

INS BIOSCIENCE BERHAD (Company No: 623239-V)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2011**
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER</u> 30/06/11 RM'000	<u>PRECEDING YEAR CORRESPONDING QUARTER</u> 30/06/10 RM'000	<u>CURRENT YEAR TO DATE</u> 30/06/11 RM'000	<u>PRECEDING YEAR CORRESPONDING PERIOD</u> 30/06/10 RM'000
REVENUE	9,219	19,254	9,219	19,254
COST OF SALES	(5,822)	(12,113)	(5,822)	(12,113)
GROSS PROFIT	3,397	7,141	3,397	7,141
OTHER INCOME	406	202	406	202
SELLING AND DISTRIBUTIONS EXPENSES	(1,189)	(1,380)	(1,189)	(1,380)
ADMINISTRATIVE EXPENSES	(3,013)	(2,902)	(3,013)	(2,902)
OTHER OPERATING EXPENSES	(517)	(1,162)	(517)	(1,162)
SHARE OF RESULT OF JOINTLY CONTROLLED ENTITY	(176)	-	(176)	-
FINANCE COSTS	(168)	(62)	(168)	(62)
(LOSS)/PROFIT BEFORE TAXATION	(1,260)	1,837	(1,260)	1,837
TAX EXPENSE	-	(34)	-	(34)
NET (LOSS)/PROFIT FOR THE PERIOD	(1,260)	1,803	(1,260)	1,803
OTHER COMPREHENSIVE (LOSS)/INCOME				
Exchange Fluctuation Reserve	-	(2)	-	(2)
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE PERIOD	(1,260)	1,801	(1,260)	1,801
(Loss)/Profit attributable to:				
Equity holders of the parent Company	(1,224)	1,857	(1,224)	1,857
Minority interest	(36)	(54)	(36)	(54)
	(1,260)	1,803	(1,260)	1,803
Total comprehensive (expenses)/income attributable to:				
Equity holders of the parent Company	(1,224)	1,855	(1,224)	1,855
Minority interest	(36)	(54)	(36)	(54)
	(1,260)	1,801	(1,260)	1,801
(Loss)/Earnings per share (sen)				
Basic	(0.43)	0.65	(0.43)	0.65
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 2011.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011
(The figures have not been audited)

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	<u>As at 30/06/11</u> <u>RM'000</u>	<u>As at 31/03/11</u> <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	22,415	23,005
Interest in a jointly controlled entity	1,129	1,305
Other investments	63	63
Intangible assets	375	400
Goodwill on consolidation	1,822	1,822
	<u>25,804</u>	<u>26,595</u>
Current assets		
Inventories	4,467	4,730
Trade and other receivables	14,145	14,798
Amount owing by a related party	-	9
Tax refundable	563	527
Short-term investments	4	1,962
Deposits with licensed banks	4,065	3,556
Cash and bank balances	5,533	2,124
	<u>28,777</u>	<u>27,706</u>
TOTAL ASSETS	<u><u>54,581</u></u>	<u><u>54,301</u></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	322	322
Accumulated losses	(27,975)	(26,751)
	<u>16,690</u>	<u>17,914</u>
Minority interest	244	280
TOTAL EQUITY	<u>16,934</u>	<u>18,194</u>
Non-current liabilities		
Long-term borrowings	4,476	4,545
Deferred tax liabilities	95	95
	<u>4,571</u>	<u>4,640</u>
Current liabilities		
Trade and other payables	15,406	13,886
Advances received from distributors	12,136	12,155
Short-term borrowings	1,161	1,085
Bank overdrafts	4,109	4,077
Tax liabilities	264	264
	<u>33,076</u>	<u>31,467</u>
TOTAL LIABILITIES	<u>37,647</u>	<u>36,107</u>
TOTAL EQUITY AND LIABILITIES	<u><u>54,581</u></u>	<u><u>54,301</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.06</u>	<u>0.06</u>

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INS BIOSCIENCE BERHAD (Company No: 623239-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST QUARTER ENDED 30 JUNE 2011

(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
Balance at 1 April 2010 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	219	(6,380)	38,182	534	38,716
Dividend	-	-	-	-	-	(1,573)	(1,573)	-	(1,573)
Total comprehensive expenses for the financial year	-	-	-	-	103	(18,798)	(18,695)	(254)	(18,949)
At 31 March 2011 / 1 April 2011 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	322	(26,751)	17,914	280	18,194
Total comprehensive expenses for the financial period	-	-	-	-	-	(1,224)	(1,224)	(36)	(1,260)
At 30 June 2011 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	322	(27,975)	16,690	244	16,934

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 2011.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2011
(The figures have not been audited)**

	CURRENT FINANCIAL PERIOD TO DATE 30/06/2011 RM'000	AUDITED FINANCIAL YEAR ENDED 31/03/2011 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Loss before taxation	(1,260)	(19,122)
Adjustments for:-		
Allowance for impairment losses on receivables	52	11,180
Allowance for slow moving inventory	-	3,490
Amortisation of intangible assets	25	100
Provision for writeback of forfeited income	-	1,081
Writeback of impairment losses on receivables	(118)	(1,406)
Plant and equipment written off	-	495
Depreciation of property, plant & equipment	726	2,930
Loss on disposal of plant and equipment	-	21
Interest expense	168	432
Share of loss in jointly controlled entity	176	91
Gain on disposal of plant and equipment	-	(1)
Impairment loss on goodwill	-	1,822
Interest income	(31)	(120)
Operating (loss)/profit before working capital changes	(262)	993
Net changes in current assets	991	(2,260)
Net changes in current liabilities	1,537	(1,816)
Cash from/(for) operations	2,266	(3,083)
Interest paid	(168)	(432)
Income tax paid	-	(153)
NET CASH FROM/(FOR) OPERATING ACTIVITIES	2,098	(3,668)
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	31	120
Subscription of shares in a jointly controlled entity	-	(1,396)
Proceeds from disposal of plant and equipment	-	166
Purchase of property, plant and equipment	(98)	(3,482)
NET CASH FOR INVESTING ACTIVITIES	(67)	(4,592)
CASH FLOWS FOR FINANCING ACTIVITIES		
Drawdown of term loan	-	1,500
Repayment of term loan	(65)	(253)
Net drawdown of bills payable	99	432
Additional of hire purchase obligations	(39)	-
Repayment of hire purchase obligations	(98)	(450)
Dividend paid	-	(1,573)
NET CASH FOR FINANCING ACTIVITIES	(103)	(344)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	1,928	(8,604)
EFFECTS OF FOREIGN EXCHANGE	-	(16)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	3,565	12,185
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD / YEAR (NOTE A15)	5,493	3,565

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