

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2015

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the Financial Period Ended 31 December 2015

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Revenue	31,217	74,110	66,979	138,304
Cost of sales	<u>(26,790)</u>	<u>(53,328)</u>	<u>(54,951)</u>	<u>(102,445)</u>
Gross profit	4,427	20,782	12,028	35,859
Other operating income	1,426	1,785	4,298	4,126
Administrative expenses	(980)	(1,004)	(1,984)	(2,013)
Other operating expenses	<u>(1,367)</u>	<u>(1,318)</u>	<u>(2,421)</u>	<u>(2,446)</u>
Profit before taxation	3,506	20,245	11,921	35,526
Taxation	<u>(975)</u>	<u>(5,074)</u>	<u>(2,668)</u>	<u>(8,842)</u>
Profit for the period	<u>2,531</u>	<u>15,171</u>	<u>9,253</u>	<u>26,684</u>
Other comprehensive income				
- Available-for-sale financial assets:				
- net changes in fair value	1,989	1,180	(1,154)	791
- reclassification to profit or loss	<u>128</u>	<u>184</u>	<u>(138)</u>	<u>202</u>
Changes in other comprehensive income	<u>2,117</u>	<u>1,364</u>	<u>(1,292)</u>	<u>993</u>
Total comprehensive income for the period	<u>4,648</u>	<u>16,535</u>	<u>7,961</u>	<u>27,677</u>
Profit attributable to:				
Equity holders of the Company	<u>2,531</u>	<u>15,171</u>	<u>9,253</u>	<u>26,684</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>4,648</u>	<u>16,535</u>	<u>7,961</u>	<u>27,677</u>
Earnings per share (sen)				
- Basic	<u>1.6</u>	<u>9.4</u>	<u>5.7</u>	<u>16.6</u>
- Diluted	<u>1.6</u>	<u>9.3</u>	<u>5.7</u>	<u>16.4</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 2015.

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

Interim financial statements for the six months ended 31 December 2015

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

As at 31 December 2015

	As at 31.12.2015 RM'000	As at 30.06.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	102,535	110,892
Investment properties	128	130
Available-for-sale financial assets	26,490	25,527
Deferred tax assets	1,668	782
	<u>130,821</u>	<u>137,331</u>
Current assets		
Amounts due from customers on contracts	2,220	827
Inventories	20,097	18,385
Receivables	64,120	81,092
Short-term deposits	178,386	172,787
Cash and bank balances	5,864	3,400
	<u>270,687</u>	<u>276,491</u>
TOTAL ASSETS	<u>401,508</u>	<u>413,822</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	162,778	162,681
Share premium	6,611	6,369
Share option reserve	1,664	1,729
Available-for-sale reserve	7,077	8,369
Retained earnings	158,103	166,756
Total equity	<u>336,233</u>	<u>345,904</u>
Non-current liability		
Deferred tax liabilities	13,267	13,822
	<u>13,267</u>	<u>13,822</u>
Current liabilities		
Amounts due to customers on contracts	-	1,954
Payables	31,013	35,611
Dividend payable	17,906	11,388
Taxation	3,089	5,143
	<u>52,008</u>	<u>54,096</u>
Total liabilities	<u>65,275</u>	<u>67,918</u>
TOTAL EQUITY AND LIABILITIES	<u>401,508</u>	<u>413,822</u>
Net assets per share attributable to equity holders of the Company (RM)	2.07	2.13

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015.

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

Interim financial statements for the six months ended 31 December 2015

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Period Ended 31 December 2015

	← Attributable to equity holders of the Company →					Total equity RM'000
	Share capital RM'000	Share premium RM'000	Non-distributable Share option reserve RM'000	Available-for- sale reserve RM'000	Distributable Retained earnings RM'000	
At 1 July 2015	162,681	6,369	1,729	8,369	166,756	345,904
Total comprehensive income for the period	-	-	-	(1,292)	9,253	7,961
Issuance of shares						
- exercise of employee share option	97	242	(65)	-	-	274
Dividends	-	-	-	-	(17,906)	(17,906)
At 31 December 2015	<u>162,778</u>	<u>6,611</u>	<u>1,664</u>	<u>7,077</u>	<u>158,103</u>	<u>336,233</u>
At 1 July 2014	160,128	-	2,256	4,118	140,754	307,256
Total comprehensive income for the period	-	-	-	993	26,684	27,677
Issuance of shares						
- exercise of employee share option	1,333	3,326	(887)	-	-	3,772
Dividends	-	-	-	-	(14,531)	(14,531)
At 31 December 2014	<u>161,461</u>	<u>3,326</u>	<u>1,369</u>	<u>5,111</u>	<u>152,907</u>	<u>324,174</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 2015.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2015

