



# YINSON HOLDINGS BERHAD

Company No: 259147-A  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENT For The Quarter And Twelve Months Period Ended 31 January 2016

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016 Unaudited RM'000	31.1.2015 Unaudited RM'000	31.1.2016 Unaudited RM'000	31.1.2015 Unaudited RM'000
<b>Continuing operations</b>				
Revenue	116,189	105,032	424,399	395,440
Direct expenses	(66,131)	(58,858)	(280,434)	(260,968)
Gross profit	50,058	46,174	143,965	134,472
Other operating income	3,080	75,797	123,688	134,235
Administrative expenses	(14,313)	(13,524)	(72,383)	(41,669)
Profit from operations	38,825	108,447	195,270	227,038
Finance costs	(10,788)	(4,554)	(40,546)	(37,375)
Share of results of joint ventures	25,712	17,857	92,328	91,386
Share of results of associates	248	(338)	1,575	(325)
Profit before tax from continuing operations	53,997	121,412	248,627	280,724
Income tax expense	(10,046)	(10,917)	(37,629)	(27,457)
Profit after tax from continuing operations	43,951	110,495	210,998	253,267
<b>Discontinued operations</b>				
Profit/(Loss) from discontinued operations, net of tax	1,193	(9,272)	2,756	(1,855)
<b>Profit for the period</b>	<b>45,144</b>	<b>101,223</b>	<b>213,754</b>	<b>251,412</b>
<b>Profit attributable to:</b>				
Owners of the parent	47,428	99,905	221,993	247,677
Non-controlling interests	(2,284)	1,318	(8,239)	3,735
	45,144	101,223	213,754	251,412
<b>Earnings per share attributable to owners of the parent:</b>				
Basic (sen)	4.44	10.51	20.80	26.06
Diluted (sen)	4.44	10.51	20.80	26.06
<b>Earnings per share from continuing operations attributable to owners of the parent:</b>				
Basic (sen)	4.32	11.48	20.69	26.23
Diluted (sen)	4.32	11.48	20.69	26.23
<b>Earnings/(Loss) per share from discontinued operations attributable to owners of the parent:</b>				
Basic (sen)	0.12	(0.97)	0.11	(0.17)
Diluted (sen)	0.12	(0.97)	0.11	(0.17)

*These condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements*

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For The Quarter And Twelve Months Period Ended 31 January 2016**

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016 unaudited RM'000	31.1.2015 unaudited RM'000	31.1.2016 unaudited RM'000	31.1.2015 unaudited RM'000
Profit for the period	45,144	101,223	213,754	251,412
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	(82,112)	51,581	141,561	52,745
- Cash flows hedge reserve	(48,836)	-	(149,701)	-
- Net loss on available-for-sale financial assets	(1,452)	(7,931)	(7,272)	(7,872)
- Reclassification of cumulative loss of AFS reserve recognised as impairment loss to profit & loss	1,452	-	18,622	-
	<b>(85,804)</b>	<b>144,873</b>	<b>216,964</b>	<b>296,285</b>
<b>Total comprehensive income for the period</b>				
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the parent	(85,120)	143,555	223,603	292,550
Non-controlling interests	(684)	1,318	(6,639)	3,735
	<b>(85,804)</b>	<b>144,873</b>	<b>216,964</b>	<b>296,285</b>

*These condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements*

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at 31 January 2016**

	AS AT 31.1.2016 Unaudited RM'000	AS AT 31.1.2015 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,997,573	1,158,000
Investment properties	-	29,598
Intangible assets	22,540	9,456
Land use rights	-	4,324
Investment in joint ventures	598,420	356,676
Investment in associates	2,064	29,389
Available-for-sale financial assets	-	9,686
Deferred tax assets	-	6,114
	<b>3,620,597</b>	<b>1,603,243</b>
<b>Current assets</b>		
Inventories	3,585	27,595
Trade and other receivables	189,588	427,380
Other current assets	13,494	27,988
Favourable contracts	-	6,255
Tax recoverable	726	849
Available-for-sale financial assets	1,740	-
Marketable securities	179	10
Derivatives	-	30,518
Cash and bank balances	486,578	364,378
Assets of disposal group classified as held for sale	475,863	-
	<b>1,171,753</b>	<b>884,973</b>
<b>TOTAL ASSETS</b>	<b>4,792,350</b>	<b>2,488,216</b>

