

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011**  
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER</u> 31/12/11 RM'000	<u>PRECEDING YEAR CORRESPONDING QUARTER</u> 31/12/10 RM'000	<u>CURRENT YEAR TO DATE</u> 31/12/11 RM'000	<u>PRECEDING YEAR CORRESPONDING PERIOD</u> 31/12/10 RM'000
REVENUE	7,508	16,805	23,228	51,516
COST OF SALES	(5,091)	(11,534)	(14,138)	(32,299)
GROSS PROFIT	2,417	5,271	9,090	19,217
OTHER INCOME	3,241	2,678	5,652	4,267
SELLING AND DISTRIBUTIONS EXPENSES	(707)	(2,146)	(2,577)	(4,920)
ADMINISTRATIVE EXPENSES	(2,651)	(3,682)	(8,751)	(9,586)
OTHER OPERATING EXPENSES	(1,496)	(1,679)	(2,821)	(5,635)
SHARE OF RESULT OF JOINTLY CONTROLLED ENTITY	(478)	-	(1,062)	-
FINANCE COSTS	(183)	(99)	(546)	(258)
PROFIT/(LOSS) BEFORE TAXATION	143	343	(1,015)	3,085
TAX EXPENSE	(11)	153	(11)	(69)
NET PROFIT/(LOSS) FOR THE PERIOD	132	496	(1,026)	3,016
OTHER COMPREHENSIVE (EXPENSES)				
Exchange Fluctuation Reserve	-	(8)	-	(51)
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE PERIOD	132	488	(1,026)	2,965
Profit/(loss) attributable to:				
Equity holders of the parent Company	122	589	(964)	3,219
Minority interest	10	(93)	(62)	(203)
	132	496	(1,026)	3,016
Total comprehensive income/(expenses) attributable to:				
Equity holders of the parent Company	122	581	(964)	3,168
Minority interest	10	(93)	(62)	(203)
	132	488	(1,026)	2,965
Earnings/(loss) per share (sen)				
Basic	0.04	0.21	(0.34)	1.13
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 31 DECEMBER 2011**  
(The figures have not been audited)

	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
	<b>As at 31/12/11 RM'000</b>	<b>As at 31/03/11 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,458	23,005
Interest in a jointly controlled entity	243	1,305
Other investments	63	63
Intangible assets	325	400
Goodwill on consolidation	1,822	1,822
	23,911	26,595
<b>Current assets</b>		
Inventories	4,236	4,730
Trade and other receivables	13,826	14,798
Amount owing by a related party	-	9
Tax refundable	582	527
Short-term investments	-	1,962
Deposits with licensed banks	3,051	3,556
Cash and bank balances	547	2,124
	22,242	27,706
<b>TOTAL ASSETS</b>	46,153	54,301
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share capital	28,668	28,668
Share premium	15,785	15,785
Treasury share	(110)	(110)
Foreign exchange reserve	324	322
Accumulated losses	(27,715)	(26,751)
	16,952	17,914
Minority interest	218	280
<b>TOTAL EQUITY</b>	17,170	18,194
<b>Non-current liabilities</b>		
Long-term borrowings	4,218	4,545
Deferred tax liabilities	95	95
	4,313	4,640
<b>Current liabilities</b>		
Trade and other payables	11,214	13,886
Advances received from distributors	7,292	12,155
Short-term borrowings	3,227	1,085
Bank overdrafts	2,592	4,077
Tax liabilities	345	264
	24,670	31,467
<b>TOTAL LIABILITIES</b>	28,983	36,107
<b>TOTAL EQUITY AND LIABILITIES</b>	46,153	54,301
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.06	0.06

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**INS BIOSCIENCE BERHAD (Company No: 623239-V)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 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	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	-	-	-	-	2	(964)	(962)	(62)	(1,024)
At 31 December 2011 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	324	(27,715)	16,952	218	17,170

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011  
(The figures have not been audited)**

	<b>CURRENT FINANCIAL PERIOD TO DATE 31/12/2011 RM'000</b>	<b>AUDITED FINANCIAL YEAR ENDED 31/03/2011 RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Loss before taxation	(1,015)	(19,122)
Adjustments for:-		
Allowance for impairment losses on receivables	125	11,180
Allowance for slow moving inventory	-	3,490
Amortisation of intangible assets	75	100
Provision for writeback of forfeited income	303	1,081
Writeback of forfeited income	834	-
Forfeiture of advance received from distributors	(4,311)	-
Writeback of impairment losses on receivables	(1,093)	(1,406)
Plant and equipment written off	23	495
Depreciation of property, plant & equipment	2,229	2,930
Loss on disposal of plant and equipment	-	21
Interest expense	546	432
Share of loss in jointly controlled entity	1,062	91
Gain on disposal of plant and equipment	-	(1)
Impairment loss on goodwill	-	1,822
Bad debts written off	9	-
Interest income	(51)	(120)
Operating profit before working capital changes	(1,264)	993
Net changes in current assets	2,433	(2,260)
Net changes in current liabilities	(4,416)	(1,816)
Cash for operations	(3,247)	(3,083)
Interest paid	(546)	(432)
Income tax paid	70	(153)
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<b>(3,723)</b>	<b>(3,668)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	51	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	(704)	(3,482)
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(653)</b>	<b>(4,592)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Drawdown of term loan	-	1,500
Repayment of term loan	(195)	(253)
Net drawdown of bills payable	2,242	432
Additional of hire purchase obligations	39	-
Repayment of hire purchase obligations	(271)	(450)
Dividend paid	-	(1,573)
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>	<b>1,815</b>	<b>(344)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENT</b>	<b>(2,561)</b>	<b>(8,604)</b>
<b>EFFECTS OF FOREIGN EXCHANGE</b>	<b>2</b>	<b>(16)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>3,565</b>	<b>12,185</b>
<b>CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD / YEAR (NOTE A15)</b>	<b>1,006</b>	<b>3,565</b>

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