

Quarterly report on consolidated results for the second financial quarter ended 31 December 2008

Condensed Consolidated Income Statements for the second financial quarter ended 31 December 2008

(The figures have not been audited)

| | <u>Individual Quarter</u> | | <u>Cumulative Quarters</u> | |
|--|--|--|---|--|
| | <u>Current year</u> <u>Quarter</u> <u>31/12/08</u> RM'000 | <u>Preceding year</u> <u>Corresponding</u> <u>Quarter</u> <u>31/12/07</u> RM'000 | <u>(6 months)</u> <u>Current</u> <u>Year</u> <u>To date</u> <u>31/12/08</u> RM'000 | <u>(6 months)</u> <u>Preceding year</u> <u>Corresponding</u> <u>Period</u> <u>31/12/07</u> RM'000 |
| Revenue | 145,371 | 153,122 | 366,293 | 292,023 |
| Cost of sales | (146,834) | (137,925) | (342,499) | (264,667) |
| Contribution | (1,463) | 15,197 | 23,794 | 27,356 |
| Impairment loss on inventories | (38,595) | - | (38,595) | - |
| Gross (loss)/profit | (40,058) | 15,197 | (14,801) | 27,356 |
| Operating expenses | (10,972) | (7,921) | (22,944) | (15,530) |
| Other operating income | 1,044 | 791 | 9,764 | 2,732 |
| Operating (loss)/profit | (49,986) | 8,067 | (27,981) | 14,558 |
| Fair value loss on financial asset at fair value through profit or loss | (35,774) | - | (229,472) | - |
| Write back of allowance for shares under litigation | 6,787 | - | 50,817 | - |
| (Loss)/profit from operations | (78,973) | 8,067 | (206,636) | 14,558 |
| Finance cost | (5,717) | (3,136) | (13,744) | (7,796) |
| Share of results of associates | 200 | (729) | 919 | 1,466 |
| (Loss)/profit before tax | (84,490) | 4,202 | (219,461) | 8,228 |
| Tax | 15,483 | (2,095) | 56,093 | 2,798 |
| (Loss)/profit for the period | (69,007) | 2,107 | (163,368) | 11,026 |
| Attributable to: | | | | |
| Equity holders of the Company | (60,519) | 40 | (156,109) | 8,220 |
| Minority interests | (8,488) | 2,067 | (7,259) | 2,806 |
| | (69,007) | 2,107 | (163,368) | 11,026 |
| (Loss)/earnings before interest, tax, depreciation, amortisation, fair value loss on financial asset at fair value through profit or loss and write back of allowance for shares under litigation | (45,391) | 10,750 | (18,190) | 22,837 |
| (Loss)/earnings per share attributable to equity holders of the Company (sen): | | | | |
| - Basic | (26.82) | 0.02 | (69.18) | 3.64 |
| - Diluted | N/A | 0.02 | N/A | 3.52 |

Quarterly report on consolidated results for the second financial quarter ended 31 December 2008
Condensed Consolidated Balance Sheets as at 31 December 2008

(The figures have not been audited)

| | As at 31/12/08 RM'000 | As at 30/06/08 RM'000 |
|--|-----------------------------|-----------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant & equipment | 558,503 | 528,789 |
| Prepaid lease rental | 36,382 | 36,649 |
| Associates | 116,977 | 116,118 |
| Intangible asset | 55,473 | 55,473 |
| Deferred tax assets | 3,020 | 148 |
| Non-current asset held for sale | - | 4,285 |
| Available-for-sale financial assets | 1,869 | 1,869 |
| | <u>772,224</u> | <u>743,331</u> |
| Current assets | | |
| Inventories | 164,883 | 182,782 |
| Trade receivables | 79,809 | 131,294 |
| Other receivables, deposits and prepayments | 89,678 | 97,922 |
| Amount owing from associated company | 248 | 488 |
| Financial asset at fair value through profit or loss | 102,722 | 332,194 |
| Tax recoverable | 5,385 | 5,065 |
| Cash at bank pledged as collaterals | 90,368 | 5,499 |
| Time deposits | 10,035 | 15,986 |
| Cash & bank balances | 18,920 | 68,000 |
| | <u>562,048</u> | <u>839,230</u> |
| Less: | | |
| Current liabilities | | |
| Trade payables | 21,406 | 17,742 |
| Other payables and provisions | 141,524 | 215,315 |
| Derivative liability | - | 53 |
| Short-term borrowings | 404,577 | 377,943 |
| Tax payable | 10,473 | 9,617 |
| | <u>577,980</u> | <u>620,670</u> |
| Net current (liabilities)/assets | <u>(15,932)</u> | <u>218,560</u> |
| Non-current liabilities | | |
| Long-term borrowings | 148,410 | 95,795 |
| Deferred tax liabilities | 37,770 | 92,230 |
| | <u>186,180</u> | <u>188,025</u> |
| | <u>570,112</u> | <u>773,866</u> |
| Capital and reserves attributable to equity holders of the Company | | |
| Share capital | 226,745 | 226,745 |
| Treasury shares | (2,042) | (1,954) |
| Reserves | 224,238 | 391,639 |
| | <u>448,941</u> | <u>616,430</u> |
| Minority interests | <u>121,171</u> | <u>157,436</u> |
| Total equity | <u>570,112</u> | <u>773,866</u> |
| Net assets per share attributable to equity holders of the Company (RM) | <u>1.99</u> | <u>2.73</u> |

Quarterly report on consolidated results for the second financial quarter ended 31 December 2008

Condensed Consolidated Cash Flow Statements for the second financial quarter ended 31 December 2008