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at 31 January 2016**

	AS AT 31.1.2016 Unaudited RM'000	AS AT 31.1.2015 Audited RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital	546,399	516,399
Share premium	553,063	417,163
Reserves of disposal group classified as held for sale	7,125	-
Foreign currency translation reserve	208,003	73,567
Cash Flows Hedge reserve	(149,701)	-
Available-for-sale reserve	-	(11,350)
Retained earnings	646,565	454,731
<b>Equity attributable to owners of the parent</b>	<b>1,811,454</b>	<b>1,450,510</b>
Perpetual securities of a subsidiary	437,460	-
Non-controlling interests	2,453	8,999
<b>Total equity</b>	<b>2,251,367</b>	<b>1,459,509</b>
<b>Non-current liabilities</b>		
Loans and borrowings	1,448,757	474,593
Net employee defined benefit liabilities	-	3,233
Unfavourable contracts	44,861	56,596
Derivatives	149,701	-
Deferred tax liabilities	5,125	6,724
	<b>1,648,444</b>	<b>541,146</b>
<b>Current liabilities</b>		
Loans and borrowings	205,394	348,584
Trade and other payables	417,480	109,150
Unfavourable contracts	19,942	17,416
Derivatives	6,177	214
Tax payables	14,525	12,197
Liabilities of disposal group classified as held for sale	229,021	-
	<b>892,539</b>	<b>487,561</b>
<b>Total liabilities</b>	<b>2,540,983</b>	<b>1,028,707</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,792,350</b>	<b>2,488,216</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>1.6576</b>	<b>1.4044</b>

*These condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.*

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the Twelve Months Period Ended 31 January 2016

	Attributable to owners of the parent								Perpetual securities of a subsidiary RM'000	Non-controlling interests RM'000	Total equity RM'000
	Non-distributable						Distributable				
	Issued capital RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Cash Flows Hedge reserve RM'000	Reserves of disposal group classified as held for sale RM'000	Available-for-sale reserve RM'000	Retained earnings RM'000	Total equity attributable to owners of the parent RM'000			
<b>At 31 January 2014 (As Previously Stated)</b>	258,200	112,941	20,822	-	-	(3,478)	146,642	535,127	-	5,919	541,046
Effect of purchase price allocation adjustment	-	-	-	-	-	-	73,322	73,322	-	-	73,322
<b>At 31 January 2014 (Restated) / 1 February 2014</b>	258,200	112,941	20,822	-	-	(3,478)	219,964	608,449	-	5,919	614,368
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(655)	(655)
Total comprehensive income for the year	-	-	52,745	-	-	(7,872)	247,677	292,550	-	3,735	296,285
Share issuance	258,199	309,840	-	-	-	-	-	568,039	-	-	568,039
Share issuance expenses	-	(5,618)	-	-	-	-	-	(5,618)	-	-	(5,618)
Dividends in respect of the previous year	-	-	-	-	-	-	(12,910)	(12,910)	-	-	(12,910)
<b>At 31 January 2015</b>	<b>516,399</b>	<b>417,163</b>	<b>73,567</b>	<b>-</b>	<b>-</b>	<b>(11,350)</b>	<b>454,731</b>	<b>1,450,510</b>	<b>-</b>	<b>8,999</b>	<b>1,459,509</b>
<b>At 1 February 2015</b>	516,399	417,163	73,567	-	-	(11,350)	454,731	1,450,510	-	8,999	1,459,509
Acquisition of non-controlling interests	-	-	-	-	-	-	(3,517)	(3,517)	-	93	(3,424)
Total comprehensive income for the year	-	-	141,561	(149,701)	-	11,350	221,993	225,203	-	(6,639)	218,564
Perpetual securities issuance	-	-	-	-	-	-	-	-	437,460	-	437,460
Accrued perpetual securities distributions	-	-	-	-	-	-	(10,250)	(10,250)	-	-	(10,250)
Reserves attributable to disposal group classified as held for sale	-	-	(7,125)	-	7,125	-	-	-	-	-	-
Share issuance	30,000	139,800	-	-	-	-	-	169,800	-	-	169,800
Share issuance expenses	-	(3,900)	-	-	-	-	-	(3,900)	-	-	(3,900)
Dividends in respect of the previous year	-	-	-	-	-	-	(16,392)	(16,392)	-	-	(16,392)
<b>At 31 January 2016</b>	<b>546,399</b>	<b>553,063</b>	<b>208,003</b>	<b>(149,701)</b>	<b>7,125</b>	<b>-</b>	<b>646,565</b>	<b>1,811,454</b>	<b>437,460</b>	<b>2,453</b>	<b>2,251,367</b>

These condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Twelve Months Period Ended 31 January 2016**

