

## ASTINO BERHAD

### Condensed Consolidated Statements Of Comprehensive Income For

**The First Quarter Ended 31 October 2015**

(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding year corresponding quarter	Current Year To date	Preceding year corresponding period
	31/10/2015	31/10/2014	31/10/2015	31/10/2014
	RM'000	RM'000	RM'000	RM'000
Revenue	115,414	121,062	115,414	121,062
Operating Expenses	(109,880)	(112,762)	(109,880)	(112,762)
Other Operating Income	2,584	851	2,584	851
Profit from Operations	8,118	9,151	8,118	9,151
Financial costs	(1,336)	(1,275)	(1,336)	(1,275)
Share of profit / (loss) of associate	1	(1)	1	(1)
Profit before tax	6,783	7,875	6,783	7,875
Taxation	(1,706)	(2,177)	(1,706)	(2,177)
Profit for the period	5,077	5,698	5,077	5,698
Other Comprehensive Income				
-Fair Value Gain / (Loss) on Investment	27	(15)	27	(15)
Total Comprehensive Income for the period	5,104	5,683	5,104	5,683
Total Comprehensive Income Attributable to:				
Owners of the parent	5,104	5,683	5,104	5,683
EPS - Basic (sen)	1.854	2.079	1.854	2.079
- Diluted (sen)	1.854	2.079	1.854	2.079

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2015)**

**ASTINO BERHAD****Condensed Consolidated Statements of Financial Position****As At 31 OCTOBER 2015**

(The figures have not been audited)

	<b>As At 31/Oct/15 RM'000</b>	<b>As At 31/Jul/15 RM'000</b>
<b>Property, Plant and Equipment</b>	144,810	126,171
<b>Investment properties</b>	12,891	12,892
<b>Investment in associate</b>	1,470	1,469
<b>Available-for-sale financial assets</b>	177	150
<b>Deferred Tax Assets</b>	504	495
<b>Current Assets</b>		
Inventories	145,267	165,879
Receivables	87,267	84,516
Cash & Cash Equivalents	27,243	28,984
	<u>259,777</u>	<u>279,379</u>
<b>Current Liabilities</b>		
Payables	10,008	14,560
Loans & Borrowings	102,053	115,938
Dividend Declared	-	-
Taxation	1,126	668
	<u>113,187</u>	<u>131,166</u>
<b>Net Current Assets</b>	146,590	148,213
<b>Long Term Liabilities</b>		
Loans & Borrowings	16,224	4,269
Deferred Taxation	4,691	4,569
	<u>20,915</u>	<u>8,838</u>
	<u>285,527</u>	<u>280,552</u>
<b>Share Capital</b>	137,059	137,059
<b>Treasury shares, at costs</b>	(129)	(0)
<b>Reserves</b>	148,597	143,493
<b>Shareholders' Fund</b>	<u>285,527</u>	<u>280,552</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2015)

## ASTINO BERHAD

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR The First Quarter Ended 31 October 2015

(The figures have not been audited)

	Share Capital RM'000	Treasury Shares RM'000	Non-Distributable Reserves RM'000	Distributable Reserves RM'000	TOTAL RM'000
<b>3 MONTHS ENDED</b>					
<b>31-Oct-15</b>					
Balance at 1-8-2015	137,059	-	1,187	142,306	280,552
Purchase of own shares		(129)	-		(129)
Total comprehensive income for the period			27	5,077	5,104
Dividend paid	-	-	-	-	-
Bonus Issue		-			-
Balance at 31-10-2015	<u>137,059</u>	<u>(129)</u>	<u>1,214</u>	<u>147,383</u>	<u>285,527</u>
<b>3 MONTHS ENDED</b>					
<b>31-Oct-14</b>					
Balance at 1-8-2014	68,530	(1,101)	4	199,008	266,441
Reissue of treasury shares		1,101	1,215	-	2,316
Total comprehensive income for the period			(15)	5,698	5,683
Dividend paid	-	-	-	0	0
Bonus issue	68,529	-		(68,529)	(0)
Balance at 31-10-2014	<u>137,059</u>	<u>(0)</u>	<u>1,204</u>	<u>136,177</u>	<u>274,440</u>

(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual Financial Statement for the year ended 31 July 2015)

**ASTINO BERHAD**

**Condensed Consolidated Statements of Cash Flow For  
The First Quarter Ended 31 October 2015**

(The figures have not been audited)