(The figures have not been audited)

| | (6 Months) | (6 Months) |
|---|-------------------|-------------------|
| | 31/12/08 | 31/12/07 |
| | RM'000 | RM'000 |
| (Loss)/profit before tax | (219,461) | 8,228 |
| Adjustments for: | | |
| - Fair value loss on financial asset at fair value through profit or loss | 229,472 | - |
| - Write back of allowance for shares under litigation | (50,817) | - |
| - Impairment loss on inventories | 38,595 | - |
| - Depreciation | 8,872 | 6,813 |
| - Interest income | (298) | (492) |
| - Interest expense | 13,744 | 7,796 |
| - Other non-cash items | (8,860) | (1,440) |
| Operating profit before changes in working capital | 11,247 | 20,905 |
| Changes in working capital: | | |
| - Net change in current assets | 44,001 | (4,608) |
| - Net change in current liabilities | (73,027) | 5,973 |
| Tax paid | (703) | (4,223) |
| Net cash (used in)/generated from operating activities | (18,482) | 18,047 |
| Investing activities: | | |
| - Purchase of property, plant and equipment | (13,951) | (93,066) |
| - Proceeds from disposal of non-current asset held for sale | 5,849 | - |
| - Acquisition of a subsidiary | (11,387) | - |
| - Other net receipts from investing activities | 712 | 858 |
| Net cash used in investing activities | (18,777) | (92,208) |
| Financing activities: | | |
| - Dividends paid | (6,766) | (13,540) |
| - Dividends paid - minority interests | (2,109) | (1,492) |
| - Interest paid | (10,381) | (7,796) |
| - Proceeds from issuance of shares by a subsidiary to minority interest | 270 | - |
| - Proceeds from borrowings | 82,052 | 79,660 |
| - Proceeds from issuance of shares pursuant to exercise of ESOS options | - | 756 |
| - Repurchase of own shares | (88) | - |
| - Repurchase of own shares by a subsidiary | (16) | - |
| - Deposit with licensed financial institution pledged as security | (80,750) | 15,000 |
| Net cash (used in)/generated from financing activities | (17,788) | 72,588 |
| Net decrease in cash & cash equivalents | (55,047) | (1,573) |
| Cash & cash equivalents at beginning of the financial period | 83,986 | 31,815 |
| Currency translation differences | 16 | - |
| Cash & cash equivalents at end of the financial period | 28,955 | 30,242 |

Quarterly report on consolidated results for the second financial quarter ended 31 December 2008
Condensed Consolidated Statements of Changes in Equity for the second financial quarter ended 31 December 2008

(The figures have not been audited)

| | -----Attributable to equity holders of the Company----- | | | | | | | Minority Interests | Total Equity |
|---|---|--------------------|------------------|-------------------|---------------------------------|----------------------|-----------|-----------------------|-----------------|
| | Share capital | Treasury shares | Share premium | Other reserves | Asset revaluation reserve | Retained earnings | Total | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | | |
| 6 months ended 31 December 2008 | | | | | | | | | |
| At 1 July 2008 | 226,745 | (1,954) | 238 | 3,401 | 77,928 | 310,072 | 616,430 | 157,436 | 773,866 |
| Foreign exchange translation differences | | | | 3,780 | - | - | 3,780 | 198 | 3,978 |
| Share of reserves in associates | - | - | - | - | - | 496 | 496 | 9 | 505 |
| Income and expense recognised directly in equity | - | - | - | 3,780 | - | 496 | 4,276 | 207 | 4,483 |
| Loss for the financial period | - | - | - | - | - | (156,109) | (156,109) | (7,259) | (163,368) |
| Total recognised income and expense for the period | - | - | - | 3,780 | - | (155,613) | (151,833) | (7,052) | (158,885) |
| Goodwill on transaction with minority interest | - | - | - | - | - | (10,372) | (10,372) | - | (10,372) |
| Transaction with minority interest on acquisition of a subsidiary | - | - | - | (279) | - | 1,820 | 1,541 | (27,329) | (25,788) |
| Issue of new shares by a subsidiary | - | - | - | - | - | - | - | 270 | 270 |
| Shares repurchased by a subsidiary | - | - | - | 23 | - | 6 | 29 | (45) | (16) |
| Final dividend paid for financial year ended 30 June 2008 | - | - | - | - | - | (6,766) | (6,766) | - | (6,766) |
| Dividend paid to minority interests | - | - | - | - | - | - | - | (2,109) | (2,109) |
| Shares repurchased | - | (88) | - | - | - | - | (88) | - | (88) |
| At 31 December 2008 | 226,745 | (2,042) | 238 | 6,925 | 77,928 | 139,147 | 448,941 | 121,171 | 570,112 |
| 6 months ended 31 December 2007 | | | | | | | | | |
| At 1 July 2007 | 226,227 | (1,954) | - | 4,165 | 76,512 | 276,156 | 581,106 | 113,239 | 694,345 |
| Share of reserves in associates | - | - | - | - | - | 1,565 | 1,565 | 246 | 1,811 |
| Income and expense recognised directly in equity | - | - | - | - | - | 1,565 | 1,565 | 246 | 1,811 |
| Profit for the financial period | - | - | - | - | - | 8,220 | 8,220 | 2,806 | 11,026 |
| Total recognised income and expense for the period | - | - | - | - | - | 9,785 | 9,785 | 3,052 | 12,837 |
| Issue of shares pursuant to exercise of ESOS options | 518 | - | 238 | - | - | (13,540) | (12,784) | (1,492) | (14,276) |
| At 31 December 2007 | 226,745 | (1,954) | 238 | 4,165 | 76,512 | 272,401 | 578,107 | 114,799 | 692,906 |