

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the three months ended 30 September 2013

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the Financial Period Ended 30 September 2013

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2013 RM'000	Preceding Year Corresponding Quarter 30.09.2012 RM'000	Current Year To Date 30.09.2013 RM'000	Preceding Year Corresponding Period 30.09.2012 RM'000
Revenue	43,380	43,686	43,380	43,686
Cost of sales	<u>(28,465)</u>	<u>(26,013)</u>	<u>(28,465)</u>	<u>(26,013)</u>
Gross profit	14,915	17,673	14,915	17,673
Other operating income	1,537	2,986	1,537	2,986
Administrative expenses	(848)	(769)	(848)	(769)
Other operating expenses	(1,474)	(1,024)	(1,474)	(1,024)
Finance cost	-	-	-	-
Profit before taxation	<u>14,130</u>	<u>18,866</u>	<u>14,130</u>	<u>18,866</u>
Taxation	<u>(3,586)</u>	<u>(4,555)</u>	<u>(3,586)</u>	<u>(4,555)</u>
Net profit for the period	<u>10,544</u>	<u>14,311</u>	<u>10,544</u>	<u>14,311</u>
Other comprehensive income				
- Available-for-sale financial assets				
- net changes in fair value	1,625	(146)	1,625	(146)
- reclassification to profit or loss	11	(372)	11	(372)
Changes in other comprehensive income	<u>1,636</u>	<u>(518)</u>	<u>1,636</u>	<u>(518)</u>
Total comprehensive income for the period	<u>12,180</u>	<u>13,793</u>	<u>12,180</u>	<u>13,793</u>
Profit attributable to:				
Equity holders of the Company	<u>10,544</u>	<u>14,311</u>	<u>10,544</u>	<u>14,311</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>12,180</u>	<u>13,793</u>	<u>12,180</u>	<u>13,793</u>
Earnings per share (sen)				
- Basic	<u>13.2</u>	<u>17.9</u>	<u>13.2</u>	<u>17.9</u>
- Diluted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013.

**PINTARAS JAYA BERHAD**^(189900H)

Interim financial statements for the three months ended 30 September 2013

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2013

	As at 30.09.2013 RM'000	As at 30.06.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	76,874	77,559
Investment properties	137	138
Available-for-sale financial assets	46,345	30,128
Deferred tax assets	378	269
	<u>123,734</u>	<u>108,094</u>
Current assets		
Amounts due from customers on contracts	1,940	2,262
Inventories	15,694	15,421
Receivables	88,430	80,325
Amount due from an associated company	1	1
Short-term deposits	96,077	100,450
Cash and bank balances	9,497	24,881
	<u>211,639</u>	<u>223,340</u>
TOTAL ASSETS	<u>335,373</u>	<u>331,434</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	80,064	80,064
Share premium	3,486	3,486
Available-for-sale reserve	4,472	2,836
Retained earnings	195,256	184,712
Total equity	<u>283,278</u>	<u>271,098</u>
Non-current liability		
Deferred tax liabilities	9,985	10,086
	<u>9,985</u>	<u>10,086</u>
Current liabilities		
Amounts due to customers on contracts	18,369	13,851
Payables	18,601	23,923
Dividend payable	-	8,006
Taxation	5,140	4,470
	<u>42,110</u>	<u>50,250</u>
Total liabilities	<u>52,095</u>	<u>60,336</u>
TOTAL EQUITY AND LIABILITIES	<u>335,373</u>	<u>331,434</u>
Net assets per share attributable to equity holders of the Company (RM)	3.54	3.39

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the three months ended 30 September 2013

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Period Ended 30 September 2013

	← Attributable to equity holders of the Company →				
	Share capital RM'000	← Non-distributable → Share premium RM'000	Available-for- sale reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 July 2013	80,064	3,486	2,836	184,712	271,098
Total comprehensive income for the period	-	-	1,636	10,544	12,180
Dividends	-	-	-	-	-
At 30 September 2013	<u>80,064</u>	<u>3,486</u>	<u>4,472</u>	<u>195,256</u>	<u>283,278</u>
At 1 July 2012	80,064	3,486	3,487	150,409	237,446
Total comprehensive income for the period	-	-	(518)	14,311	13,793
Dividends	-	-	-	-	-
At 30 September 2012	<u>80,064</u>	<u>3,486</u>	<u>2,969</u>	<u>164,720</u>	<u>251,239</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the three months ended 30 September 2013

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Period Ended 30 September 2013