	12 months ended	
	31.1.2016	31.1.2015
	Unaudited	Unaudited
	RM'000	RM'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	248,627	280,724
Profit/(Loss) before tax from discontinued operations	4,295	(1,344)
Profit before tax, total	252,922	279,380
Adjustments for:		
Amortisation and depreciation	110,907	90,798
Amortisation of favourable contracts	6,841	5,981
Amortisation of unfavourable contracts	(19,047)	(22,480)
Impairment loss on receivables	1,591	14,049
Reversal of impairment loss on receivables	-	(7)
Unrealised gain on foreign exchange	(98,997)	(60,716)
Finance costs	52,914	51,524
Gain on disposal of subsidiary and joint venture	-	(20,866)
Loss on disposal of property, plant and equipment	1,029	-
Property, plant and equipment written off	9	230
Fair value adjustment on investment properties	1,321	(405)
Fair value adjustment on marketable securities	(25)	3
Fair value adjustment on derivatives	-	(30,431)
Realised loss on derivatives	8,153	-
Write-down of inventories	-	10,000
Impairment of property, plant and equipment	20,983	-
Impairment of available-for-sale financial assets	18,622	-
Share of results of joint ventures	(92,328)	(91,386)
Share of results of associates	(4,340)	132
Dividend income	-	(3,303)
Interest income	(4,111)	(4,591)
Operating cash flows before working capital changes	256,444	217,912
Receivables	(57,235)	(64,128)
Other current assets	(6,205)	(19,663)
Inventories	22,258	2,446
Payables	308,003	20,280
Cash flows from operations	523,265	156,847
Defined benefits paid	-	(3,991)
Interest received	4,111	4,591
Interest paid	(46,951)	(51,524)
Tax paid	(40,738)	(34,474)
<b>Net cash flows from operating activities</b>	<b>439,687</b>	<b>71,449</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of a subsidiary	-	189,442
Net cash outflow from disposal of a subsidiary	-	(391)
Proceeds from disposal of property, plant and equipment	833	70
Addition in investment property	(5,273)	(14,038)
Purchase of intangible assets	(12,599)	(8,943)
Purchase of property, plant and equipment	(555,464)	(141,122)
Investment in joint ventures	(97,932)	(1,618)
Dividend received	-	3,303
Placement of short term investment	(75,010)	(313)
<b>Net cash flows (used in)/from investing activities</b>	<b>(745,445)</b>	<b>26,390</b>

**YINSON HOLDINGS BERHAD (Company No. 259147-A)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Twelve Months Period Ended 31 January 2016**

	12 months ended	
	31.1.2016	31.1.2015
	Unaudited	Unaudited
	RM'000	RM'000
<b>FINANCING ACTIVITIES</b>		
Advances from/(Repayment to) directors	19,690	(85,100)
Dividends paid	(16,392)	(12,910)
Increase in borrowings	71,811	23,505
Net repayment of term loans	(490,092)	(449,834)
Repayment of obligations under finance leases	(6,800)	(5,771)
Proceeds from settlement of derivatives	22,364	-
Proceeds from perpetual securities issuance	437,460	-
Proceeds from shares issuance	169,800	568,039
Shares issuance expenses	(3,900)	(5,618)
Acquisition of non-controlling interest	(3,424)	-
Withdrawal/(Placement) of fixed deposit for investment purpose	8,550	(8,550)
Addition of fixed deposit pledged as security	(52,620)	(9,518)
<b>Net cash flows from financing activities</b>	<b>156,447</b>	<b>14,243</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(149,311)</b>	<b>112,082</b>
Effects of foreign exchange rate changes	113,321	(22,471)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>		
<b>OF THE PERIOD</b>	<b>274,595</b>	<b>184,984</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>238,605</b>	<b>274,595</b>
	<b>As at</b>	<b>As at</b>
	<b>31.1.2016</b>	<b>31.1.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances		
- Continuing operations	486,578	364,378
- Discontinued operations	48,223	-
Bank overdrafts (included within short-term borrowings)	(8,043)	(4,405)
	526,758	359,973
Short term investment	(75,323)	(313)
Deposit with licensed bank for investment purpose	-	(8,550)
Deposits pledged to banks	(212,830)	(76,515)
	<b>238,605</b>	<b>274,595</b>

*These condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.*

**1. Basis of Preparation**

This unaudited condensed consolidated interim financial statements (Condensed Report) of Yinson Holdings Berhad (the “Group” or “YHB”) for the period ended 31 January 2016 have been prepared in accordance with *MFRS134: Interim Financial Reporting*, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with *IAS34: Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”).

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 January 2015. The significant accounting policies and methods adopted for the Condensed Report are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2015 except for the adoption of Amendments to Standards and Issue Committee (IC) Interpretations effective as of 1 January 2015.

- Amendments to MFRS 119 *Defined Benefits Plans: Employee Contributions*
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle

**MFRSs and Amendments to MFRSs issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group.

- Effective for financial periods beginning on or after 1 January 2016
  - Amendments to MFRS 116 and MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
  - Amendments to MFRS 11 *Accounting for Acquisitions of Interest in Joint Operations*
  - Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*
  - Amendments to MFRS 127 *Equity Method in Separate Financial Statements*
  - Amendments to MFRS 101 *Disclosure Initiative*
  - Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception*
  - Annual Improvements to MFRSs 2012 -2014 Cycle
  - MFRS 14 : *Regulatory Deferral Accounts*
- Effective for financial periods beginning on or after 1 January 2018
  - MFRS 15 : *Revenue from Contracts with Customers*
  - MFRS 9 *Financial Instruments (IFRS 9 Financial Instruments as issued by IASB in July 2014)*
- Effective for financial periods beginning on or after a date to be determined by Malaysian Accounting Standards Board
  - Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the year of initial application except as discussed below, for which the effects are still being assessed.

