

INS BIOSCIENCE BERHAD

(Company No: 623239-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010 (The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	CURRENT YEAR QUARTER 30/09/10 RM'000	PRECEDING YEAR QUARTER 30/09/09 (RESTATED) RM'000	CURRENT YEAR TO DATE 30/09/10 RM'000	PRECEDING YEAR PERIOD 30/09/09 (RESTATED) RM'000
REVENUE	15,457	16,814	34,711	30,661
COST OF SALES	(8,652)	(11,808)	(20,765)	(21,497)
GROSS PROFIT	<u>6,805</u>	<u>5,006</u>	<u>13,946</u>	<u>9,164</u>
OTHER INCOME	1,387	1,331	1,589	3,441
SELLING AND DISTRIBUTIONS EXPENSES	(1,394)	(781)	(2,774)	(1,400)
ADMINISTRATIVE EXPENSES	(3,002)	(3,189)	(5,904)	(5,460)
OTHER OPERATING EXPENSES	(2,794)	(1,761)	(3,956)	(4,842)
FINANCE COSTS	(97)	(55)	(159)	(135)
PROFIT BEFORE TAX	<u>905</u>	<u>551</u>	<u>2,742</u>	<u>768</u>
TAX EXPENSE	(188)	-	(222)	-
NET PROFIT FOR THE PERIOD	<u>717</u>	<u>551</u>	<u>2,520</u>	<u>768</u>
OTHER COMPREHENSIVE LOSS				
Exchange Fluctuation Reserve	(41)	-	(43)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>676</u>	<u>551</u>	<u>2,477</u>	<u>768</u>
Profit attributable to:				
Equity holders of the parent Company	774	551	2,630	768
Minority interest	(57)	-	(110)	-
	<u>717</u>	<u>551</u>	<u>2,520</u>	<u>768</u>
Total Comprehensive income attributable to:				
Equity holders of the parent Company	733	551	2,587	768
Minority interest	(57)	-	(110)	-
	<u>676</u>	<u>551</u>	<u>2,477</u>	<u>768</u>
Earnings per share (sen)				
Basic	0.27	0.19	0.92	0.27
Diluted	N/A	N/A	N/A	N/A

The above statement should be read in conjunction with the accompanying notes attached to this interim financial report as well as the Audited Financial Statements for the financial year ended 31 March 2010.

INS BIOSCIENCE BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2010

(The figures have not been audited)

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	<u>As at 30/9/10</u> <u>RM'000</u>	<u>As at 31/3/10</u> <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	22,951	22,848
Prepaid lease payments for land	44	44
Other investments	63	63
Intangible assets	500	500
Goodwill on consolidation	3,644	3,644
	<u>27,202</u>	<u>27,099</u>
Current assets		
Inventories	8,499	7,175
Trade and other receivables	25,344	23,356
Tax refundable	196	151
Other investments	1,339	1,116
Fixed deposits with licensed banks	6,390	6,987
Cash and bank balances	4,913	4,645
	<u>46,681</u>	<u>43,430</u>
TOTAL ASSETS	<u>73,883</u>	<u>70,529</u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	28,668	28,668
Share premium	15,785	15,785
Treasury share	(110)	(110)
Foreign exchange reserve	176	219
Accumulated losses	(5,323)	(6,380)
	<u>39,196</u>	<u>38,182</u>
Minority interest	424	534
TOTAL EQUITY	<u>39,620</u>	<u>38,716</u>
Non-current liabilities		
Long-term borrowings	4,925	3,653
Deferred tax liabilities	95	95
	<u>5,020</u>	<u>3,748</u>
Current liabilities		
Trade and other payables	11,636	13,333
Advance received from distributors	11,845	13,433
Short-term borrowings	896	478
Dividend Payable	1,573	-
Bank overdrafts	2,837	563
Tax liabilities	456	258
	<u>29,243</u>	<u>28,065</u>
TOTAL LIABILITIES	<u>34,263</u>	<u>31,813</u>
TOTAL EQUITY AND LIABILITIES	<u>73,883</u>	<u>70,529</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.14</u>	<u>0.13</u>

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010 (The figures have not been audited)

	Issued and fully paid ordinary shares of RM0.10 each		Non- Distributable Share Premium	Treasury Shares	Foreign Exchange Reserve	Distributable - Retained Profit / Accumulated Loss	Shareholders' Equity	Minority Interests	Total
	Number of shares '000	Nominal value RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2009 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	-	(11,785)	32,558	-	32,558
Investment in a subsidiary	-	-	-	-	-	-	-	1,222	1,222
Foreign exchange reserve in the translation of a foreign subsidiary	-	-	-	-	219	-	219	146	365
Net profit for the year	-	-	-	-	-	5,405	5,405	(834)	4,571
At 31 March 2010 (Nominal value at RM0.10 per share) - Before the adoption of FRS 139	286,680	28,668	15,785	(110)	219	(6,380)	38,182	534	38,716
Effects on the adoption of FRS 139	-	-	-	-	-	-	-	-	-
After adoption of FRS 139	286,680	28,668	15,785	(110)	219	(6,380)	38,182	534	38,716
Dividend						(1,573)	(1,573)	-	(1,573)
Total comprehensive income for the period	-	-	-	-	(43)	2,630	2,587	(110)	2,477
At 30 Sept 2010 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	176	(5,323)	39,196	424	39,620

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2010

(The figures have not been audited)

	CURRENT FINANCIAL PERIOD TO DATE 30/09/2010 RM'000	AUDITED FINANCIAL YEAR ENDED 31/03/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,742	4,918
Adjustments for:		
Amortisation of prepaid lease payments for land	1	1
Amortisation of intangible assets	-	184
Allowance for doubtful debts	3,092	3,159
Bad debts written off	-	30
Writeback of allowance for doubtful debts	(1,316)	(3,356)
Allowance for inventory obsolescence	-	383
Depreciation on property, plant & equipment	1,293	2,654
Intangible assets written off	-	1,176
Interest expenses	159	315
Inventories written down	-	203
Loss/(gain) on disposal of equipment	22	(126)
Interest income	(80)	(164)
Operating profit before working capital changes	5,913	9,377
Net changes in current assets	(5,088)	(2,892)
Net changes in current liabilities	(3,287)	4,993
Cash (used in)/ generated from operation	(2,462)	11,478
Interest paid	(159)	(315)
Tax paid	(69)	(280)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(2,690)	10,883
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	80	164
Subscriptions of shares by minority interests in a subsidiary	-	1,222
Proceeds from disposal of equipment	-	974
Purchase of intangible assets	-	(1,860)
Purchase of property, plant and equipment	(1,418)	(3,398)
NET CASH USED IN INVESTING ACTIVITIES	(1,338)	(2,898)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to a director	-	(88)
Net drawdown/(Repayment) of term loans	1,741	(178)
Repayment of bills payable	-	(1,486)
Repayment of hire purchase creditors	(50)	(450)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	1,691	(2,202)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENT	(2,337)	5,783
EFFECTS OF FOREIGN EXCHANGE	(43)	353
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	12,185	6,049
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD / YEAR (NOTE A15)	9,805	12,185

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