

**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016 - unaudited**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30/06/2016</b>	<b>30/06/2015</b>	<b>30/06/2016</b>	<b>30/06/2015</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	246,676	238,920	1,024,050	1,032,209
Cost of sales	<u>(186,172)</u>	<u>(179,966)</u>	<u>(769,647)</u>	<u>(810,197)</u>
<b>Gross profit</b>	60,504	58,954	254,403	222,012
Other income	8,122	5,046	20,869	16,760
Selling and distribution costs	(15,677)	(16,585)	(70,056)	(82,793)
Administrative expenses	(15,528)	(17,779)	(63,956)	(65,687)
Finance costs	<u>(10,348)</u>	<u>(11,027)</u>	<u>(53,919)</u>	<u>(37,725)</u>
<b>Profit before taxation</b>	27,073	18,609	87,341	52,567
Income tax expense	<u>(10,430)</u>	<u>(2,622)</u>	<u>(25,383)</u>	<u>(18,122)</u>
<b>Profit net of tax</b>	16,643	15,987	61,958	34,445
<b>Other comprehensive income:</b>				
Foreign currency translation	14	-	14	19
Net changes on available-for-sale financial assets				
- (Loss)/gain on fair value changes	<u>(7,943)</u>	<u>-</u>	<u>700</u>	<u>-</u>
<b>Other comprehensive income, net of tax</b>	<u>(7,929)</u>	<u>-</u>	<u>714</u>	<u>19</u>
<b>Total comprehensive income for the year</b>	<u><u>8,714</u></u>	<u><u>15,987</u></u>	<u><u>62,672</u></u>	<u><u>34,464</u></u>
Profit attributable to:				
Owner of the parent	15,954	15,239	59,085	31,635
Non-controlling interests	<u>689</u>	<u>748</u>	<u>2,873</u>	<u>2,810</u>
	<u><u>16,643</u></u>	<u><u>15,987</u></u>	<u><u>61,958</u></u>	<u><u>34,445</u></u>
<b>Total comprehensive income attributable to:</b>				
Owner of the parent	8,025	15,239	59,799	31,654
Non-controlling interests	<u>689</u>	<u>748</u>	<u>2,873</u>	<u>2,810</u>
	<u><u>8,714</u></u>	<u><u>15,987</u></u>	<u><u>62,672</u></u>	<u><u>34,464</u></u>
Basic earnings per share attributable to owners of the parent (Sen)	1.65	1.57	6.10	3.27

The unaudited condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to this quarterly report.

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**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016 - unaudited**


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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>AS AT</b>	<b>AS AT</b>
	<b>30/06/2016</b>	<b>30/06/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	1,175,987	1,159,249
Biological assets	1,598,306	1,548,690
Timber rights	-	2,577
Land use rights	37	49
Goodwill on consolidation	62,337	62,337
Other intangible assets	553	660
Investment securities	75,700	5,000
Deferred tax assets	23,492	14,965
	<u>2,936,412</u>	<u>2,793,527</u>
<b>Current Assets</b>		
Inventories	140,466	146,944
Trade and other receivables	73,076	118,470
Other current assets	5,343	3,831
Investment securities	-	7
Income tax receivable	29,674	3,436
Derivative assets	2,111	-
Cash and bank balances	57,431	21,097
	<u>308,101</u>	<u>293,785</u>
<b>TOTAL ASSETS</b>	<u><u>3,244,513</u></u>	<u><u>3,087,312</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Interest bearing loans and borrowings	464,459	569,001
Trade and other payables	179,227	231,446
Income tax payable	38,103	17,768
	<u>681,789</u>	<u>818,215</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Interest bearing loans and borrowings	612,818	382,603
Deferred tax liabilities	121,805	111,384
	<u>734,623</u>	<u>493,987</u>
<b>Total Liabilities</b>	<u>1,416,412</u>	<u>1,312,202</u>
<b>Net assets</b>	<u>1,828,101</u>	<u>1,775,110</u>
<b>Equity Attributable to owners of the parent</b>		
Share capital	973,718	973,718
Treasury shares	(13,684)	(13,683)
Reserves	859,153	809,034
	<u>1,819,187</u>	<u>1,769,069</u>
<b>Non-controlling interests</b>	8,914	6,041
<b>Total Equity</b>	<u>1,828,101</u>	<u>1,775,110</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>3,244,513</u></u>	<u><u>3,087,312</u></u>
Net assets per share attributable to equity holders (RM)	1.88	1.83
Number of ordinary shares net of treasury shares	967,993	967,994

The unaudited condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached.

QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016 - unaudited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent							Equity, Total RM'000
	Non-Distributable				Distributable		Non- controlling interest RM'000	
	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserves RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000		
<b>Opening balance at 01 July 2015</b>	973,718	(13,683)	(6,458)	3,684	811,808	1,769,069	6,041	1,775,110
Profit for the year	-	-	-	-	59,085	59,085	2,873	61,958
Other comprehensive income	-	-	14	700	-	714	-	714
Total comprehensive income	-	-	14	700	59,085	59,799	2,873	62,672
<b>Transactions with owners</b>								
Dividends on ordinary shares	-	-	-	-	(9,680)	(9,680)	-	(9,680)
Purchase of treasury shares	-	(1)	-	-	-	(1)	-	(1)
<b>Total Transactions with owners</b>	-	(1)	-	-	(9,680)	(9,681)	-	(9,681)
<b>At 30 June 2016</b>	<u>973,718</u>	<u>(13,684)</u>	<u>(6,444)</u>	<u>4,384</u>	<u>861,213</u>	<u>1,819,187</u>	<u>8,914</u>	<u>1,828,101</u>
<b>Opening balance at 01 July 2014</b>	973,718	(13,679)	(6,477)	3,684	794,693	1,751,939	3,231	1,755,170
Profit for the year	-	-	-	-	31,635	31,635	2,810	34,445
Other comprehensive income	-	-	19	-	-	19	-	19
Total comprehensive income	-	-	19	-	31,635	31,654	2,810	34,464
<b>Transactions with owners</b>								
Dividends on ordinary shares	-	-	-	-	(14,520)	(14,520)	-	(14,520)
Purchase of treasury shares	-	(4)	-	-	-	(4)	-	(4)
<b>Total Transactions with owners</b>	-	(4)	-	-	(14,520)	(14,524)	-	(14,524)
<b>At 30 June 2015</b>	<u>973,718</u>	<u>(13,683)</u>	<u>(6,458)</u>	<u>3,684</u>	<u>811,808</u>	<u>1,769,069</u>	<u>6,041</u>	<u>1,775,110</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to this quarterly report.

QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016 - unaudited

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Current</b>	<b>Corresponding</b>
	<b>12 months ended</b>	<b>12 months ended</b>
	<b>30/06/2016</b>	<b>30/06/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	87,341	52,567
Adjustments for:		
Amortisation of other intangible assets	520	14,301
Amortisation of land use rights	234	5
Depreciation	95,609	84,078
Dividend income from investment securities	-	(979)
Fair value (gain)/ loss on derivative assets	(2,111)	114
Impairment loss on biological assets	-	100
Impairment of trade and other receivables	12,000	8,258
Reversal of impairment of receivables	(318)	(968)
Interest expenses	51,231	35,590
Interest income	(80)	(10)
Net loss on disposal of property, plant and equipment	5,739	4,629
Net unrealised foreign exchange loss	2,451	419
Property, plant and equipment written off	-	74
Reversal of fair value gain on derivatives	-	527
Reversal of unrealised gain on inventories	-	754
<b>Operating cash flows before working capital changes</b>	<b>252,616</b>	<b>199,459</b>
Net change in current assets	33,978	35,939
Net change in current liabilities	(50,178)	(84,200)
<b>Cash flows from operations</b>	<b>236,416</b>	<b>151,198</b>
Interest received	80	10
Interest paid	(57,054)	(48,333)
Income taxes paid, net of refund	(27,529)	(703)
<b>Net cash flows from operating activities</b>	<b>151,913</b>	<b>102,172</b>
Purchase of property, plant and equipment	(115,626)	(179,573)
Plantation development expenditure incurred	(41,101)	(56,746)
Purchase of other intangible assets	-	(68)
Purchase of investment securities	(70,000)	(5,000)
Proceeds from disposal of investment securities	7	59,940
Dividend income of investment securities	-	979
Proceeds from disposal of property, plant and equipment	12,425	15,753
<b>Net cash flows used in investing activities</b>	<b>(214,295)</b>	<b>(164,715)</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(9,680)	(14,520)
Purchase of treasury shares	(1)	(4)
Net (repayment)/proceeds of revolving credit and bankers' acceptances	(39,537)	58,247
Repayments of hire purchase creditors	(23,622)	(14,941)
Repayments of term loans	(275,867)	(169,624)
Proceeds from term loans	429,250	165,000
<b>Net cash flows from financing activities</b>	<b>80,543</b>	<b>24,158</b>
<b>Net change in cash and cash equivalent</b>	<b>18,161</b>	<b>(38,385)</b>
Effects of exchange rate changes	14	19
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(103,310)</b>	<b>(64,944)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(85,135)</b>	<b>(103,310)</b>
Cash and bank balances	57,431	21,097
Bank overdrafts	(142,566)	(124,407)
	<b>(85,135)</b>	<b>(103,310)</b>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 June 2015 and the accompanying explanatory notes attached to this quarterly report.

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016**

**Part A – Explanatory Notes Pursuant to FRS 134**

**1 Basis of Preparation**

The quarterly report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2015. These explanatory notes attached to the quarterly report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2015.

