

AT SYSTEMATIZATION BERHAD (Company No.644800-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2011

	As at 30.11.11 (Unaudited) RM'000	As at 28.02.11 (Audited) RM'000
NON-CURRENT ASSETS		
Property, Plant and Equipment	28,080	28,652
Development Expenditure	11	58
	28,091	28,710
CURRENT ASSETS		
Assets Held for Sale	-	550
Inventories	4,623	3,574
Trade and Other Receivables	11,811	9,425
Prepayments	344	166
Current Tax Assets	1	4
Cash and Cash Equivalents	1,908	3,320
	18,687	17,039
CURRENT LIABILITIES		
Trade and Other Payables	6,109	5,454
Loans and Borrowings	3,840	4,088
Advance Payments from Customers	1,866	639
Current Tax Liabilities	80	507
	11,895	10,688
NET CURRENT ASSETS	6,792	6,351
NON-CURRENT LIABILITIES		
Loans and Borrowings	11,630	12,477
Deferred Tax Liabilities	475	475
	12,105	12,952
NET ASSETS	22,778	22,109
EQUITY:-		
Share Capital	17,895	17,895
Share Premium	10,749	10,749
Revaluation Surplus	217	217
Currency Translation Reserve	96	91
Accumulated Losses	(6,179)	(6,843)
TOTAL EQUITY	22,778	22,109
Net Assets Per Ordinary Share Attributable to Owners of the Company (Sen)	12.73	12.35

Note:-

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial statements.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

	Current Year Quarter 30.11.11 (Unaudited) RM'000	Individual Quarter Preceding Year Corresponding Quarter 30.11.10 (Unaudited) RM'000	Current Year to Date 30.11.11 (Unaudited) RM'000	Cumulative Quarter Preceding Year Corresponding Period 30.11.10 (Unaudited) RM'000
Revenue	9,143	9,672	25,651	26,996
Other Income	272	137	552	355
Operating Expenses	(8,828)	(9,174)	(24,484)	(25,730)
Operating Profit	587	635	1,719	1,621
Finance Costs	(247)	(268)	(723)	(803)
Profit before Tax	340	367	996	818
Tax Expense	(136)	(106)	(332)	(206)
Profit for the Period	204	261	664	612
Attributable to:-				
- Owners of the Company	204	239	664	590
- Non-Controlling Interest	-	22	-	22
	204	261	664	612
Earnings Per Share				
- Basic (Sen)	0.11	0.13	0.37	0.33
- Diluted (Sen)	0.11	0.13	0.37	0.33

Note:-

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial statements.

AT SYSTEMATIZATION BERHAD (Company No.644800-X)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 NOVEMBER 2011

	Current Year Quarter 30.11.11 (Unaudited) RM'000	Individual Quarter Preceding Year Corresponding Quarter 30.11.10 (Unaudited) RM'000	Current Year to Date 30.11.11 (Unaudited) RM'000	Cumulative Quarter Preceding Year Corresponding Period 30.11.10 (Unaudited) RM'000
Net Profit for the Period	204	261	664	612
Other Comprehensive Income:-				
Currency Translation Differences for Foreign Operations	15	110	5	21
Other Comprehensive Income for the Period	15	110	5	21
Total Comprehensive Income for the Period	219	371	669	633
Attributable to:-				
- Owners of the Company	219	356	669	618
- Non-Controlling Interest	-	15	-	15
	219	371	669	633

Note:-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial statements.

