

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the twelve months ended 30 June 2016

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the Financial Year Ended 30 June 2016

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Revenue	40,926	47,356	136,874	242,999
Cost of sales	<u>(34,169)</u>	<u>(33,807)</u>	<u>(113,863)</u>	<u>(175,407)</u>
Gross profit	6,757	13,549	23,011	67,592
Other operating income	2,330	3,669	8,695	9,519
Administrative expenses	(1,613)	(2,135)	(4,143)	(4,719)
Other operating expenses	<u>(725)</u>	<u>(284)</u>	<u>(4,523)</u>	<u>(3,822)</u>
Profit before taxation	6,749	14,799	23,040	68,570
Taxation	<u>(1,609)</u>	<u>(3,346)</u>	<u>(5,254)</u>	<u>(16,649)</u>
Profit for the period/year	<u>5,140</u>	<u>11,453</u>	<u>17,786</u>	<u>51,921</u>
Other comprehensive income				
- Available-for-sale financial assets:				
- net changes in fair value	450	3,079	(3,819)	6,408
- reclassification to profit or loss	<u>(316)</u>	<u>(2,196)</u>	<u>(564)</u>	<u>(2,157)</u>
Changes in other comprehensive income	<u>134</u>	<u>883</u>	<u>(4,383)</u>	<u>4,251</u>
Total comprehensive income for the period/year	<u>5,274</u>	<u>12,336</u>	<u>13,403</u>	<u>56,172</u>
Profit attributable to:				
Equity holders of the Company	<u>5,140</u>	<u>11,453</u>	<u>17,786</u>	<u>51,921</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>5,274</u>	<u>12,336</u>	<u>13,403</u>	<u>56,172</u>
Earnings per share (sen)				
- Basic	<u>3.2</u>	<u>7.1</u>	<u>10.9</u>	<u>32.2</u>
- Diluted	<u>3.2</u>	<u>7.0</u>	<u>10.9</u>	<u>31.9</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 twelve months ended 30 June 2016

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

As at 30 June 2016

	As at 30.06.2016 RM'000	As at 30.06.2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	97,154	110,892
Investment properties	126	130
Available-for-sale financial assets	24,782	25,527
Deferred tax assets	2,179	782
	<u>124,241</u>	<u>137,331</u>
Current assets		
Amounts due from customers on contracts	4,210	827
Inventories	17,951	18,385
Receivables	85,917	81,092
Short-term deposits	162,445	172,787
Cash and bank balances	9,239	3,400
	<u>279,762</u>	<u>276,491</u>
TOTAL ASSETS	<u>404,003</u>	<u>413,822</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	163,526	162,681
Share premium	8,477	6,369
Share option reserve	1,786	1,729
Available-for-sale reserve	3,986	8,369
Retained earnings	153,554	166,756
Total equity	<u>331,329</u>	<u>345,904</u>
Non-current liability		
Deferred tax liabilities	13,296	13,822
	<u>13,296</u>	<u>13,822</u>
Current liabilities		
Amounts due to customers on contracts	1,391	1,954
Payables	42,871	35,611
Dividend payable	13,082	11,388
Taxation	2,034	5,143
	<u>59,378</u>	<u>54,096</u>
Total liabilities	<u>72,674</u>	<u>67,918</u>
TOTAL EQUITY AND LIABILITIES	<u>404,003</u>	<u>413,822</u>
Net assets per share attributable to equity holders of the Company (RM)	2.03	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 twelve months ended 30 June 2016

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Year Ended 30 June 2016

	← 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 year	-	-	-	(4,383)	17,786	13,403
Employee share option scheme("ESOS")						
- value of employee services	-	-	619	-	-	619
Issuance of shares						
- exercise of ESOS	845	2,108	(562)	-	-	2,391
Dividends	-	-	-	-	(30,988)	(30,988)
At 30 June 2016	<u>163,526</u>	<u>8,477</u>	<u>1,786</u>	<u>3,986</u>	<u>153,554</u>	<u>331,329</u>
At 1 July 2014	160,128	-	2,256	4,118	140,754	307,256
Total comprehensive income for the year	-	-	-	4,251	51,921	56,172
Employee share option scheme("ESOS")						
- value of employee services	-	-	1,171	-	-	1,171
Issuance of shares						
- exercise of ESOS	2,553	6,369	(1,698)	-	-	7,224
Dividends	-	-	-	-	(25,919)	(25,919)
At 30 June 2015	<u>162,681</u>	<u>6,369</u>	<u>1,729</u>	<u>8,369</u>	<u>166,756</u>	<u>345,904</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 twelve months ended 30 June 2016