## MFRS 9 Financial Instruments

In November 2014, MASB issued the final version of MFRS 9, replacing MFRS 139. This standard will come into effect on or after 1 January 2018 with early adoption permitted. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on the classification and measurements of the Group's financial liabilities. MFRS 9 also requires impairment assessments to be on an expected loss model, replacing MFRS 139 incurred loss model. In addition, MFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity.

### **2. Seasonal or Cyclical Factors**

The Group's transport operations are generally affected by major festivals that occur in the first and second quarter of the financial year as there were fewer working days.

### **3. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 January 2016.

### **4. Changes in Accounting Estimate**

There were no material changes in accounting estimates during the period under review that would have a material effect that would substantially affect the results of the Group.

### **5. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarter ended 31 January 2016.

## 6. Segmental Information

For the Twelve Months Period Ended 31 January 2016					
	Marine	Other	Discontinued	Elimination	Consolidated
	RM'000	Operations	Operations	RM'000	RM'000
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External Sales					
Gross revenue	459,427	33,674	551,965	(620,667)	424,399
Elimination	(35,159)	(33,543)	(836)	69,538	-
Net revenue	424,268	131	551,129	(551,129)	424,399
<b>Results</b>					
Segment results	115,407	79,863	13,898	(13,898)	195,270
Finance costs					(40,546)
Share of results of joint ventures					92,328
Share of results of associates					1,575
Income tax expense					(37,629)
Profit after tax from continuing operations					210,998

## Segmental Information

For the Twelve Months Period Ended 31 January 2015					
	Marine	Other	Discontinued	Elimination	Consolidated
	RM'000	Operations	Operations	RM'000	RM'000
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External Sales					
Gross revenue	428,648	19,264	694,870	(747,342)	395,440
Elimination	(33,220)	(19,252)	(6,886)	59,358	-
Net revenue	395,428	12	687,984	(687,984)	395,440
<b>Results</b>					
Segment results	113,023	114,015	12,613	(12,613)	227,038
Finance costs					(37,375)
Share of results of joint ventures					91,386
Share of results of associates					(325)
Income tax expense					(27,457)
Profit after tax from continuing operations					253,267

For management purposes, the Group is organized into business units based on their product and services, and has following operating segments:

Continuing operations:

- (a) The marine segment consists of leasing of vessels, provision of barge services and marine management services.
- (b) Other operations consist of investment, management services and treasury services.

Discontinued operations include the following segments:

- (a) The transport segment consists of the provision of trucking services.
- (b) The trading segment consists of trading activities mainly in the construction related materials.
- (c) Other discontinued operations consist of provision of warehouses and rental from investment properties

Transactions between segments are carried out on mutually agreed basis. The effects of such inter-segment transactions are eliminated on consolidation.

### **Marine**

Revenue from marine segment for the period under review has increased by RM28.840 million to RM424.268 million as compared to RM395.428 million in the corresponding prior period ended 31 January 2015. The increase arose mainly from conversion of USD revenue due to appreciation of USD against RM. The segment results increased by RM2.384 million mainly due to reduction in operating cost arising from more efficient cost control measures but offset by impairment of plant and equipment of RM18.983 million.

### **Other Operations**

The segment profit of other operations has decreased by RM34.152 million to RM79.863 million as compared to RM114.015 million in the corresponding prior period ended 31 January 2015. Excluding the gain on disposal of subsidiary and joint venture RM20.866 million and fair value gain of forward contracts RM30.518 million recorded in last financial period which was none in the current period, there was an increase of RM17.232 million. The increase was mainly attributable to the favourable net foreign exchange difference by about RM52 million, but offset by impairment of available-for-sale financial assets RM17.554 million and realised loss on derivatives of RM8.153 million recorded in the period ended 31 January 2016.

### **Discontinued Operations**

Revenue from discontinued operations mainly consist of transport segment, trading segment and rental segment. Revenue from transport segment for the period under review has decreased by RM9.073 million or 9.7% as compared to the corresponding prior period ended 31 January 2015. The decrease was mainly due to the decrease in demand for the Group's transportation services.

Revenue from trading segment for the period under review has decreased by RM136.054 million or 23.0% as compared to the corresponding prior period ended 31 January 2015 mainly due to the decrease in sales volume.

Revenue from rental segment for the period under review has increased by RM9.716 million or 907.9% as compared to the corresponding prior period ended 31 January 2015 mainly due to the contribution from the warehouse facilities which came into operation during the financial year.

