

American Biltrite Inc.

Consolidated Financial Statements
As of and For the Years Ended
December 31, 2015 & 2014

American Biltrite Inc. and Subsidiaries
Consolidated Balance Sheets
(In thousands of dollars)

	December 31 2015	2014
Assets		
Current assets:		
Cash and cash equivalents	**$ 250**	$ 245
Short-term investments	**-**	2,499
Accounts receivable, less allowances for doubtful accounts	**17,968**	19,465
Inventories	**36,536**	39,088
Income taxes receivable	**742**	1,459
Prepaid expenses and other current assets	**2,193**	1,953
Insurance receivable for asbestos and environmental liabilities	**5,050**	4,658
Total current assets	**62,739**	69,367
Property, plant & equipment, net	**25,002**	26,801
Other assets:		
Insurance receivable for asbestos and environmental liabilities	**20,884**	22,262
Securities held to maturity	**2,488**	-
Other assets	**3,723**	3,610
	27,095	25,872
Total assets	**$ 114,836**	$ 122,040
Liabilities		
Current liabilities:		
Accounts payable	**$ 9,963**	$ 9,223
Accrued expenses	**12,328**	12,259
Asbestos and environmental liabilities	**6,813**	6,415
Notes payable	**2,788**	4,468
Current portion of long-term debt	**1,526**	1,539
Total current liabilities	**33,418**	33,904
Long-term debt, less current portion	**4,421**	5,990
Asbestos and environmental liabilities	**33,777**	35,443
Other liabilities	**12,919**	13,440
	51,117	54,873
Total liabilities	**84,535**	88,777
Stockholders' equity		
Common stock and additional paid in capital (common stock par value $.01, 150,000 shares authorized, issued 45,985 shares, and 32,477 shares outstanding at December 31, 2015 and 2014)	**20,324**	20,324
Less cost of common stock in treasury (13,508 shares at December 31, 2015 and 2014)	**(15,721)**	(15,721)
Retained earnings	**34,953**	35,674
Accumulated other comprehensive loss	**(10,199)**	(7,958)
Total stockholders' equity of controlling interests	**29,357**	32,319
Noncontrolling interests	**944**	944
Total stockholders' equity	**30,301**	33,263
Total liabilities and stockholders' equity	**$ 114,836**	$ 122,040

American Biltrite Inc. and Subsidiaries
Consolidated Statement of Operations
(In thousands of dollars, except share and per share amounts)

	Year Ended December 31, 2015	2014
Net Sales	**$ 194,873**	$ 205,585
Cost of products sold	**145,514**	151,161
Selling, general & administrative expenses	**48,650**	48,369
Income from operations	**709**	**6,055**
Other (expense) income		
Interest expense	**(695)**	(723)
Other (expense) income, net	**(618)**	(1,841)
	(1,313)	**(2,564)**
(Loss) income before income taxes	**(604)**	**3,491**
Provision for income taxes	**117**	517
Net (loss) income attributable to controlling interest	**$ (721)**	**$ 2,974**
Net (loss) income per share attributable to controlling interests		
Basic	**$ (22.20)**	**$ 91.57**
Diluted	**$ (22.20)**	**$ 91.47**
Weighted average shares outstanding		
Basic	**32,477**	**32,477**
Diluted	**32,477**	**32,513**

American Biltrite Inc. and Subsidiaries
Consolidated Statement of Cash Flows
(In thousands of dollars)

	Year Ended December 31, 2015	2014
Operating activities		
Net (loss) income	**$ (721)**	$ 2,974
Adjustments to reconcile net (loss) income to net cash provided by operating activities		
Depreciation and amortization	**3,326**	3,335
Provision for doubtful accounts and discounts	**2,253**	2,903
Bond interest	**11**	-
Charge for vinyl composition tile line write off	**1,815**	-
Deferred taxes	**93**	190
Gains from insurance settlements	**-**	(2,400)
Change in operating assets and liabilities		
Accounts and notes receivable	**(1,669)**	(3,822)
Inventories	**(1,385)**	(1,231)
Prepaid expenses and other assets	**(347)**	(246)
Accounts payable and accrued expenses	**1,780**	(975)
Asbestos & environmental liabilities	**(282)**	760
Income taxes	**(268)**	(314)
Other	**(146)**	(853)
Net cash provided by operating activities	**4,460**	321
Investing activities		
Investments in property, plant and equipment	**(2,168)**	(3,428)
Purchase of investments	**-**	(2,499)
Purchase of securities held to maturity	**(2,499)**	-
Proceeds from sale of short-term investments	**2,499**	2,499
Net cash used in investing activities	**(2,168)**	(3,428)
Financing activities		
Net short-term loan (payments) borrowings	**(1,483)**	3,038
Payments on long-term debt	**(1,565)**	(1,478)
Refinancing fee	**-**	(30)
Net cash (used) provided by financing activities	**(3,048)**	1,530
Effect of foreign exchange rate changes on cash	**761**	917
Net increase (decrease) in cash	**5**	(660)
Cash and cash equivalents at beginning of period	**245**	905
Cash and cash equivalents at end of period	**$ 250**	$ 245