AT SYSTEMATIZATION BERHAD (Company No.644800-X)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2011

	Non-Distributable				Accumulated Losses	Equity Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	Share Capital	Share Premium	Revaluation Surplus	Currency Translation Reserve				
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 March 2011	17,895	10,749	217	91	(6,843)	22,109	-	22,109
Total Comprehensive Income for the Period	-	-	-	5	664	669	-	669
Balance at 30 November 2011	17,895	10,749	217	96	(6,179)	22,778	-	22,778

	Non-Distributable				Accumulated Losses	Equity Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	Share Capital	Share Premium	Revaluation Surplus	Currency Translation Reserve				
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 March 2010	17,895	10,749	180	193	(7,232)	21,785	242	22,027
-As previously reported	-	-	37	-	-	37	-	37
-Effect of Adopting Amendments to FRS117	-	-	-	-	-	-	-	-
As Restated	17,895	10,749	217	193	(7,232)	21,822	242	22,064
Total Comprehensive Income for the Period	-	-	-	28	590	618	15	633
Acquisition of Additional Equity from Non-Controlling Interest	-	-	-	(2)	72	70	(257)	(187)
Balance at 30 November 2010	17,895	10,749	217	219	(6,570)	22,510	-	22,510

Note:-

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial statements.

AT SYSTEMATIZATION BERHAD (Company No.644800-X)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 NOVEMBER 2011

	Current Year to Date 30.11.2011 (Unaudited) RM'000	Preceding Year Corresponding Period 30.11.2010 (Unaudited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	996	818
Adjustments for:-		
Non-Cash Items	1,985	2,168
Non-Operating Items	624	774
Operating Profit Before Working Capital Changes	<u>3,605</u>	<u>3,760</u>
Increase in Inventories	(1,049)	(939)
(Increase)/Decrease in Receivables and Prepayments	(2,509)	3,787
Increase/(Decrease) in Payables and Advance Payments	1,827	(651)
Cash Generated from Operations	<u>1,874</u>	<u>5,957</u>
Interest Paid	(723)	(803)
Tax Paid	(756)	(142)
Net Cash from Operating Activities	395	5,012
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Additional Equity from Non-Controlling Interest	-	(187)
Interest Received	1	5
Proceeds from Disposal of Assets Held for Sale	600	-
Proceeds from Disposal of Property, Plant and Equipment	86	-
Purchase of Property, Plant and Equipment	(490)	(658)
Net Cash from/(Used in) Investing Activities	197	(840)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in Short-term Loans and Borrowings	-	(1,011)
Repayment of Hire Purchase Obligations	(1,015)	(968)
Repayment of Term Loans	(807)	(695)
Net Cash Used in Financing Activities	(1,822)	(2,674)
Currency Translation Differences	5	10
Net (Decrease)/Increase in Cash and Cash Equivalents	<u>(1,225)</u>	<u>1,508</u>
Cash and Cash Equivalents Brought Forward	1,357	(362)
Cash and Cash Equivalents Carried Forward	132	1,146
Represented by:-		
Cash and Cash Equivalents	1,908	3,104
Bank Overdrafts	(1,776)	(1,958)
	132	1,146

Note:-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to the interim financial statements.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

**PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

A1) Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard (“FRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and the requirements as set out in Chapter 9 Part K Paragraph 9.22 (Appendix 9B) of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying notes attached to the interim financial statements. The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of AT Systematization Berhad (“AT” or the “Company”) and its wholly-owned subsidiary companies (hereinafter referred to as the “Group”) since the financial year ended 28 February 2011.

A2) Changes in Accounting Policies

The accounting policies and methods of computations adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 28 February 2011 except for the adoption of the following amended/revised/new Financial Reporting Standards (“FRSs”) effective for the Group’s financial period beginning 1 March 2011:-

Amendment to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 Additional Exemptions for First-time Adopters

Amendments to FRS 2 Share-based Payment

Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions

Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 7 Improving Disclosures about Financial Instruments

Amendments to FRS 138 Intangible Assets

Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives

Amendments to FRSs contained in the document entitled “Improvements to FRSs (2010)”

FRS 1 First-time Adoption of Financial Reporting Standards (revised in 2010)

FRS 3 Business Combinations (revised in 2010)

FRS 127 Consolidated and Separate Financial Statements (revised in 2010)

IC Interpretation 4 Determining whether an Arrangement contains a Lease

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

IC Interpretation 18 Transfers of Assets from Customers

The adoptions of the above amended/revised/new FRSs do not have any significant impacts on the financial statements of the Group.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

**PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

A3) Seasonal or Cyclical Factors

The Group’s performance is, to certain extent, dependent on the cyclical nature of the electronics and semiconductors industries.

