

American Biltrite Inc.

Consolidated Financial Statements
As of and For the Three Months Ended
March 31, 2016 & 2015

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

	March 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	**$ 58**	$ 250
Accounts receivable, less allowances for doubtful accounts	**19,127**	17,968
Inventories	**34,900**	36,536
Income taxes	**805**	742
Prepaid expenses & other current assets	**2,390**	2,193
Insurance receivable for asbestos & environmental liabilities	**4,989**	5,050
Total current assets	**62,269**	62,739
Property, plant & equipment, net	**24,728**	25,002
Other assets:		
Insurance receivable for asbestos & environmental liabilities	**20,884**	20,884
Securities held to maturity	**2,488**	2,488
Other assets	**3,756**	3,723
	27,128	27,095
Total assets	**$ 114,125**	$ 114,836
Liabilities		
Current liabilities:		
Accounts payable	**$ 8,390**	$ 9,963
Accrued expenses	**12,393**	12,328
Asbestos & environmental liabilities	**6,975**	6,813
Notes payable	**2,912**	2,788
Current portion of long-term debt	**1,533**	1,526
Total current liabilities	**32,203**	33,418
Long-term debt, less current portion	**3,937**	4,421
Asbestos & environmental liabilities	**33,777**	33,777
Other liabilities	**13,131**	12,919
	50,845	51,117
Total liabilities	**83,048**	84,535
Stockholders' equity		
Common stock and additional paid in capital (common stock par value $.01, 150,000 shares authorized, issued 45,985 shares, and 32,477 shares outstanding at March 31, 2016 and December 31, 2015)	**20,324**	20,324
Less cost of common stock in treasury (13,508 shares at March 31, 2016 and December 31, 2015)	**(15,721)**	(15,721)
Retained earnings	**33,867**	34,953
Accumulated other comprehensive loss	**(8,337)**	(10,199)
Total stockholders' equity of controlling interests	**30,133**	29,357
Noncontrolling interests	**944**	944
Total stockholders' equity	**31,077**	30,301
Total liabilities and stockholders' equity	**$ 114,125**	$ 114,836

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

	Three Months Ended March 31,	
	2016	**2015**
Net Sales	**$ 45,771**	$ 48,242
Cost of products sold	**34,288**	35,023
Selling, general & administrative expenses	**12,470**	12,666
(Loss) income from operations	**(987)**	553
Other (expense) income		
Interest expense	**(136)**	(184)
Other income (expense), net	**172**	(1,835)
	36	(2,019)
Loss before income taxes	**(951)**	(1,466)
Provision for income taxes	**135**	106
Net loss attributable to controlling interests	**$ (1,086)**	$ (1,572)
Net loss per share attributable to controlling interests		
Basic	**$ (33.44)**	$ (48.40)
Diluted	**$ (33.44)**	$ (48.40)
Weighted average shares outstanding		
Basic	**32,477**	32,477
Diluted	**32,477**	32,477

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

	Three Months Ended March 31, 2016	2015
Operating activities		
Net loss	**$ (1,086)**	$ (1,572)
Adjustment to reconcile net loss to net cash used by operating activities		
Depreciation and amortization	**825**	876
Change in operating assets and liabilities		
Accounts and notes receivable	**(850)**	(2,279)
Inventories	**2,611**	(1,918)
Prepaid expenses and other assets	**(154)**	(472)
Accounts payable and accrued expenses	**(1,862)**	462
Asbestos & environmental liabilities	**223**	(112)
Income taxes	**(64)**	-
Other	**215**	37
Net cash used by operating activities	**(142)**	(4,978)
Investing activities		
Investments in property, plant and equipment	**(504)**	(297)
Net cash used by investing activities	**(504)**	(297)
Financing activities		
Net short-term loan borrowings	**80**	3,958
Payments on long-term debt	**(481)**	(487)
Net cash (used) provided by financing activities	**(401)**	3,471
Effect of foreign exchange rate changes on cash	**855**	1,578
Net decrease in cash	**(192)**	(226)
Cash and cash equivalents at beginning of period	**250**	245
Cash and cash equivalents at end of period	**$ 58**	$ 19