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Year Ended 30 June 2016

	12 months ended	
	30.06.2016	30.06.2015
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	17,786	51,921
Adjustments for:-		
Depreciation of property, plant and equipment and investment properties	16,203	17,373
Gain on disposals of available-for-sale financial assets	(1,094)	(1,640)
Impairment losses of available-for-sale financial assets	-	90
Value of employee services in relation to ESOS	619	1,171
Taxation	5,254	16,649
Other non-cash items	(1,145)	1,826
Other non-operating items	(6,669)	(5,867)
	<u>30,954</u>	<u>81,523</u>
Changes in working capital:		
Net changes in current assets	(4,422)	3,501
Net changes in current liabilities	<u>6,565</u>	<u>(3,252)</u>
Cash generated from operations	33,097	81,772
Tax paid	(13,177)	(16,010)
Tax refunded	1	198
Interest income received	<u>4,934</u>	<u>4,114</u>
Net cash flows generated from operating activities	<u>24,855</u>	<u>70,074</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(2,451)	(29,195)
Proceeds from disposal of property, plant and equipment	54	37
Purchases of available-for-sale financial assets	(13,351)	(13,405)
Proceeds from disposals of available-for-sale financial assets	11,367	12,153
Dividend income received	1,767	1,410
Decrease in short-term deposits and bank balances used for investment purposes	<u>1,602</u>	<u>887</u>
Net cash flows used in investing activities	<u>(1,012)</u>	<u>(28,113)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from ESOS exercised	2,391	7,224
Dividends paid	<u>(29,293)</u>	<u>(24,139)</u>
Net cash flows used in financing activities	<u>(26,902)</u>	<u>(16,915)</u>
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	(3,059)	25,046
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	172,111	146,706
CURRENCY TRANSLATION DIFFERENCES	158	359
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>169,210</u>	<u>172,111</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 2015.



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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 year ended 30 June 2016.

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 year ended 30 June 2016, a total of 845,000 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 year 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.

A first interim single-tier dividend of 8.0 sen per share amounting to RM13,082,064 in respect of the financial year ended 30 June 2016 was declared on 18 May 2016 and paid on 12 July 2016.

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

(Incorporated in Malaysia)

Interim financial statements for the twelve months ended 30 June 2016**8. Segmental Information**

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
12 months ended 30 June 2016			
<u>Revenue</u>			
Construction contracts	103,083	-	103,083
Sale of goods	-	33,791	33,791
Total revenue			<u>136,874</u>
<u>Results</u>			
Segment results	10,656	5,235	15,891
Unallocated income			7,954
Unallocated costs			<u>(805)</u>
Profit before taxation			23,040
Taxation			<u>(5,254)</u>
Profit for the financial year			<u>17,786</u>

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
12 months ended 30 June 2015			
<u>Revenue</u>			
Construction contracts	205,601	-	205,601
Sale of goods	-	37,398	37,398
Total revenue			<u>242,999</u>
<u>Results</u>			
Segment results	56,278	5,948	62,226
Unallocated income			7,819
Unallocated costs			<u>(1,475)</u>
Profit before taxation			68,570
Taxation			<u>(16,649)</u>
Profit for the financial year			<u>51,921</u>

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

9. Valuation of Property, Plant and Equipment

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



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10. Material Events Subsequent to the End of Financial Period

There were no material events subsequent to the end of the current financial year ended 30 June 2016 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 year ended 30 June 2016.

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 June 2016 are as follows:

	RM'000
Approved and contracted for	8,161
	<u>8,161</u>

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

(a) Current Year 4th Quarter (4Q2016) versus Preceding Year 4th Quarter (4Q2015)

The Group recorded a revenue and profit before taxation ('PBT') of RM40.9 million and RM6.7 million in 4Q2016, representing a decrease of 14% and 54% respectively compared to 4Q2015. The decline was attributable mainly to lower contribution from the construction division as well as a lower investment income over the preceding comparative financial year. Contribution from the manufacturing division, however, was higher.

The construction division recorded a lower revenue of RM32.7 million in 4Q2016 compared to RM37.4 million in the same quarter last financial year, while PBT fell by about 66% to RM3.7 million from RM10.8 million. The decline in current quarter results compared to 4Q2015 was mainly due to lower profit realised from completed projects and additional cost incurred on a particular completed project.

Sales from manufacturing division slipped by 18% to RM8.2 million in 4Q2016 from RM10.0 million in 4Q2015. This was mainly attributable to the decrease in export sales and downward revision of selling prices. Nevertheless, the manufacturing division delivered a better profit of RM1.7 million compared to RM1.4 million in 4Q2015, primarily due to reduction in raw material prices and lower stock adjustment in 4Q2016.

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

For the twelve months ended 30 June 2016, the Group's revenue dipped 44% to RM136.9 million from RM243.0 million in the preceding year, whilst PBT fell by 66% to RM23.0 million as compared to the previous corresponding period of RM68.6 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 significantly lower revenue of RM103.1 million as compared to RM205.6 million last financial year. Correspondingly, PBT was down by 81% to RM10.7 million from RM56.3 million last financial year. The sharp decline in revenue and profit were mainly due to the greatly reduced construction activities as a result of low balance of work in hand in the first half of the financial year and the subsequent newly secured projects having yet to reach the stage of material revenue contribution. Additionally, recognition of cost overrun in relation to certain completed projects during the current financial year also contributed to the decline in earnings.