A4) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

A5) Material Changes in Estimates

There was no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current quarter and financial year-to-date.

A6) Debt and Equity Securities

There were no issuances, repurchases, and repayments of long term debt and equity issued during the current quarter and financial year-to-date.

A7) Dividend Paid

There was no dividend paid in the current quarter and financial year-to-date.

A8) Segmental Information

Information about operating segments has not been reported separately as the Group’s profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the design, manufacture and fabrication of industrial automations systems, machinery, industrial and engineering parts.

A9) Valuation of Property, Plant and Equipment

The carrying amount of property, plant and equipment of the Group has been brought forward, without amendment from the previous audited financial statements.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

**PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING
STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

A10) Events After the Reporting Period

There were no materials events after the reporting period that have not been reflected in the interim financial statements as at the date of this report.

A11) Changes in the Composition of the Group

On 7 October 2011, Miako-Tech Engineering Sdn. Bhd. (hereinafter referred to as “MTE”), a wholly-owned subsidiary of AT has announced to Bursa Malaysia that it has commenced members’ voluntary winding-up on even date. MTE was previously involved in the fabrication of industrial and engineering parts and had ceased its operations in August 2011.

On 25 November 2011, ATST Corporation Limited (hereinafter referred to as “ATST”), a wholly-owned subsidiary of AT has announced to Bursa Malaysia that it has commenced members’ voluntary winding-up on 17 October 2011. ATST has submitted the relevant document to Department of Business Development Ministry of Commerce and Revenue Department on 17 October 2011 and 16 November 2011 respectively. ATST was a dormant company incorporated in Thailand.

A12) Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets to be disclosed as at the date of the interim financial statements.

A13) Capital Commitments

There was no capital commitment in the current quarter under review.

A14) Related Party Transactions

There were no significant transactions with related parties other than those occurred in the ordinary course of business.

There were no transactions with the directors other than directors’ remuneration which is in accordance with the terms and conditions of their appointment.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

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

B1) Review of Performance

The Group recorded revenue of approximately RM9.1million and RM25.7million respectively in the current individual and cumulative quarter compared to revenue of approximately RM9.7million and RM27.0million respectively in the corresponding individual and cumulative quarter of the preceding year. The revenue of the Group for the current quarter has slightly reduced by approximately 6.2% as compared to the preceding year corresponding period. This was due to slightly decrease in demand by existing customers.

The Group recorded profit before tax of approximately RM0.34million and RM1.0million respectively in the current individual and cumulative quarter compared to profit before tax of approximately RM0.37million and RM0.82million respectively in the corresponding individual and cumulative quarter of the preceding year. The profit performance of the Group in cumulative has improved mainly due to the increase in gross margin and lower finance costs.

B2) Material Change in the Profit before Taxation of Current Quarter Compared with the Immediate Preceding Quarter

The Group recorded revenue of approximately RM9.1million in the current quarter compared to the revenue of approximately RM8.1million in the preceding quarter. The increase in revenue was due to higher order received from automation equipment division for the current quarter.

The Group recorded profit before tax of approximately RM0.34million in the current quarter compared to profit before tax of approximately RM0.13million in the immediate preceding quarter. The increase in profit before tax was due to the increase in gross margin.

B3) Current Year Prospects

The Group will continue to focus and expand on the core business in the design and manufacture of industrial automation system and machinery and fabrication of industrial and engineering parts as well as seeks opportunity for business growth and looking for new market opportunities. Barring any unforeseen circumstances, the Group is optimistic of achieving better results for the current financial year.

