

ASTINO BERHAD**Condensed Consolidated Statements Of Comprehensive Income For****The Second Quarter Ended 31 January 2016**

(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
	31/1/2016	31/1/2015	31/1/2016	31/1/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	119,258	128,398	234,672	249,460
Operating Expenses	(108,725)	(118,712)	(218,605)	(231,474)
Other Operating Income	(338)	1,298	2,246	2,149
Profit from Operations	10,195	10,984	18,313	20,135
Financial costs	(1,275)	(1,290)	(2,611)	(2,565)
Share of profit / (loss) of associate	0	0	1	(1)
Profit before tax	8,920	9,694	15,703	17,569
Taxation	(1,999)	(2,262)	(3,705)	(4,439)
Profit for the period	6,921	7,432	11,998	13,130
Other Comprehensive Income				
-Fair Value Gain / (Loss) on Investment	32	(15)	59	(30)
Total Comprehensive Income for the period	6,953	7,417	12,057	13,100
Total Comprehensive Income Attributable to:				
Owners of the parent	6,953	7,417	12,057	13,100
EPS - Basic (sen)	2.527	2.711	4.380	4.790
- Diluted (sen)	2.527	2.711	4.380	4.790

(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 January 2016**

(The figures have not been audited)

	As At 31/Jan/16 RM'000	As At 31/Jul/15 RM'000
Property, Plant and Equipment	145,715	126,171
Investment properties	12,891	12,892
Investment in associate	1,470	1,469
Available-for-sale financial assets	209	150
Deferred Tax Assets	455	495
Current Assets		
Inventories	146,306	165,879
Receivables	93,749	84,516
Cash & Cash Equivalents	32,896	28,984
	<u>272,951</u>	<u>279,379</u>
Current Liabilities		
Payables	8,928	14,560
Loans & Borrowings	112,260	115,938
Dividend Declared	-	-
Taxation	1,735	668
	<u>122,923</u>	<u>131,166</u>
Net Current Assets	150,028	148,213
Long Term Liabilities		
Loans & Borrowings	13,804	4,269
Deferred Taxation	4,484	4,569
	<u>18,288</u>	<u>8,838</u>
	<u>292,480</u>	<u>280,552</u>
Share Capital	137,059	137,059
Treasury shares, at costs	(129)	(0)
Reserves	155,550	143,493
Shareholders' Fund	<u>292,480</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 Second Quarter Ended 31 January 2016

(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
6 MONTHS ENDED 31-Jan-16					
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			59	11,998	12,057
Balance at 31-1-2016	<u>137,059</u>	<u>(129)</u>	<u>1,246</u>	<u>154,304</u>	<u>292,480</u>
6 MONTHS ENDED 31-Jan-15					
Balance at 1-8-2014	68,530	(1,101)	4	199,008	266,441
Disposed of own shares		1,101		1,215	2,316
Total comprehensive income for the period			(30)	13,130	13,100
Dividend paid	-	-	-	0	0
Bonus Issue	68,529	-		(68,529)	(0)
Balance at 31-01-2015	<u>137,059</u>	<u>(0)</u>	<u>(26)</u>	<u>144,824</u>	<u>281,857</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 Second Quarter Ended 31 January 2016**

(The figures have not been audited)

	6 MONTHS ENDED 31/1/2016 RM'000	6 MONTHS ENDED 31/1/2015 RM'000
Profit before tax	15,703	17,569
Adjustments for non-cash flow items:-		
Non-cash items	14,269	13,532
Non-operating items	2,377	1,512
Operating profit before changes in working capital	<u>32,349</u>	<u>32,613</u>
Changes in working capital		
Inventories	11,814	(31,176)
Receivables	(10,778)	(8,100)
Payables	(5,638)	(9,637)
Cash From / (Used in) Operation	<u>27,747</u>	<u>(16,300)</u>
Tax paid	(3,166)	(3,409)
Net Cash From / (Used In) Operating Activities	<u>24,581</u>	<u>(19,709)</u>
Investing Activities		
- Equity investments	(0)	(0)
- Dividend received	0	-
- Other investments	(24,102)	(12,702)
- Interest received	126	280
Net Cash Used In Investing Activities	<u>(23,976)</u>	<u>(12,422)</u>
Financing activities		
- Bank Borrowings	5,857	7,020
- Proceeds from issued of shares net of listing expenses	-	-
- Treasury shares	(129)	2,316
- Dividend paid	-	-
- Interest paid	(2,611)	(2,565)
Net Cash From Financing Activities	<u>3,117</u>	<u>6,771</u>
Effects of exchange rate changes on cash and cash equivalents	190	(56)
Net Change In Cash & Cash Equivalents	<u>3,912</u>	<u>(25,416)</u>
Cash & Cash Equivalents At Beginning Of Year	28,984	42,584
Cash & Cash Equivalents At End Of Period	<u><u>32,896</u></u>	<u><u>17,168</u></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
(Company No.: 523085-X)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2016

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:

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

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 January 2016:-

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

A first and final single tier dividend of 1.95sen per ordinary share of RM0.50 each in respect of the financial year ended 31 July 2015 was paid on 25 March 2016.