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Period Ended 31 December 2015

	6 months ended	
	31.12.2015	31.12.2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	9,253	26,684
Adjustments for:-		
Depreciation of property, plant and equipment and investment properties	8,398	8,648
(Gain)/loss on disposals of available-for-sale financial assets	(416)	414
Impairment losses of available-for-sale financial assets	-	90
Taxation	2,668	8,842
Other non-cash items	34	(308)
Other non-operating items	(3,316)	(2,708)
	<u>16,621</u>	<u>41,662</u>
Changes in working capital:		
Net changes in current assets	12,027	(16,807)
Net changes in current liabilities	(4,241)	18,260
	<u>24,407</u>	<u>43,115</u>
Cash generated from operations	24,407	43,115
Tax paid	(6,646)	(5,076)
Interest income received	2,504	1,872
	<u>20,265</u>	<u>39,911</u>
Net cash flows generated from operating activities	20,265	39,911
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(467)	(26,930)
Proceeds from disposal of property, plant and equipment	26	37
Purchases of available-for-sale financial assets	(7,406)	(5,997)
Proceeds from disposals of available-for-sale financial assets	5,640	6,861
Dividend income received	915	668
Decrease/(increase) in short-term deposits and bank balances used for investment purposes	1,270	(958)
	<u>(22)</u>	<u>(26,319)</u>
Net cash flows used in investing activities	(22)	(26,319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from ESOS exercised	275	3,772
Dividends paid	(11,388)	(9,608)
	<u>(11,113)</u>	<u>(5,836)</u>
Net cash flows used in financing activity	(11,113)	(5,836)
NET INCREASE IN CASH & CASH EQUIVALENTS	9,130	7,756
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	172,111	146,706
CURRENCY TRANSLATION DIFFERENCES	203	305
	<u>181,444</u>	<u>154,767</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	181,444	154,767

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015

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 2015. 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 2015.

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 2015.

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 2015 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

During the financial period ended 31 December 2015, a total of 97,000 new ordinary shares of RM1.00 each was issued pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") at an exercise price of RM2.83 per ordinary share.

Other than as mentioned above, there were no other issuance and/or 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.

7. Dividend Paid

An interim single-tier dividend of 7.0 sen per share amounting to RM11,387,656 in respect of the financial year ended 30 June 2015 was declared on 15 May 2015 and paid on 9 July 2015.

The final single-tier dividend of 11.0 sen per share amounting to RM17,905,558 in respect of the financial year ended 30 June 2015 was approved by the shareholders during the Annual General Meeting on 13 October 2015 and paid on 12 January 2016.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015

8. Segmental Information

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
6 months ended 31 December 2015			
<u>Revenue</u>			
Construction contracts	49,835	-	49,835
Sale of goods	-	17,144	17,144
Total revenue			<u>66,979</u>
<u>Results</u>			
Segment results	5,889	2,212	8,101
Unallocated income			3,926
Unallocated costs			(106)
Profit before taxation			<u>11,921</u>
Taxation			(2,668)
Profit for the financial period			<u>9,253</u>

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
6 months ended 31 December 2014			
<u>Revenue</u>			
Construction contracts	120,269	-	120,269
Sale of goods	-	18,035	18,035
Total revenue			<u>138,304</u>
<u>Results</u>			
Segment results	30,251	2,946	33,197
Unallocated income			2,964
Unallocated costs			(635)
Profit before taxation			<u>35,526</u>
Taxation			(8,842)
Profit for the financial period			<u>26,684</u>

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



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015

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 31 December 2015 up to the date of this report that have not been reflected in this financial statements.

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

There were no material capital commitments not provided for in the interim financial statements as at 31 December 2015.

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

(a) Current Year 2nd Quarter (2Q2016) versus Preceding Year 2nd Quarter (2Q2015)

The Group recorded a revenue and profit before taxation ("PBT") of RM31.2 million and RM3.5 million in 2Q2016, representing a decrease of 58% and 83% respectively compared to 2Q2015. The decline was attributable mainly to the lower contribution from both the construction and manufacturing divisions coupled with a lower investment income.

The construction division recorded a significantly lower revenue of RM23.2 million in 2Q2016 compared to RM64.9 million in the same quarter last financial year. Correspondingly, PBT fell 93% to RM1.3 million from RM17.6 million. The shortfall was mainly due to reduced and insufficient construction activities as a result of a very low rate of project replenishment. Additionally, some projects had unexpected cost overruns.

The manufacturing division recorded a revenue and PBT of RM8.1 million and RM1.0 million in 2Q2016, representing a decrease of 12% and 29% respectively compared to the same quarter last financial year. The decline in the current financial quarter results compared to 2Q2015 was mainly due to lower sales and increased operating expenditure.