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 30 June 2015. At the date of authorization of these interim financial statements, the Group has not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board (“MASB”). The Group intend to adopt these amendments/standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Annual Improvements to FRSs 2012 - 2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investments Entities – Applying the Consolidation Exception	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
FRS 9 Financial Instruments	1 January 2018

**Part A – Explanatory Notes Pursuant to FRS 134**

**2 Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 30 June 2015 was not qualified.

**3 Seasonal and Cyclical Factors**

Save for the weather conditions which may affect our operations, our principal business operations have not been significantly affected by any seasonal and cyclical factors.

**4 Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

**5 Changes in Estimates**

There were no changes in estimates of amounts reported in prior quarters which have a material impact on the current quarterly report.

**6 Debt and Equity Securities**

During the financial year, 1,000 shares of RM 1.00 each were purchased and retained as treasury shares. The monthly breakdown of shares bought back is as follows:

Month	No of shares purchased	Purchase price per share		Average price per share paid	Total consideration paid
		Lowest	Highest		
Feb 2016	1,000	RM 1.44	RM 1.44	RM 1.4849	RM 1,484.87

On 30 June 2016, the number of shares retained as treasury shares amounted to 5,725,000.

Apart from the above there were no other issuances and repayments of debt and equity securities for the year.

**7 Dividends Paid**

A first and final single-tier dividend of 1 sen per ordinary share in respect of the financial year ended 30 June 2015 amounting to RM9,679,938 was paid on 16<sup>th</sup> December 2015.

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016**

**Part A – Explanatory Notes Pursuant to FRS 134**

**8 Segmental Information**

The segment information in respect of the Group's business segments for the year-to-date ended 30 June 2016 is as follows:

	Year ended 30 June 2016		Year ended 30 June 2015	
	Revenue	Profit/(Loss) Before Taxation	Revenue	Profit/(Loss) Before Taxation
	RM'000	RM'000	RM'000	RM'000
Logs	279,623	130,552	371,061	104,551
Wood processing	347,187	(7,394)	363,357	16,650
Oil palm	396,763	(14,900)	297,283	(21,442)
Others	477	1,634	508	(3)
Group admin and overhead	-	(22,551)	-	(47,189)
Consolidated total	<u>1,024,050</u>	<u>87,341</u>	<u>1,032,209</u>	<u>52,567</u>

**9 Carrying Amount of Revalued Assets**

The Group did not carry out any valuations on its property, plant and equipment during the current quarter and financial year-to-date. The carrying value of property, plant and equipment is based on the valuation incorporated in the annual financial statements for the year ended 30 June 2015.

**10 Subsequent Events**

No material events have arisen during the interval between the end of the current quarter and the date of this announcement that have not been reflected in the current quarterly report.

**11 Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter, which were previously not announced.

**12 Contingent Liabilities and Contingent Assets**

There are no significant changes in contingent liabilities or assets as at the end of the current quarter.

**13 Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the quarterly report is as follows:

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
Authorised and contracted for	<u>39,415</u>	<u>57,608</u>

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**14 Review of Performance**

**(a) Comparison of Results with Previous Corresponding Quarter**

For the quarter ended 30 June 2016, the Group's revenue of RM246.7 million was 3.2% higher than RM238.9 million reported in the previous corresponding quarter. Pre-tax profit of RM27.1 million attained in the current period was 45.5% more than the same period last year.

Higher pre-tax profit was resulted from:-

- 19% and 36% decrease in production cost as a result of 55% and 95% increase in production volume in CPO and PK respectively; and
- 24% and 19% improvement in average selling prices of FFB and CPO respectively.

**(b) Comparison of Results with Previous Year-to-date**

For the financial year-to-date, the Group recorded a revenue of RM1,024.1 million representing a marginal decrease from RM1,032.2 million reported in the previous corresponding period. However, pre-tax profit improved by 66% to RM87.3 million as compared with RM52.6 million attained in the last financial year.

Lower revenue was resulted from the 33% and 22% decrease in log and plywood sales volume respectively due to the reduction in logs production volume by 16%.

Higher pre-tax profit was contributed by:-

- 44% and 19% increase in CPO and veneer sales volume respectively; and
- 4% and 9% decrease in CPO and PK processing cost due to the higher production volume.
- higher profit margin in timber division as a result of stronger USD.

**15 Comparison of Profit Before Tax with Immediate Preceding Quarter**

The Group's performance for the current quarter improved significantly to a pre-tax profit of RM27.1 million from a loss of RM7.6 million reported in the preceding quarter. The better result was mainly contributed by oil palm division arising from:-

- 83% and 26% increase in FFB and CPO sales volume with 12% and 11% increase in a average selling price respectively; and
- 31% and 26% reduction in FFB and CPO unit production cost as a result of 64% and 50% increase in production volume respectively.