	<b>3 MONTHS ENDED 31/10/2015 RM'000</b>	<b>3 MONTHS ENDED 31/10/2014 RM'000</b>
Profit before tax	6,783	7,875
Adjustments for non-cash flow items:-		
Non-cash items	9,949	8,643
Non-operating items	1,800	946
Operating profit before changes in working capital	18,532	17,464
Changes in working capital		
Inventories	15,076	(18,581)
Receivables	(4,316)	(4,935)
Payables	(4,604)	(6,642)
Cash From / (Used in) Operation	24,688	(12,694)
Tax paid	(1,684)	(1,705)
Net Cash From / (Used In) Operating Activities	23,004	(14,399)
Investing Activities		
- Equity investments	(0)	0
- Dividend received	-	-
- Other investments	(20,918)	(8,315)
- Interest received	52	163
Net Cash Used In Investing Activities	(20,866)	(8,152)
Financing activities		
- Bank Borrowings	(1,930)	13,840
- Proceeds from issued of shares net of listing expenses	-	-
- Treasury shares	(129)	2,316
- Dividend paid	-	0
- Interest paid	(1,336)	(1,275)
Net Cash (Used In) / From Financing Activities	(3,395)	14,881
Effects of exchange rate changes on cash and cash equivalents	(484)	(80)
Net Change In Cash & Cash Equivalents	(1,741)	(7,750)
Cash & Cash Equivalents At Beginning Of Year	28,984	42,584
Cash & Cash Equivalents At End Of Period	27,243	34,834

**(The Condensed Consolidated Financial Statements should be read in conjunction with the Annual  
Financial Statement for the year ended 31 July 2015)**

**ASTINO BERHAD**  
**(Company No.: 523085-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 2015**

**1. Basis of preparation of the Financial Statements**

The Interim Financial Statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2015.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 July 2015.

The Group have not applied the following MFRSs which have been issued but are not yet effective:

<b>MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 9 <i>Financial Instruments</i> (IFRS 9 <i>Financial Instruments</i> as issued by IASB in July 2014)	<b>1 January 2018</b>
MFRS 14 <i>Regulatory Deferral Accounts</i>	<b>1 January 2016</b>
MFRS 15 <i>Revenue from Contracts with Customers</i>	<b>1 January 2018</b>
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	<b>1 January 2016</b>
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	<b>1 January 2016</b>
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interest in Joint Operations</i>	<b>1 January 2016</b>
Amendments to MFRS 101 <i>Disclosure Initiative</i>	<b>1 January 2016</b>
Amendments to MFRS 116 & MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	<b>1 January 2016</b>
Amendments to MFRS 116 & MFRS 141 <i>Agriculture: Bearer Plants</i>	<b>1 January 2016</b>
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	<b>1 January 2016</b>
Amendments to MFRSs contained in the document entitled “ <i>Annual Improvements to MFRSs 2012 – 2014 Cycle</i> ”	<b>1 January 2016</b>

Management foresees that the initial application of the above MFRSs will not have any significant impact on the financial statements.

**2. Disclosure of the qualification on the preceding annual financial statements**

There was no qualification on the Group’s preceding annual financial statements.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected significantly by cyclical factors as it does not have any distinguishable cycle.

**4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence**

There was no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence.

**5. Changes in estimates of amounts reported in prior interim period of the current financial year or in prior financial years**

There was no material changes in the estimates of amounts reported in prior interim period of the current financial period or in prior financial period.

**6. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities**

Save as disclosed below, there were no cancellation, repurchases, resale and repayment of debt and equity securities for the financial period ended 31 October 2015:-

The Company had bought back 213,800 of its own shares at a total cash consideration of RM128,868. The highest and the lowest price per share purchased were at RM0.60 and RM0.60 respectively.

**7. Dividend paid**

No dividend had been paid for current financial quarter ended 31 October 2015.

**8. Segmental Reporting**

**a) Operating Segment**

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 manufacture and sale of metal building related products.

**b) Geographical segment**

	<u>Individual quarter ended</u>		<u>Cumulative quarter ended</u>	
	<u>31-10-2015</u>	<u>31-10-2014</u>	<u>31-10-2015</u>	<u>31-10-2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Revenue</u>				
- Local	112,776	111,495	112,776	111,495
- Overseas	2,638	9,567	2,638	9,567
	<u>115,414</u>	<u>121,062</u>	<u>115,414</u>	<u>121,062</u>

**9. Material Events not reflected in the Financial Statements**

There were no material subsequent events to be disclosed as at the date of this report.

**10. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current financial period to date.

**11. Contingent Liabilities or Contingent Assets**

As at the date of report the total corporate guarantee given by the Company to secure credit facilities to its subsidiary companies are RM349 million.

## 12. Capital commitments

Authorised capital commitments not provided for in the financial statements as at 31 October 2015:

	<b>RM'000</b>
Contracted but not provided for	15,347
	<u>15,347</u>

## 13. Review of Performance

The Group achieved total turnover of RM115.4 million for the current quarter ended 31 October 2015, a decrease of 4.7% or RM5.7 million from RM121.1 million recorded in the preceding year's corresponding quarter. The decrease in Group turnover for the current quarter was mainly due to the decrease in overseas market demand.

The profit before tax for current quarter under review was 13.9% lower than the preceding year corresponding quarter ended 31 October 2014. These were mainly due to decrease in revenue and profit margin.

## 14. Variation of results against preceding quarter

The Group's revenue has increased by 17% from RM98.6 million preceding quarter to RM115.4 million in this quarter. The increase in revenue is primarily due to increase in local market demand.