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>31-1-2016</u>	<u>31-1-2015</u>	<u>31-1-2016</u>	<u>31-1-2015</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Revenue</u>				
- Local	115,537	118,533	228,313	230,028
- Overseas	3,721	9,865	6,359	19,432
	<u>119,258</u>	<u>128,398</u>	<u>234,672</u>	<u>249,460</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 January 2016:

	RM'000
Contracted but not provided for	<u>14,099</u>
	<u>14,099</u>

13. Review of Performance

The Group achieved total turnover of RM119.3 million for the current quarter ended 31 January 2016, a decrease of 7.1% or RM9.1 million from RM128.4 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 8.0% lower than the preceding year corresponding quarter ended 31 January 2015. These were mainly due to decrease in revenue.

14. Variation of results against preceding quarter

The Group's revenue has increased by 3% from RM115.4 million preceding quarter to RM119.3 million in this quarter. The increase in revenue is primarily due to increase in market demand.

The Group registered a profit before taxation of RM8.9 million, an increase of RM2.1 million as compared to the preceding quarter ended 31 October 2015, which was recorded at RM6.8 million. The increased on the profit before tax for the current quarter under review was mainly due to increase in revenue and improved of profit margin.

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 January 2016 RM'000	Current Year To Date 31 January 2016 RM'000
Profit before tax is arrived at after charging / crediting		
Allowance / (Reversal) for diminution in value of inventories	2,222	7,758
Allowance / (Reversal) for impairment losses of receivables	(165)	376
Depreciation and amortization	2,237	4,486
Gain / (Loss) on disposal of property, plant & equipment	-	-
Gain / (Loss) on financial instrument	72	83
Gain / (Loss) on foreign exchange	(530)	1,929
Interest Expenses	1,275	2,611
Interest Income	74	126
Other Income	13	25

18. Taxation

	Current Quarter Ended 31 January 2016 RM'000	Current Year To Date 31 January 2016 RM'000
Income Tax		
- Current year	(2,157)	(3,750)
- Prior year	0	0
	<u>(2,157)</u>	<u>(3,750)</u>
Deferred Tax		
- Current year	32	(80)
- Prior year	126	125
	<u>(1,999)</u>	<u>(3,705)</u>

The Group's effective tax rate for the period ended 31 January 2016 was lower than the statutory tax rate mainly due to utilisation of reinvestment allowances.

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 January 2016 are as follows: -

	Unsecured RM'000	Secured RM'000	TOTAL RM'000
<i>Short term borrowings</i>			
Bank Overdrafts	-	-	-
Other borrowings	112,260	-	112,260
	<u>112,260</u>	<u>-</u>	<u>112,260</u>
<i>Long term borrowings</i>			
	13,804	-	13,804
	<u>126,064</u>	<u>-</u>	<u>126,064</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 January 2016 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	872	836	36

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

There was no dividends have been declared for the financial year ending 31 January 2016.

24. Earnings Per Share

	Current Year Quarter 31-1-2016	Preceding Year Corresponding Quarter 31-1-2015	Current Year To Date 31-1-2016	Preceding Year Corresponding period 31-1-2015
a) Basic Earnings per share				
Net profit attributable to shareholders (RM'000)	6,921	7,432	11,998	13,130
Weighted average no. of Ordinary shares in issue ('000)	273,920	274,118	273,920	274,118
Basic earnings per share (sen)	2.527	2.711	4.380	4.790
b) Diluted Earnings per share				

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 **period**, 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:

	Current financial year RM'000	As at end of last financial year RM'000
Total retained earnings of the Group		
- Realised	192,219	180,141
- Unrealised	10,063	10,088
	<hr/> 202,282	<hr/> 190,229
Consolidation adjustments and eliminations	(47,978)	(47,923)
Total retained profits as per statement of financial position	<hr/> 154,304	<hr/> 142,306