127,469	126,256	108,179	119,190

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

Amount repayable in one year or less, or on demand

As at 31/03/2015		As at 30/06/2014	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31/03/2015		As at 30/06/2014	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Nil

1(c)

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

	3rd quarter ended		9 months ended	
	31/03/2015 US\$'000	31/03/2014 US\$'000	31/03/2015 US\$'000	31/03/2014 US\$'000
Cash flows from operating activities				
Profit before income tax	14,548	1,671	19,124	5,791
Adjustments for :				
Depreciation of property, plant and equipment	353	365	1,072	1,030
Amortisation of prepaid lease payment	68	112	290	338
Gain on disposal of property, plant and equipment	(13,475)	(49)	(13,502)	(58)
Impairment loss of other assets	24	-	24	-
Mark to market value for derivative financial instruments	(25)	(10)	897	(201)
Interest income	(127)	(134)	(403)	(447)
Foreign exchange (gain)/loss	(937)	103	(1,129)	(410)
Operating profit before working capital changes	429	2,058	6,373	6,043
Trade receivables	3,892	(1,424)	277	(3,653)
Other receivables and prepayments	616	63	(289)	354
Amounts due from holding company	-	-	1	-
Inventories	1,826	2,998	(3,033)	2,362
Trade payables, other payables and provision	(2,524)	(4,932)	(163)	(4,078)
Amounts due to holding company	-	-	15	-
Cash generated/(used in) from operations	4,239	(1,237)	3,181	1,028
Interest received	160	187	464	476
Income tax paid	(408)	(181)	(879)	(131)
Net cash flows generated/(used in) from operating activities	3,991	(1,231)	2,766	1,373
Cash flows from investing activities				
Proceeds on disposal of property, plant and equipment	18,368	49	18,395	58
Purchase of property, plant and equipment	(823)	(910)	(2,851)	(1,014)
Net cash flows generated/(used in) from investing activities	17,545	(861)	15,544	(956)
Cash flows from financing activities				
Dividend paid to equity holders of the Company	-	-	(15,516)	(4,821)
Dividend paid to non-controlling interests of subsidiary	2	-	(33)	-
Net cash flows generated/(used in) from financing activities	2	-	(15,549)	(4,821)
Net increase/(decrease) in cash and bank balances	21,538	(2,092)	2,761	(4,404)
Cash and bank balances at beginning of period	37,969	57,114	57,208	59,262
Effect of exchange rate change on balance of cash held in foreign currencies	(377)	(123)	(839)	41
Cash and cash equivalents at end of period include the following:				
Cash and bank balances	59,130	54,899	59,130	54,899
Pledged deposits for derivative financial instruments with banks	(4,220)	(1,327)	(4,220)	(1,327)
Total Cash and cash equivalents	54,910	53,572	54,910	53,572

Notes to the statement of cash flows:

Purchase of property, plant and equipment included the deposit payment of USD 2,243K for the acquisition of property located at 35 Pioneer Road North, Singapore 628475.

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 capitalization issues and distributions to shareholders**