The increase in segment results of the discontinued operations by RM1.285 million was mainly due to increase in contribution of gross profit from rental segment by RM6.784 million and decrease in impairment loss on receivables by RM12.458 million but offset by reduction in gross profit of trading segment by RM8.282 million, increase in net foreign exchange loss by about RM6.7 million and impairment of plant and equipment by RM2.0 million.

### **Results of Joint Ventures and Associates**

The share of the results of joint ventures has increased by RM0.942 million to profit of RM92.328 million for the period ended 31 January 2016 as compared to RM91.386 million for the corresponding prior period ended 31 January 2015 mainly due to conversion of USD revenue due to appreciation of USD against RM but offset by loss of results from a joint venture which was disposed end of Quarter 3 in the previous financial year.

The share of results of associates has improved to a profit of RM1.575 million for the period ended 31 January 2016 as compared to loss of RM0.325 million for the corresponding prior period ended 31 January 2015 due to improvement in the results of associates.

### **Consolidated profit before tax**

For the current period under review, the Group's profit before tax from continuing operations has decreased by RM32.097 million or 11.4% to RM248.627 million as compared to RM280.724 million for the corresponding prior period ended 31 January 2015. Excluding the gain on disposal of subsidiary and joint venture RM20.866 million and fair value gain of forward contracts RM30.518 million recorded in last financial period which was none in the current period, there was an increase of RM19.287 million. This increase was mainly attributable to increase in gross profit contribution from marine business, favourable net foreign exchange difference of about RM50 million but offset by impairment of available-for-sale financial assets RM17.554 million, impairment of plant and equipment of RM18.983 million and realised loss on derivatives of RM8.153 million.

## 7. Profit Before Tax

Included in the profit before tax are the following items:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016 RM'000	31.1.2015 RM'000	31.1.2016 RM'000	31.1.2015 RM'000
Interest income	(1,015)	(1,008)	(4,111)	(4,591)
Dividend income	-	(3,303)	-	(3,303)
Other income including investment income	(1,114)	(757)	(3,120)	(7,351)
Loss on disposal of property, plant and equipment	390	-	1,029	-
Gain on disposal of subsidiary and joint venture	-	-	-	(20,866)
Bad debts recovered	(1,147)	(10)	(1,230)	(73)
Finance costs	12,864	9,531	52,914	51,524
Depreciation of property, plant and equipment	29,407	24,307	110,308	90,698
Amortisation of land use rights	-	24	72	96
Amortisation of intangible assets	313	1	527	4
Amortisation of favourable contracts	1,858	5,981	6,841	5,981
Amortisation of unfavourable contracts	(5,172)	(2,862)	(19,047)	(22,480)
Impairment of available-for-sale financial assets	1,452	-	18,622	-
Impairment of property, plant and equipment	2,000	-	20,983	-
(Impairment reversal) / Impairment loss on receivables - net	(7,433)	9,091	1,591	14,042
Property, plant and equipment written off	-	42	9	230
Gain on foreign exchange - realised	(2,075)	(7,043)	(14,762)	(9,298)
Loss/(Gain) on foreign exchange - unrealised	4,888	(55,931)	(98,997)	(60,716)
Realised loss on derivatives	-	-	8,153	-
Net fair value loss/(gain) :				
- marketable securities	(25)	1	(25)	3
- derivatives	-	(30,518)	-	(30,518)
- investment properties	(95)	(405)	(95)	(405)
(Write-down reversal) / Write-down of inventories	(8,000)	10,000	-	10,000

## 8. Income Tax Expense

The income tax expense figures consist of:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016	31.1.2015	31.1.2016	31.1.2015
	RM'000	RM'000	RM'000	RM'000
<b><u>Continuing operations</u></b>				
Current income tax	10,046	10,918	37,629	27,481
Deferred income tax	-	(1)	-	(24)
	10,046	10,917	37,629	27,457
Income tax attributable to discontinued operations	1,803	(2,969)	1,539	511
<b>Total income tax expense</b>	<b>11,849</b>	<b>7,948</b>	<b>39,168</b>	<b>27,968</b>

The effective tax rate of continuing operations is lower than the statutory tax rate in Malaysia due to certain income of subsidiaries are not subject to taxation and certain income of subsidiaries are subject to lower tax rates.

## 9. Earnings Per Share

### (a) Basic

Basic earnings per share amount are calculated by dividing the profit for the current and cumulative quarter of financial year 2016, net of tax, attributable to owners of the parent by the weighted average number of shares outstanding during the period.

The following reflect the profit and share data used in the computation of basic and diluted earnings per share:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016	31.1.2015	31.1.2016	31.1.2015
Profit net of tax attributable to owners of the parent used in the computation of EPS (RM'000)	47,428	99,905	221,993	247,677
Weighted average number of ordinary shares in issue ('000)	1,067,154	950,475	1,067,154	950,475
Basic earnings per share (sen)	4.44	10.51	20.80	26.06

### (b) Diluted

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding as at 31 January 2016.