The manufacturing division recorded a revenue and PBT of RM33.8 million and RM5.2 million, representing a decrease of 10% and 12% respectively compared to last financial year. The decline was mainly due to lower sales volume and a downward revision of selling prices.



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

	4th quarter ended 30.06.2016 RM'000	3rd quarter ended 31.03.2016 RM'000	Variance %
Revenue	40,926	28,969	41%
Profit before taxation	6,749	4,370	54%

For the 4th financial quarter under review, the Group recorded a higher revenue and PBT of RM40.9 million and RM6.7 million, representing an increase of 41% and 54% respectively compared to the immediate preceding quarter. The marked improvement was mainly due to increased activities of on-going projects in the construction division as well as better results recorded by manufacturing division.

16. Prospects for the Next Financial Year ending 30 June 2017

After going through a very slow and tough financial year 2016, the Board expects a strong earnings recovery for the forthcoming financial year. This is in view of our existing outstanding order book and satisfactory tender book value. We are optimistic that the pace and volume of work will accelerate in financial year 2017 especially with several major infrastructure projects being rolled out in the country. In particular, the KVMRT 2 and KVLRT 3 projects will involve substantial sub-structure works. The property sector, however, appears to be still subdued and may only improve later in year 2017. We are also procuring more equipment and strengthening our workforce in order to cater for the expected increase in the volume of work. Overall, the Board expects the Group's performance for financial year 2017 to be better than year 2016.

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 30.06.2016 RM'000	Cumulative quarter ended 30.06.2016 RM'000
Current taxation	2,152	7,177
Deferred taxation	(543)	(1,923)
	<u>1,609</u>	<u>5,254</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	(3)	(3)
Expenses not deductible for tax purposes	3	2
Average effective tax rate	<u>24</u>	<u>23</u>



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19. Status of Corporate Proposals

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

20. Group borrowings and Debt Securities

The Group does not have any borrowings or debt securities as at 30 June 2016.

21. Derivative Financial Instruments

The Group has no derivative financial instruments for the current financial year ended 30 June 2016.

22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 30 June 2016.

23. Changes in Material Litigation

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

24. Dividend

- (a) (i) The Board of Directors has recommended a final dividend in respect of the financial year ended 30 June 2016.
- (ii) Amount per share : 12.0 sen single tier
- (iii) Previous corresponding period : 11.0 sen single tier
- (iv) Date payable : To be determined later
- (v) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.

The proposed final dividend is subject to shareholders' approval at the Annual General Meeting to be held on a date to be announced later.

- (b) Total dividend for the current financial year : 20.0 sen single tier

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 year.

	Current quarter ended 30.06.2016	Cumulative quarter ended 30.06.2016
- Profit attributable to equity holders of the Company (RM'000)	5,140	17,786
- Weighted average number of ordinary shares in issue ('000)	162,918	162,918
- Basic earnings per share (sen)	3.2	10.9

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)	5,140	17,786
- Weighted average number of ordinary shares in issue ('000)	162,918	162,918
Effect of dilution arising from ESOS ('000)	499	499
Weighted average number of ordinary shares for diluted earnings per share ('000)	<u>163,417</u>	<u>163,417</u>
- Diluted earnings per share (sen)	3.2	10.9

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

(Incorporated in Malaysia)

Interim financial statements for the twelve months ended 30 June 2016**26. Realised and Unrealised Profits/Losses Disclosure**

	As at 30.06.2016 RM'000	As at 30.06.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	155,202	172,625
- Unrealised	(10,112)	(14,381)
	<u>145,090</u>	<u>158,244</u>
Add: Consolidation adjustments	8,464	8,512
Total group retained profits as per consolidated accounts	<u>153,554</u>	<u>166,756</u>

27. Profit before Taxation

	Current quarter ended 30.06.2016 RM'000	Cumulative quarter ended 30.06.2016 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(1,235)	(5,042)
(b) Other income including investment income		
- dividend income	(564)	(1,685)
- loss on disposals of property, plant and equipment	58	58
(c) Interest expenses	N/A	N/A
(d) Depreciation of property, plant and equipment and investment properties	3,770	16,203
(e) Provision for impairment of receivables	(339)	39
(f) Inventories written off	14	44
(g) Gain or loss on disposal of quoted or unquoted investments or properties		
- gain on disposals of available-for-sale financial assets	(305)	(1,094)
- gain on disposal of investment property	N/A	N/A
(h) Impairment of assets		
- property, plant and equipment	4	4
- available-for-sale financial assets	N/A	N/A
(i) Net loss/(gain) on foreign exchange	8	(41)
(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

29 August 2016