B4) Variance between Actual Profit and Forecast Profit

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

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

B5) Taxation

	Current Year Quarter 30.11.2011 RM'000	Current Year-to-Date 30.11.2011 RM'000
Income Tax	136	332
Deferred Tax Liabilities	-	-
Total	<u>136</u>	<u>332</u>

The effective tax rate of the Group is higher than that of the statutory income tax rate due to profit and loss making in some of the subsidiaries.

B6) Unquoted Investments and Properties

There were no sales and purchases of unquoted investments and properties for the current quarter.

B7) Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter.

B8) Corporate Proposals

The Company has on 20 October 2011 announced to Bursa Malaysia that the Securities Commission Malaysia (“SC”) had vide its letter dated 12 October 2011 (which was received on 19 October 2011):-

- (a) notified that the SC has taken note that the Ministry of International Trade and Industry has vide its letter dated 6 October 2011, informed that it had not receive any interest from Bumiputera investors to subscribe for the Special Issue Shares; and
- (b) based on the above, AT has complied with the Bumiputera equity condition.

AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011

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

B9) Realised and Unrealised Profits/Losses

	Current Quarter	Immediate
	30.11.2011	Preceding Quarter
	RM'000	31.08.2011
		RM'000
Total Accumulated Losses of the Company and its subsidiaries:-		
- Realised	(14,155)	(14,359)
- Unrealised	1,029	1,029
	<u>(13,126)</u>	<u>(13,330)</u>
Consolidation Adjustments and Eliminations	6,947	6,947
Total Accumulated Losses as per Statement of Financial Position	<u>(6,179)</u>	<u>(6,383)</u>

The above information is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not made for any other purpose. The determination of realised and unrealised profits/losses is in accordance with Guidance on Special Matter No. 1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

B10) Borrowings and Debts Securities

The Groups' borrowings as at 30 November 2011 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Short Term Borrowings:-			
Bank Overdrafts	1,776	-	1,776
Hire Purchase Payables	1,588	-	1,588
Term Loans	476	-	476
	<u>3,840</u>	<u>-</u>	<u>3,840</u>
Long Term Borrowings:-			
Hire Purchase Payables	1,495	-	1,495
Term Loans	10,135	-	10,135
	<u>11,630</u>	<u>-</u>	<u>11,630</u>
Total	<u>15,470</u>	<u>-</u>	<u>15,470</u>

Included in the Group's borrowings are foreign currency borrowing denominates in Thai Baht of approximately RM1.0million (comprising of approximately THB9.8million).

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

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

B11) Off Statement of Financial Position Financial Instruments

There were no financial instruments with off Statement of Financial Position risk as at the date of the interim financial statements.

B12) Material Litigation

There were no material litigations against the Group as at the date of the interim financial statements. The directors of the Group do not have any knowledge of any proceeding pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

B13) Earnings per Share

The basic earnings per share is calculated by dividing the Group's profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period as follows:-

	Current Year Quarter 30.11.11 RM'000	Individual Quarter Preceding Year Corresponding Quarter 30.11.10 RM'000	Current Year to Date 30.11.11 RM'000	Cumulative Period Preceding Year Corresponding Period 30.11.10 RM'000
Profit Attributable to Owners of the Company (RM'000)	204	239	664	590
Weighted Average Number of Shares in Issue ('000)	178,950	178,950	178,950	178,950
Earnings Per Share				
- Basic (sen)	0.11	0.13	0.37	0.33
- Diluted (sen)	0.11	0.13	0.37	0.33

The diluted earnings per share equal the basic earning per share as the Company did not have any dilutive potential ordinary shares during the financial period.

**AT SYSTEMATIZATION BERHAD (Company No.644800-X)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2011**

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

B14) Audit Report Qualifications

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 28 February 2011 did not contain any qualification.

B15) Authorization for Issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.