## **10. Acquisitions and disposals of property, plant and equipment**

During the current period under review, the Group acquired property, plant and equipment (“PPE”) with aggregate cost of RM1,868.171 million (31 January 2015: RM149.928 million).

The Group disposed PPE with a carrying amount of RM1.862 million (31 January 2015 : RM0.070 million) and a loss on disposal of RM1.029 million (31 January 2015 : RM Nil) was recognised and included in administrative expenses.

## **11. Fair Value Hierarchy**

The Group uses the following hierarchy for determining the fair value of the financial instruments carried at fair value:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As at reporting date, the carrying amounts of available-for-sale financial assets and marketable securities were measured using Level 1 method of hierarchy and interest rate swap were measured by using Level 2 method in the hierarchy in determining their fair value.

## **12. Debt and Equity Securities**

There were no other issuances, repayment of debts, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review except for the issuance of 60 million ordinary shares of RM0.50 each through private placement at an issued price of RM2.83 per ordinary share for cash. Out from this private placement, the share premium of RM139.8 million and the share issuance expenses of RM3.9 million has been included in the share premium accounts.

### 13. Interest-bearing Loans and Borrowings

The Group's total borrowings as at 31 January 2016 are as follows:

<b>Continuing</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	RM'000	RM'000	RM'000
Short term borrowings	157,262	48,132	205,394
Long term borrowings	1,405,103	43,654	1,448,757
<b>Total borrowings</b>	<b>1,562,365</b>	<b>91,786</b>	<b>1,654,151</b>

<b>Discontinued</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	RM'000	RM'000	RM'000
Short term borrowings	6,088	196,629	202,717
Long term borrowings	4,851	-	4,851
<b>Total borrowings</b>	<b>10,939</b>	<b>196,629</b>	<b>207,568</b>

<b>Grand total</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	RM'000	RM'000	RM'000
Short term borrowings	163,350	244,761	408,111
Long term borrowings	1,409,954	43,654	1,453,608
<b>Total borrowings</b>	<b>1,573,304</b>	<b>288,415</b>	<b>1,861,719</b>

Except for the borrowings of RM1,369.864 million denominated in United States Dollar, all other borrowings are denominated in Ringgit Malaysia.

### 14. Dividend Paid

At the Annual General Meeting held on 23 July 2015, the shareholders of the Company have approved the payment of Final Single-tier Dividend of 1.5 sen per share in respect of the financial year ended 31 January 2015. The dividend was paid on 15 September 2015.

### 15. Capital Commitments

As at 31 January 2016, the capital commitment for property, plant and equipment not provided for in the interim condensed financial statements is as follows:

- approved and contracted for – RM807.2 million
- approved but not contracted for – RM1,440.9 million

### 16. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent assets and no changes in contingent liabilities since the last audited financial statements.

## 17. Related Party Disclosures

Significant related party transactions are as follows:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.1.2016	31.1.2015	31.1.2016	31.1.2015
	RM'000	RM'000	RM'000	RM'000
<u>With companies substantially owned by directors, Lim Han Weng and Bah Kim Lian</u>				
Rental income from Yinson Tyres Sdn Bhd	15	15	60	60
Transport income from Liannex Corporation (S) Pte Ltd	721	1,178	2,394	5,011
Transport income from Handal Indah Sdn Bhd	1	1	9	10
Transport income from Handal Ceria Sdn Bhd	-	-	9	-
Transport income from Waja Securities Sdn Bhd	100	-	268	-
Sales of goods to Handal Indah Sdn Bhd	271	-	271	8
Purchases from Yinson Tyres Sdn Bhd	701	722	3,130	3,505
Barge income from Liannex Corporation (S) Pte Ltd	434	596	1,337	3,430
Barge income from Kargo Indera Sdn Bhd	314	-	930	-
Purchases of goods from Liannex Corporation (S) Sdn Bhd	-	-	-	48
<u>With joint ventures</u>				
Interest income from PTSC South East Asia Pte Ltd	505	396	1,803	1,481
Interest income from PTSC Asia Pacific Pte Ltd	30	25	113	54
<u>With associates</u>				
Ship management fee charges from Regulus Offshore Sdn Bhd	226	157	854	613
Administrative charges from Regulus Offshore Sdn Bhd	-	-	-	20
Management fee charges from Yinson Energy Sdn Bhd	701	-	2,559	-
Marine chartering charges from Regulus Offshore Sdn Bhd	1,464	-	5,039	-
Purchases from Regulus Offshore Sdn Bhd	850	14	2,461	585
Rental income from Regulus Offshore Sdn Bhd	63	62	250	186
Management fee income from Regulus Offshore Sdn Bhd	10	-	40	-
Management fee income from Yinson Energy Sdn Bhd	20	-	77	-

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties. All outstanding balances with these related parties are unsecured and are to be settled in cash within three months of reporting date.