	3 months ended	
	30.09.2013	30.09.2012
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the period	10,544	14,311
Adjustments for:-		
Depreciation of property, plant and equipment and investment properties	3,018	2,772
Loss/(gain) on disposals of available-for-sale financial assets	282	(287)
Impairment losses of available-for-sale financial assets	36	-
Taxation	3,586	4,555
Other non-cash items	236	143
Other non-operating items	(1,277)	(1,324)
	<u>16,425</u>	<u>20,170</u>
Changes in working capital:		
Net changes in current assets	(8,419)	7,523
Net changes in current liabilities	(193)	(5,209)
	<u>7,813</u>	<u>22,484</u>
Cash generated from operations	7,813	22,484
Tax paid	(3,126)	(2,488)
Tax refund	-	-
Interest income received	762	572
	<u>5,449</u>	<u>20,568</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(2,333)	(2,632)
Proceeds from disposal of property, plant and equipment	-	128
Purchases of available-for-sale financial assets	(15,962)	(6,891)
Proceeds from disposals of available-for-sale financial assets	821	6,170
Dividend income received	526	591
Withdrawal by fund managers for investment purposes	14,834	274
	<u>(2,114)</u>	<u>(2,360)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(8,006)	(6,005)
	<u>(8,006)</u>	<u>(6,005)</u>
Net cash used in financing activity	(8,006)	(6,005)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	(4,671)	12,203
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	96,068	71,195
CURRENCY TRANSLATION DIFFERENCES	(251)	(153)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>91,146</u>	<u>83,245</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the three months ended 30 September 2013

Notes to the Interim Financial Statements

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) No. 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2013 except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2013. The adoption of these standards, amendments and interpretations have no material impact to these interim financial statements.

2. Auditors' Report on Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2013 was not qualified.

3. Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

6. Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review.

**PINTARAS JAYA BERHAD (189900-H)**

(Incorporated in Malaysia)

Interim financial statements for the three months ended 30 September 2013**7. Dividend Paid**

An interim single-tier dividend of 10.0 sen per share amounting to RM8,006,400 in respect of the financial year ended 30 June 2013 was declared on 17 May 2013 and paid on 10 July 2013.

The Shareholders have approved the final single-tier dividend of 15.0 sen per share amounting to RM12,009,600 in respect of the financial year ended 30 June 2013 at the Annual General Meeting held on 7 October 2013. The said dividend shall be paid on 3 January 2014.

8. Segmental Information

	Piling, civil engineering and construction works	Manufacturing	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2013				
<u>Revenue</u>				
External revenue	35,163	8,217	-	43,380
Inter-segment revenue	-	-	-	-
Total revenue	<u>35,163</u>	<u>8,217</u>	<u>-</u>	<u>43,380</u>
<u>Results</u>				
Segment results	11,753	1,777	-	13,530
Unallocated income				1,314
Unallocated costs				(714)
Finance cost				-
Profit before taxation				<u>14,130</u>
Taxation				<u>(3,586)</u>
Profit for the financial period				<u>10,544</u>

	Piling, civil engineering and construction works	Manufacturing	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2012				
<u>Revenue</u>				
External revenue	35,219	8,467	-	43,686
Inter-segment revenue	-	-	-	-
Total revenue	<u>35,219</u>	<u>8,467</u>	<u>-</u>	<u>43,686</u>
<u>Results</u>				
Segment results	15,846	1,710	-	17,556
Unallocated income				1,516
Unallocated costs				(206)
Finance cost				-
Profit before taxation				<u>18,866</u>
Taxation				<u>(4,555)</u>
Profit for the financial period				<u>14,311</u>

Segmental reporting by geographical area is not presented as the Group's activities are all carried out in Malaysia.



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9. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

10. Material Events Subsequent to the End of Financial Period

There were no material events subsequent to the end of the current financial period ended 30 September 2013 up to the date of this report other than as disclosed in note 19.

11. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group.

13. Capital Commitments

Authorised capital commitments not recognised in the financial statements as at 30 September 2013 are as follows:

Approved and contracted for	RM'000
	<u>13,526</u>

14. Review of Performance of the Company and its Principal Subsidiaries

Current Year 1st Quarter (1Q2014) versus Preceding Year 1st Quarter (1Q2013)

For the three months ended 30 September 2013, the Group recorded a revenue and profit before taxation of RM43.4 million and RM14.1 million, representing a decrease of 1% and 25% respectively compared to last year.

Revenue from construction division was unchanged at RM35.2 million. We were set back by some delay in the commencement of two of our secured projects. Profit before taxation was 26% lower at RM11.8 million, compared to RM15.8 million in last year's corresponding quarter. The decrease in profit before taxation was substantially due to lower profit contribution from completed projects in the current financial quarter.

Sales from the manufacturing division dropped by 3% to RM8.2 million from RM8.5 million compared to the same quarter last year. Nevertheless, profit before taxation was marginally better at RM1.8 million.

15. Material Changes in the Quarterly Results compared to the results of the Immediate Preceding Quarter

	1st quarter ended 30.09.2013	4th quarter ended 30.06.2013	Variance
	RM'000	RM'000	%
Revenue	43,380	50,706	-14%
Profit before taxation	14,130	20,015	-29%

For the 1st financial quarter under review, the Group recorded a lower revenue and profit before taxation of RM43.4 million and RM14.1 million, representing a decrease of 14% and 29% respectively compared to the immediate preceding quarter. This reduction was mainly due to lower contribution from both the construction and manufacturing divisions.