together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share capital	Foreign currency translation reserve	Retained earnings	Attributable to equity holders of the company	Non- controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group						
Balance at July 1, 2013	44,667	4,171	34,543	83,381	73	83,454
Total comprehensive (loss)/income for the period	-	(231)	1,006	775	4	779
Balance at September 30, 2013	44,667	3,940	35,549	84,156	77	84,233
Total comprehensive (loss)/income for the period	-	(63)	2,617	2,554	13	2,567
Dividend paid to equity holders of the Company	-	-	(4,821)	(4,821)	-	(4,821)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	-	-
Balance at December 31, 2013	44,667	3,877	33,345	81,889	90	81,979
Total comprehensive (loss)/income for the period	-	(54)	1,439	1,385	(2)	1,383
Balance at March 31, 2014	44,667	3,823	34,784	83,274	88	83,362
Balance at July 1, 2014	44,667	3,780	35,426	83,873	80	83,953
Total comprehensive (loss)/income for the period	-	(323)	1,598	1,275	2	1,277
Balance at September 30, 2014	44,667	3,457	37,024	85,148	82	85,230
Total comprehensive (loss)/income for the period	-	(587)	2,120	1,533	(2)	1,531
Dividend paid to equity holders of the Company	-	-	(15,516)	(15,516)	-	(15,516)
Dividend paid to non-controlling interests of subsidiary	-	-	-	-	(35)	(35)
Balance at December 31, 2014	44,667	2,870	23,628	71,165	45	71,210
Total comprehensive (loss)/income for the period	-	(1,227)	14,118	12,891	1	12,892
Balance at March 31, 2015	44,667	1,643	37,746	84,056	46	84,102
	Share capital	Foreign currency translation reserve	Retained earnings	Total		
	US\$'000	US\$'000	US\$'000	US\$'000		
Company						
Balance at July 1, 2013	44,667	-	32,562	77,229		
Total comprehensive income for the period	-	-	725	725		
Balance at September 30, 2013	44,667	-	33,287	77,954		
Total comprehensive income for the period	-	-	2,015	2,015		
Dividend paid to equity holders of the Company	-	-	(4,821)	(4,821)		
Balance at December 31, 2013	44,667	-	30,481	75,148		
Total comprehensive income for the period	-	-	687	687		
Balance at March 31, 2014	44,667	-	31,168	75,835		
Balance at July 1, 2014	44,667	-	31,597	76,264		
Total comprehensive income for the period	-	-	1,244	1,244		
Balance at September 30, 2014	44,667	-	32,841	77,508		
Total comprehensive income for the period	-	-	1,405	1,405		
Dividend paid to equity holders of the Company	-	-	(15,516)	(15,516)		
Balance at December 31, 2014	44,667	-	18,730	63,397		
Total comprehensive income for the period	-	-	954	954		
Balance at March 31, 2015	44,667	-	19,684	64,351		

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the company's share capital since the end of the previous period reported on.

There were no outstanding convertibles or treasury shares as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

- 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 immediately preceding year.

As at 31 March 2015, the total number of issued shares excluding treasury shares was 199,099,000 (30 Jun 2014: 199,099,000).

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

Not applicable.

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

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

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

The Group has adopted the same accounting policies and methods of computation as compared with the most recently audited annual financial statements ended 30 June 2014 as well as all the applicable Financial Reporting Standards (FRS) which became effective for financial year beginning on or after 1 July 2014. The adoption of these new accounting policies did not give rise to any significant change to the financial statements.

5. 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.

Not applicable.

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

Earnings per ordinary share for the period based on 1(a) 12.0 above after deducting any provision for preference dividends:-

- | | |
|--|----------|
| (i) Based on the weighted average number of ordinary shares on issue | US cents |
| (ii) On a fully diluted basis | US cents |

The Group			
3rd quarter ended		9 months ended	
31/03/2015	31/03/2014	31/03/2015	31/03/2014
7.09	0.72	8.96	2.54
7.09	0.72	8.96	2.54

Average number of ordinary shares		Average number of ordinary shares	
3rd quarter ended		9 months ended	
31/03/2015	31/03/2014	31/03/2015	31/03/2014
199,099,000	199,099,000	199,099,000	199,099,000

Earnings per ordinary share have been computed based on the average number of ordinary shares outstanding during the year.

7. 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 period reported on; and
(b) immediately preceding financial year

Net asset value per ordinary share based on issued share capital as at the end of the period reported on

		As at 31/03/2015	As at 30/06/2014
(a) The Group	US cents	42.22	42.13
(b) The Company	US cents	32.32	38.30

8. 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.