## 18. Event After The Reporting Date

There was no material event subsequent to the end of the current quarter.

## PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

## 19. Performance Review

Explanatory comment on the performance of the Group's business activities is provided in Note 6.

## 20. Material Changes in the Profit Before Taxation of Current Quarter Compared with Preceding Quarter

	Quarter ended		% +/-
	31.1.2016	31.10.2015	
	RM'000	RM'000	
<b>Continuing operations</b>			
Revenue	116,189	110,720	5%
Direct expenses	(66,131)	(85,407)	-23%
Gross profit	50,058	25,313	98%
Other operating income	3,080	78,959	-96%
Administrative expenses	(14,313)	(23,359)	-39%
Profit from operations	38,825	80,913	-52%
Finance costs	(10,788)	(11,980)	-10%
Share of results of joint ventures	25,712	25,028	3%
Share of results of associates	248	203	22%
Profit before tax from continuing operations	53,997	94,164	-43%
Income tax expense	(10,046)	(9,239)	9%
Profit after tax from continuing operations	43,951	84,925	-48%
<b>Discontinued operations</b>			
Profit/(Loss) from discontinued operations, net of tax	1,193	(4,955)	-124%
<b>Profit for the period</b>	<b>45,144</b>	<b>79,970</b>	<b>-44%</b>

The Group's profit before tax from continuing operations for the 4th quarter of FY 2016 has decreased by 43% or RM40.167 million to RM53.997 million as compared to the RM94.164 million for preceding quarter. Excluding impairment in plant and equipment by RM18.983 million recorded in the preceding quarter which was none in the current quarter, there was a decrease of RM59.150 million. The decrease was mainly attributable to decrease of net favourable foreign exchange gain by about RM86 million but offset by improvement in gross profit of the continuing operations.

## 21. Commentary on Prospects

The short-term to medium-term outlook in the oil and gas sector remains challenging and uncertain due to protracted oversupply. Downside risks to the global outlook remain elevated. Going forward, although the global economy is projected to expand further, growth will be moderate and uneven. The pace of recovery will remain modest in the major advanced economies. Amid the challenging global economic environment, the Group shall strive to sustain satisfactory results for the next financial year ending 31 January 2017.

## 22. Profit Forecast

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests are not applicable.

## 23. Status of Corporate Proposals

The corporate proposal announced but not completed as at the date of issue of the quarterly report:-

### (i) Proposed Employees' Share Scheme

On 17 March 2015, the Company proposed to establish and implement an employees' share scheme up to ten percent (10%) of the total issued and paid-up share capital of the Company (excluding treasury shares) at any point in time during the duration of the scheme for the eligible Directors (including non-executive directors) and employees of the Company and its subsidiaries ("Proposed ESS").

Bursa Malaysia Securities Berhad has vide its letter dated 25 May 2015, approved the listing of such number of additional new ordinary shares of RM0.50 each in YHB representing up to ten percent (10%) of the issued and paid-up ordinary share capital (excluding treasury shares) of YHB to be issued pursuant to the Proposed ESS which is subject to conditions set by Bursa Securities as stated in the announcement dated 26 May 2015. On 23 July 2015, the proposed ESS was approved by the shareholders of YHB in the Extraordinary General Meeting. YHB obtained all required approvals and complied with the requirements pertaining to the ESS on 3 November 2015 (the effective date of the implementation of the ESS).

### (ii) Proposed Private Placement

On 25 June 2015, YHB proposed to undertake a Proposed Private Placement of new ordinary shares of RM0.50 each in the Company ("Placement Shares") of up to 103,279,844 Placement Shares, representing up to ten percent (10%) of the issued and paid-up share capital of YHB to third party investors. It shall be undertaken in accordance with the general mandate approved by shareholders on 31 July 2014 and 23 July 2015. Bursa had on 30 June 2015, approved the listing of and quotation of the Proposed Private Placement subject to conditions set by Bursa.

On 7 July 2015, 60,000,000 ordinary shares of RM0.50 each were issued under private placement at a value of RM2.83 for each share for a total consideration of RM169.800 million. As at 28 September 2015, there are 43,279,844 Placement Shares remained unissued. Bursa had vide its letter dated 14 December 2015, granted YHB an extension of time of six (6) months from 30 December 2015 up till 29 June 2016 to complete the Proposed Private Placement.