**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**16 Commentary on Prospects**

The supply of logs will be affected in view of the stringent certification rules and sustainable forest management policy imposed by government on the timber licenses in Sarawak. As such, we expect the average prices of the timber products to remain stable. The performance of timber division will also depend on the future trend of USD and the global economic situation affecting the demand for timber products.

As for the oil palm division, with the delay in B10 biodiesel implementation coupled with the seasonal pickup of FFB production, the stockpile for CPO is expected to increase. However, the CPO price is expected to remain firm as a result of higher soybean oil price due to anticipated supply constraint of soybean oil.

With our continuous effort to improve operational efficiency and production yield, we expect the Group's OER and FFB yield to improve in the next financial year.

**17 Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes on the variation of actual profit after tax and non-controlling interest, and shortfall in profit guarantee are not applicable.

**18 Profit for the Year**

Included in the profit before tax are the following items:

	Current quarter		Cumulative quarter	
	30 June 2016 RM'000	30 June 2015 RM'000	30 June 2016 RM'000	30 June 2015 RM'000
Amortisation	78	3,565	753	14,306
Depreciation	25,548	21,788	95,610	84,078
Fair value (gain)/loss on derivative assets	(2,111)	(552)	(2,111)	641
Interest expenses	9,741	8,938	51,231	35,590
Impairment of financial assets	2,682	1,926	11,682	7,390
Net loss on disposal of property, plant and equipment	5,563	1,447	5,739	4,703
Net unrealised foreign exchange loss	1,734	443	2,451	419
Interest income	(41)	(1)	(80)	(10)
Dividend income from investment securities	-	(122)	-	(979)

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016**

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**19 Taxation**

Taxation comprise:-

	Current quarter		Cumulative quarter	
	30 June 2016 RM'000	30 June 2015 RM'000	30 June 2016 RM'000	30 June 2015 RM'000
Current taxation	11,362	8,040	23,490	17,144
Deferred taxation	(932)	(5,418)	1,893	978
	<u>10,430</u>	<u>2,622</u>	<u>25,383</u>	<u>18,122</u>

The effective tax rate for the Group is higher than the statutory tax rate of 24%. This is mainly due to certain expenses not allowable for tax deduction.

**20 Quoted Securities**

There was no purchase or disposal of quoted securities during the current quarter.

**21 Unquoted Securities**

There was no purchase or disposal of unquoted securities during the current quarter and financial year-to-date.

**22 Borrowings and Debt Securities**

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
Secured borrowings:		
Short term	24,922	21,364
Long term	<u>20,706</u>	<u>31,825</u>
	<u>45,628</u>	<u>53,189</u>
Unsecured borrowings:		
Short term	439,537	547,637
Long term	<u>592,112</u>	<u>350,778</u>
	<u>1,031,649</u>	<u>898,415</u>
	<u>1,077,277</u>	<u>951,604</u>
Borrowings denominated in foreign currency:		
	USD'000	RM'000 Equivalent
United States Dollars	<u>5,000</u>	<u>20,108</u>

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016**

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**23 Material litigation**

There is no pending material litigation as at the date of this announcement.

**24 Dividend Payable**

The Board of Directors has recommended a first and final single-tier dividend of 1.3 sen per ordinary share (2015: 1 sen) in respect of the financial year ended 30 June 2016 for the shareholders' approval at the forthcoming annual general meeting. The entitlement and payment date will be decided and announced in due course.

**25 Disclosure of Realised and Unrealised Profits or Losses**

	As at 30 June 2016 RM'000	As at 30 June 2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	1,150,169	1,050,100
- Unrealised	<u>(92,641)</u>	<u>(94,605)</u>
	1,057,528	955,495
Less: Consolidation adjustments	(196,315)	(143,687)
Total group retained profits as per consolidated accounts	<u><u>861,213</u></u>	<u><u>811,808</u></u>

**26 Earnings per share (EPS)**

**i) Basic EPS**

Basic earnings per share is calculated by dividing the net profit of the year over the weighted average number of ordinary shares in issue during the year excluding treasury shares held by the Company.

	Current Quarter		Cumulative Quarter	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
Net profit attributable to the equity holders of the Company (RM'000)	15,954	15,239	59,085	31,635
Weighted average number of ordinary shares in issue ('000 )	967,993	967,994	967,993	967,994
Basic EPS (sen)	1.65	1.57	6.10	3.27

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FOURTH FINANCIAL QUARTER ENDED 30 JUNE 2016**

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

26 **Earnings per share (EPS) (cont'd)**

**ii) Diluted EPS**

There are no dilutive potential ordinary shares. As such, the dilutive earnings per share of the Group is equivalent to basic earnings per share.

27 **Authorization for issue**

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 25<sup>th</sup> of August 2016.