The Group registered a profit before taxation of RM6.8 million, an increase of RM5.2 million as compared to the preceding quarter ended 31 July 2015, which was recorded at RM1.6 million. The increased on the profit before tax for the current quarter under review was mainly due to increase in revenue and gain on foreign exchange.

## 15. Prospects

Overall business environment remains challenging on both domestic and global market. The local steel industries are expected to face a squeeze in profit margin due to the weak domestic demand and steel prices and high raw material costs and volatility of foreign currency.

Thus, to meet the challenging ahead, the Group will continue to explore the possibility of producing new metal building materials products to penetrate into new market for local and overseas other than continue provide better service to customer.

## 16. Profit Forecast and Profit Guarantee

Not applicable.

## 17. Profit for the period

	Current Quarter Ended 31 October 2015 RM'000	Current Year To Date 31 October 2015 RM'000
<b>Profit before tax is arrived at after charging / crediting</b>		
Allowance / (Reversal) for diminution in value of inventories	5,536	5,536
Allowance / (Reversal) for impairment losses of receivables	541	541
Depreciation and amortisation	2,249	2,249
Gain / (Loss) on disposal of property, plant & equipment	-	-
Gain / (Loss) on financial instrument	11	11
Gain / (Loss) on foreign exchange	2,459	2,459
Interest Expenses	1,336	1,336
Interest Income	52	52
Other Income	12	12

## 18. Taxation

	Current Quarter Ended 31 October 2015 RM'000	Current Year To Date 31 October 2015 RM'000
Income Tax		
- Current year	(1,593)	(1,593)
- Prior year	0	0
	<u>(1,593)</u>	<u>(1,593)</u>
Deferred Tax		
- Current year	(112)	(112)
- Prior year	(1)	(1)
	<u>(1,706)</u>	<u>(1,706)</u>

The Group's effective tax rate for the period ended 31 October 2015 was higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

## 19. Corporate Proposals

Save as disclosed below, there is no other corporate proposal that has been announced but not yet completed by the Group as at the date of this report.

## 20. Group Borrowings and Debt Securities

a) Group borrowings as at 31 October 2015 are as follows: -

	Unsecured RM'000	Secured RM'000	TOTAL RM'000
<i>Short term borrowings</i>			
Bank Overdrafts	-	-	-
Other borrowings	102,053	-	102,053
	<u>102,053</u>	<u>-</u>	<u>102,053</u>
<i>Long term borrowings</i>			
	16,224	-	16,224
	<u>118,277</u>	<u>-</u>	<u>118,277</u>

## 21. Financial Assets / (Liabilities) At Fair Value Through Profit Or Loss

The details of the outstanding derivative financial instruments of the Group with maturity date less than 1 year, as at 31 October 2015 are as follows:

<u>Forward foreign exchange contracts</u>	Notional amount RM'000	Fair Value RM'000	Fair Value Net gain / (loss) RM'000
- Bank Sell USD	0	0	0
- Bank Buy USD	1,290	1,279	11



## 22. Changes in Material Litigation

As at the date of this report, neither the Company nor any of its subsidiaries are engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Directors of the Company are not aware of any proceedings pending or threatened against the Company or its subsidiary companies or of any other facts likely to give rise to any proceedings which might materially or adversely affect the position or business of the Group financially or otherwise.

## 23. Dividends

A first and final single tier dividend of 1.95 sen per ordinary share of RM0.50 each held in the Company in respect of the financial year ended 31 July 2015 will be proposed for shareholders' approval at the forthcoming Annual General Meeting.

## 24. Earnings Per Share

	<b>Current Year Quarter 31-10-2015</b>	<b>Preceding Year Corresponding Quarter 31-10-2014</b>	<b>Current Year To Date 31-10-2015</b>	<b>Preceding Year Corresponding period 31-10-2014</b>
<b>a) Basic Earnings per share</b>				
Net profit attributable to shareholders (RM'000)	5,077	5,698	5,077	5,698
Weighted average no. of Ordinary shares in issue ('000)	273,920	274,118	273,920	274,118
Basic earnings per share (sen)	1.854	2.079	1.854	2.079
<b>b) Diluted Earnings per share</b>				

The Group has no dilution in its earnings per ordinary share in the period under review / financial year-to-date as there are no dilutive potential ordinary shares.

## 25. Realised and Unrealised Profit or (Losses) Disclosure

The breakdown of the retained profits of the Group as at the end of the reporting year, into realised and unrealised profit or (losses), is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010. Total retained profits / (accumulated losses) of the Company and its subsidiary companies are analysed as follows:

	<b>Current financial year RM'000</b>	<b>As at end of last financial year RM'000</b>
Total retained earnings of the Group		
- Realised	185,604	180,141
- Unrealised	9,723	10,088
	<hr/>	<hr/>
	195,327	190,229
Consolidation adjustments and eliminations	(47,944)	(47,923)
Total retained profits as per statement of financial position	<hr/>	<hr/>
	147,383	142,306