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16. Prospects for the Current Financial Year

The Board expects the construction business to perform well for the rest of the financial year based on our strong order book and higher tender book value. The construction industry as a whole appears resilient despite some impact caused by the Government's pullback of the implementation of a number of mega projects due to concerns about the nation's fiscal deficit. Following the recent Budget curbs on financing, purchasing and selling of residential properties and the scheduled introduction of 6% GST implementation in April 2015, the Board expects some short-term adverse reactions and uncertainties generated. The Board continues to see three main challenges namely, staffing issues, materials and fuel price escalation and new players coming on stream. Nevertheless, we are expanding our capacity to enable us to grow our revenue.

On the manufacturing front, the Board expects the metal container operations to remain difficult. As competitors fight for market share, we foresee margins to be squeezed. We expect to commission the new pail line in April 2014. With better production efficiency and enhanced quality, we would be better positioned to stave off competition and increase our market share.

Overall, the Board expects the Group's financial performance for financial year 2014 to be good.

17. Variance of Actual Profit from Forecast Profit/Profit Guarantee

There were no profit forecast/profit guarantee issued by the Group.

18. Taxation

Taxation comprises the following: -

	Current quarter ended 30.09.2013 RM'000	Cumulative quarter ended 30.09.2013 RM'000
Current taxation	3,796	3,796
Deferred taxation	(210)	(210)
	<u>3,586</u>	<u>3,586</u>

The average effective tax rate differs from the statutory income tax rate of Malaysia as follows:

	Current quarter ended %	Cumulative quarter ended %
Statutory income tax rate	25	25
Expenses not deductible for tax purposes	1	1
Income not subject to tax	(1)	(1)
Average effective tax rate	<u>25</u>	<u>25</u>

19. Status of Corporate Proposals

On 30 July 2013, the Company announced the following corporate proposals:

- (i) proposed bonus issue of 80,064,000 ordinary shares of RM1.00 each in Pintaras on the basis of one (1) Bonus share for every one (1) existing Pintaras Share at a date to be determined and announced later ("Proposed Bonus Issue");
- (ii) proposed establishment of a new employee share option scheme involving up to 15% of the issued and paid-up share capital of Pintaras to eligible directors and employees of Pintaras, and its subsidiaries ("Proposed ESOS"); and
- (iii) proposed share buy-back of its ordinary shares of RM1.00 each by Pintaras of up to 10% of its own issued and paid-up share capital. ("Proposed Share Buy-Back").

The corporate proposals have been duly approved by the shareholders of the Company at the Extraordinary General Meeting held on 7 October 2013.



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20. Group borrowings and Debt Securities

The Group does not have any borrowings or debt securities as at 30 September 2013.

21. Derivative Financial Instruments

The Group has no derivative financial instruments for the current financial period under review.

22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 30 September 2013.

23. Changes in Material Litigation

There is no material litigation at the date of this report.

24. Dividend

The Directors do not recommend any interim dividend for the current quarter under review.

25. Earnings Per Share

The basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares in issue during the financial period.

		Current quarter ended 30.09.2013	Cumulative quarter ended 30.09.2013
- Net profit for the period	(RM'000)	10,544	10,544
- Weighted average number of ordinary shares in issue	('000)	80,064	80,064
- Basic earnings per share	(sen)	13.20	13.20

The Group does not have in issue any financial instruments or other contracts that may entitle its holder to ordinary shares and therefore dilute its basic earnings per share.

26. Realised and Unrealised Profits/Losses Disclosure

	As at 30.09.2013 RM'000	As at 30.06.2013 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	196,262	185,778
- Unrealised	(9,793)	(9,906)
	<hr/>	<hr/>
	186,469	175,872
Add: Consolidation adjustments	8,787	8,840
Total group retained profits as per consolidated accounts	<hr/>	<hr/>
	195,256	184,712



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27. Profit before Taxation

	Current quarter ended 30.09.2013 RM'000	Cumulative quarter ended 30.09.2013 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(750)	(750)
(b) Other income including investment income		
- dividend income	(527)	(527)
- gain on disposals of property, plant and equipment	N/A	N/A
(c) Interest expenses	N/A	N/A
(d) Depreciation of property, plant and equipment and investment properties	3,018	3,018
(e) Provision for impairment of receivables	120	120
(f) Inventories written off	2	2
(g) Gain or loss on disposal of quoted or unquoted investments or properties		
- loss on disposals of available-for-sale financial assets	282	282
- gain on disposal of investment property	N/A	N/A
(h) Impairment of assets		
- property, plant and equipment	N/A	N/A
- available-for-sale financial assets	36	36
(i) Net loss on foreign exchange	235	235
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

By order of the Board

KHOO YOK KEE
Executive Director

Shah Alam
15 November 2013