### (iii) Offer from Liannex Labuan Limited

On 29 June 2015, the Company had received a letter of offer from Liannex Labuan Limited ("Liannex Labuan") to acquire from YHB the following companies as well as the repayment of inter-company loans owing to YHB by the said subsidiaries at an offer price of RM228.0 million ("Offer Letter"):-

- i) Yinson Corporation Sdn Bhd;
- ii) Yinson Transport Sdn Bhd;
- iii) Yinson Shipping Sdn Bhd;
- iv) Yinson Power Marine Sdn Bhd;
- v) Yinson Port Ventures Pte Ltd; and
- vi) Yinson Vietnam Company Limited.

(collectively "Target Subsidiaries"). The Target Subsidiaries represent the non-oil and gas business of YHB. The Board of YHB had on even date, acknowledged the receipt of the Offer Letter and commenced negotiations on the terms of the transaction.

YHB had on 28 September 2015 entered into a conditional share sale agreement ("SSA") to divest its entire equity interest in the Target Subsidiaries to Liannex Labuan for a total cash consideration of RM168.0 million, subject to adjustments in accordance with the SSA. In addition, Liannex

Labuan shall settle all inter-company loans owing to YHB by the Target Subsidiaries as at Completion Date.

Pending fulfillment of the Conditions Precedent by the Company, YHB and Liannex Labuan have on 12 January 2016 vide a letter on even date, agreed to extend the Cut-Off Date for the fulfillment of the Conditions Precedent under the SSA pursuant to the Proposed Divestment to 14 March 2016. The proposed divestment was approved by the non-interested shareholders of YHB by way of poll at the Extraordinary General Meeting held on 29 January 2016. Subsequently, YHB and Liannex Labuan have vide a letter dated 11 March 2016, agreed to extend the Cut-Off Date for the fulfillment of the Conditions Precedents under the SSA to the Proposed Divestment to 16 May 2016.

(iv) Share buy-back

At the Extraordinary General Meeting held on 29 January 2016, it was approved by the shareholders of YHB to purchase up to ten percent (10%) of its prevailing issued and paid-up share capital. As at 28 March 2016, the Company had purchased and held 787,000 ordinary shares as treasury shares.

**24. Material Litigation**

As at 31 January 2016, there was no material litigation against the Group since the last audited financial statements.

**25. Dividend Payable**

No interim dividend has been declared for the current quarter under review.

**26. Derivatives**

Details of derivative financial instruments outstanding as at 31 January 2016 are as follows:-

<b>Types of derivatives</b>	<b>Contract / Notional Amount</b>	<b>Fair Value Assets/(Liabilities)</b>
	RM'000	RM'000
<u>Interest rate swaps</u>		
1 to 3 years	62,503	(160)
More than 3 years	3,282,055	(155,718)

The fair values of the interest rate swaps were based on quotes obtained from the respective counterparty banks.

**Interest rate swaps**

The Group entered into the following interest rate swap contracts to mitigate the Group's exposure from fluctuations in interest rate arising from a floating rate term loans:-

- i. contract amounting to RM41.782 million that receives floating interest at US\$ LIBOR + 2.75% p.a. and pays fixed interest at 3.40% p.a.;
- ii. contract amounting to RM20.721 million that receives a fixed rate of 2.5% p.a. + COF and pays a fixed rate of 2.5% p.a. + COF + fixed rate of 1.04% p.a. less one month LIBOR rate;
- iii. contract amounting to RM415.450 million that receives floating interest at 3 months US\$ LIBOR and pays fixed interest at 1.58% p.a.; and
- iv. contracts amounting to RM2,866.605 million that receive floating interest at 3 months US\$ LIBOR and pays fixed interest at 2.88% p.a.

The interest rate swaps have similar maturity terms as the term loans.

For item i to iii, the interest rate swaps have been classified as At Fair Value through Profit or Loss which is measured at fair value and the changes in fair value will be taken to profit or loss. As at 31 January 2016, the net fair value loss on interest rate swap derivative measured at fair value through profit and loss is RM5.963 million.

For item iv, the interest rate swaps have been classified as Cash Flows Hedge which is measured at fair value and the changes in fair value will be taken to cash flows hedge reserve. As at 31 January 2016, the net fair value loss on interest rate swap derivative measured at fair value through the reserve is RM149.701 million.

## 27. Realised and Unrealised Retained Earnings

The breakdown of the retained earnings of the Group as at 31 January 2016 into realised and unrealised is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, and prepared in accordance with *Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>Current financial period ended</b>	<b>Previous financial year ended</b>
	<b>31.1.2016</b>	<b>31.1.2015</b>
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:-		
- Realised	320,998	262,416
- Unrealised	97,339	87,634
	418,337	350,050
Total retained earnings from joint ventures- realised	202,110	109,781
Total accumulated profits/(losses) from associates - realised	3,086	(1,269)
Less Consolidation adjustments	23,032	(3,831)
Total Group retained earnings as per consolidated financial statements	646,565	454,731

## 28. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the year ended 31 January 2015 was not qualified.

## 29. Authorised For Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 March 2016.