(b) Current Year-to-date versus Preceding Year Corresponding Period

For the financial period ended 31 December 2015, the Group's revenue dipped 52% to RM67.0 million from RM138.3 million in the preceding year, whilst PBT fell by 66% to RM11.9 million as compared to the previous corresponding period of RM35.5 million. Both the construction and manufacturing businesses contributed to the reduction in Group revenue and earnings. Contribution from investment income was higher.

The construction division recorded a substantially lower revenue of RM49.8 million as compared to RM120.3 million last year. Consequently, PBT was down by 81% to RM5.9 million from RM30.3 million last year. The sharp decline in revenue and profit were mainly due to the reasons set out in Note 14(a) above.

The manufacturing division recorded a revenue and PBT of RM17.1 million and RM2.2 million, representing a decrease of 5% and 24% respectively compared to last year. The decline was mainly due to lower sales volume and a downward revision of selling prices as a result of competitive market environment.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015

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

	2nd quarter ended 31.12.2015 RM'000	1st quarter ended 30.09.2015 RM'000	Variance %
Revenue	31,217	35,762	-13%
Profit before taxation	3,506	8,415	-58%

For the 2nd financial quarter under review, the Group recorded a lower revenue and profit before taxation of RM31.2 million and RM3.5 million, representing a decrease of 13% and 58% respectively compared to the immediate preceding quarter. The reduction was mainly due to lower contribution from both the construction and manufacturing divisions as well as lower investment income over the preceding quarter.

16. Prospects for the Current Financial Year

We had a slow first half for the current financial year with a low order book but expect the second half to be significantly better. We have secured a number of contracts giving us collectively a healthy order book for FY2016 which will keep us busy for the next twelve months. Consequently, we expect a much higher level of utilisation of our construction capacity by the 4th quarter of FY2016.

Our challenge is to generate reasonable returns from these contracts and continue to replenish our order book with profitable contracts. Overall, the piling construction sector is still bright in view of the numerous massive infrastructure development projects under the 11th Malaysia Plan despite a slowdown in the property market. Notably, the MRT 2 and LRT 3 projects should commence ground works in the next few months. The Board expects a difficult 3rd quarter before an improvement in the final quarter when our new projects are in full swing. The Group's overall performance should be positive but substantially lower compared to FY2015.

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 31.12.2015 RM'000	Cumulative quarter ended 31.12.2015 RM'000
Current taxation	2,047	4,109
Deferred taxation	(1,072)	(1,441)
	<u>975</u>	<u>2,668</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	24	24
Income not subject to tax	1	(3)
Expenses not deductible for tax purposes	3	1
Average effective tax rate	<u>28</u>	<u>22</u>

19. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

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

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015**20. Group borrowings and Debt Securities**

The Group does not have any borrowings or debt securities as at 31 December 2015.

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 31 December 2015.

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

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders by the weighted average number of ordinary shares in issue during the financial period.

	Current quarter ended 31.12.2015	Cumulative quarter ended 31.12.2015
- Profit attributable to equity holders of the Company (RM'000)	2,531	9,253
- Weighted average number of ordinary shares in issue ('000)	162,760	162,760
- Basic earnings per share (sen)	1.60	5.70

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

- Profit attributable to equity holders of the Company (RM'000)	2,531	9,253
- Weighted average number of ordinary shares in issue ('000)	162,760	162,760
Effect of dilution arising from ESOS ('000)	784	784
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>163,544</u>	<u>163,544</u>
- Diluted earnings per share (sen)	1.60	5.70

26. Realised and Unrealised Profits/Losses Disclosure

	As at 31.12.2015 RM'000	As at 30.06.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	160,084	172,625
- Unrealised	(10,563)	(14,381)
	<u>149,521</u>	<u>158,244</u>
Add: Consolidation adjustments	8,582	8,512
Total group retained profits as per consolidated accounts	<u>158,103</u>	<u>166,756</u>



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2015

27. Profit before Taxation

	Current quarter ended 31.12.2015 RM'000	Cumulative quarter ended 31.12.2015 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(1,326)	(2,555)
(b) Other income including investment income		
- dividend income	(367)	(774)
- 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	4,179	8,398
(e) Provision for impairment of receivables	110	230
(f) Inventories written off	10	22
(g) Gain or loss on disposal of quoted or unquoted investments or properties		
- loss/(gain) on disposals of available-for-sale financial assets	233	(416)
- 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	N/A	N/A
(i) Net loss/(gain) on foreign exchange	202	(123)
(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
22 February 2016