A) Profit and Loss

Segment result by business activities

	3rd quarter ended 31/03/2015 US\$'000	3rd quarter ended 31/03/2014 US\$'000	Total 9 months ended 31/03/2015 US\$'000	Total 9 months ended 31/03/2014 US\$'000
Revenue				
1 Electronics Manufacturing Services (EMS)	46,224	37,351	138,909	128,646
2 Investment income & interest earned	53	48	145	156
3 Estate management and rental income	1,140	1,108	3,384	3,434
Total	47,417	38,507	142,438	132,236
Gross Profit	4,866	3,932	14,912	13,549
Gross Profit Margin	10.3%	10.2%	10.5%	10.2%
Profit from operations				
1 Electronics Manufacturing Services (EMS)	1,149	1,152	5,401	4,089
% of EMS Revenue	2.5%	3.1%	3.9%	3.2%
2 Investment income & interest earned	78	58	(753)	357
3 Estate management and rental income	13,321	461	14,476	1,345
Total	14,548	1,671	19,124	5,791
Profit margin from operations	30.7%	4.3%	13.4%	4.4%
Profit attributable to equity holders of the company	14,118	1,439	17,836	5,062

For the 3rd quarter ended 31 March 2015, the Group achieved revenue of USD 47.42 million. Net profit attributable to equity holders was USD 14.12 million. As compared to the same period last year, revenue increased by 23.1% and net profit increased from USD1.44 million to USD 14.12 million. The increase in revenue was due to higher sales in EMS activities whereas the increase in net profit was mainly attributed to gain on the disposal of leasehold property in Singapore.

EMS

In this reporting period, EMS achieved revenue of USD 46.22 million as compared to USD 37.35 million in the same period last year. The increase in revenue was attributed to strong orders from existing projects and new projects from existing customers. The increase in raw material and consumables costs and manufacturing expenses were in line with the increase in revenue. G&A expenses was USD 2.21 million versus USD 1.15 million last year. The increase was due to higher manpower expenses as compared to the same period last year. As a result, EMS profit margin was 2.5% compared to 3.1% in the same period last year.

Estate Management and Rental Income

In this reporting period, estate management and rental income activities achieved revenue of USD 1.14 million and a profit from operations of USD 13.32 million mainly due to gain on disposal of leasehold property in Singapore.

B) Balance Sheet

The balance sheet and the financial position of the Group remained strong. Total assets and liabilities stood at USD 127.47 million and USD 43.37 million respectively. The cash and bank balances as at 31 March 2015 was USD 59.13 million compared to USD 57.21 million as at 30 June 2014. The trade receivables of USD 30.38 million, trade payables, other payables and provision of USD 39.83 million and inventories of USD 30.79 million were in line with the business activities.

For this reporting period, net cash generated in operating activities was USD 2.77 million. Net cash generated from investment activities was USD 15.54 million. The total net increase in cash and bank balances was USD 2.76 million, bringing the total cash and bank balances to USD 59.13 million as at 31 March 2015. Total shareholders fund was USD 84.06 million and the Group net asset value (NAV) per share was USD 42.22 cents as at 31 March 2015.

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

Nil

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

The global economic outlook for the next 6 to 12 months remains uncertain. US moderate economic growth has not been gaining traction and Euro-zone fear remains. China economic growth slowed down in the first quarter of 2015. As such, the business environment continues to remain challenging. In view of this, the Directors remain cautious about the Group business outlook for the next 6 months and beyond.

11. Dividend

(a) Current Financial Period Reported On

Name of dividend	:	NIL
Dividend type	:	NIL
Dividend amount per share	:	NIL
Tax rate	:	NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of dividend	:	NIL
Dividend type	:	NIL
Dividend amount per share	:	NIL
Tax rate	:	NIL

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No interim dividend has been recommended for the period ended 31 March 2015.

13. Interested Person Transactions

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14. Negative assurance confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the third quarter ended 31 March 2015 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Valerie Tan May Wei
Company Secretary
11th May 2015