

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)
CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/03/2008 RM'000	Preceding Year Corresponding Quarter 31/03/2007 RM'000 (Restated)	3 Months Ended 31/03/2008 RM'000	3 Months Ended 31/03/2007 RM'000 (Restated)
Revenue	559,607	508,277	559,607	508,277
Operating expenses	(449,914)	(407,788)	(449,914)	(407,788)
Depreciation and amortisation	(42,204)	(42,757)	(42,204)	(42,757)
Other income/(expenses)	13	177	13	177
Investment income	1,679	2,184	1,679	2,184
Interest income	815	993	815	993
Profit from operations	69,996	61,086	69,996	61,086
Finance cost	(6,285)	(3,975)	(6,285)	(3,975)
Share of results of associates	2,582	1,437	2,582	1,437
Profit before tax	66,293	58,548	66,293	58,548
Taxation	(4,787)	(12,851)	(4,787)	(12,851)
Profit for the period	61,506	45,697	61,506	45,697
Profit/(Loss) attributable to:				
Equity holders of the parent	62,177	45,955	62,177	45,955
Minority interest	(671)	(258)	(671)	(258)
	61,506	45,697	61,506	45,697
Basic and diluted earnings per share (sen)	7.3	3.2	7.3	3.2

(Basic earnings per share for preceding year corresponding quarter and preceding year have been adjusted for the effect of share consolidation during the preceding financial year.)

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31st December 2007 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)
CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 31/03/2008 RM'000	As at 31/12/2007 RM'000 (Restated)
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment		1,972,114	1,997,807
Investment property		4,460	4,486
Prepaid lease payments on leasehold land		118,127	119,496
Goodwill on consolidation		1,188,430	1,188,430
Other intangible assets		1,985	2,045
Investment in associates		17,335	14,494
Other investments		2,218	2,250
Deferred tax assets		5,634	5,623
		3,310,303	3,334,631
<u>Current assets</u>			
Assets classified as held for sale		224	224
Inventories		352,228	353,278
Trade receivables		335,165	335,913
Other receivables		66,437	69,070
Term deposits		19,493	46,673
Cash and bank balances		115,314	115,547
		888,861	920,705
Total assets		4,199,164	4,255,336
EQUITY AND LIABILITIES			
<u>Capital and reserves</u>			
Share capital		849,695	849,695
Reserves:			
Share premium		1,067,199	1,067,199
Capital reserves		33,968	33,968
Exchange equalisation reserves		35,781	34,762
Capital redemption reserves		33,798	33,798
Retained earnings		951,747	889,570
Equity attributable to equity holders of the parent		2,972,188	2,908,992
Minority interests		25,730	26,401
Total equity		2,997,918	2,935,393

Forward

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)
CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 31/03/2008 RM'000	As at 31/12/2007 RM'000 (Restated)
<u>Non-current liabilities</u>			
Long-term borrowings	B9	7,760	7,182
Provision for retirement benefits		36,706	36,128
Deferred tax liabilities		264,403	262,257
		308,869	305,567
<u>Current liabilities</u>			
Trade payables		252,664	267,151
Other payables and accruals		88,967	101,250
Amount due to holding and related companies		4,826	10,713
Short-term borrowings	B9	538,277	628,002
Tax liabilities		7,643	7,260
		892,377	1,014,376
Total liabilities		1,201,246	1,319,943
Total equity and liabilities		4,199,164	4,255,336
Net assets per share (RM)		3.53	3.45
Net tangible assets per share (RM)		2.13	2.05

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31st December 2007 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to equity holders of the parent →						Total RM'000	Minority Interest RM'000	Total Equity RM'000
	← Non-distributable →			Distributable					
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Exchange Equalisation Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000			
As of 1 January 2008 As previously reported	849,695	1,067,199	33,968	34,762	33,798	889,468	2,908,890	26,338	2,935,228
Effect of change in accounting policies	-	-	-	-	-	102	102	63	165
As restated	<u>849,695</u>	<u>1,067,199</u>	<u>33,968</u>	<u>34,762</u>	<u>33,798</u>	<u>889,570</u>	<u>2,908,992</u>	<u>26,401</u>	<u>2,935,393</u>
Exchange differences on translation of foreign operations	-	-	-	1,019	-	-	1,019	-	1,019
Net income recognised directly in equity	-	-	-	1,019	-	-	1,019	-	1,019
Profit/(Loss) for the period	-	-	-	-	-	62,177	62,177	(671)	61,506
Total recognised income/(expense) for the period	-	-	-	1,019	-	62,177	63,196	(671)	62,525
As of 31 March 2008	<u>849,695</u>	<u>1,067,199</u>	<u>33,968</u>	<u>35,781</u>	<u>33,798</u>	<u>951,747</u>	<u>2,972,188</u>	<u>25,730</u>	<u>2,997,918</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31st December 2007 and the accompanying explanatory notes attached to the interim financial statements)

(1877-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent						Distributable	Minority Interest	Total Equity
	Non-distributable			Distributable					
	Share Capital	Treasury Shares	Share Premium	Capital Reserve	Exchange Equalisation Reserve	Capital Redemption Reserve	Retained Earnings	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As of 1 January 2007									
As previously reported	1,416,159	- #	1,067,199	33,968	34,689	33,548	686,942	3,272,505	29,993
Effect of change in accounting policies	-	-	-	-	-	-	(219)	(219)	(136)
As restated	1,416,159	- #	1,067,199	33,968	34,689	33,548	686,723	3,272,286	29,857
Exchange differences on translation of foreign operations	-	-	-	-	(1,556)	-	-	(1,556)	-
Net income recognised directly in equity	-	-	-	-	(1,556)	-	-	(1,556)	-
Profit/(Loss) for the period	-	-	-	-	-	-	45,955	45,955	(258)
Total recognised income/ (expense) for the period	-	-	-	-	(1,556)	-	45,955	44,399	(258)
As of 31 March 2007	<u>1,416,159</u>	<u>- #</u>	<u>1,067,199</u>	<u>33,968</u>	<u>33,133</u>	<u>33,548</u>	<u>732,678</u>	<u>3,316,685</u>	<u>29,599</u>

comprising treasury shares amounting to RM121

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31st December 2007 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current Year To Date 31/03/2008 RM'000	Preceding Year To Date 31/03/2007 RM'000 (Restated)
<u>Cash Flows From Operating Activities</u>		
Profit before tax	66,293	58,548
Adjustments for:-		
Non-cash items	41,528	55,548
Non-operating items	5,470	2,982
Operating profit before changes in working capital	<u>113,291</u>	<u>117,078</u>
<u>Changes in working capital</u>		
Net change in current assets	4,299	(16,187)
Net change in current liabilities	(30,574)	(36,062)
Retirement benefits paid	(1,126)	(643)
Tax paid	(2,277)	(2,695)
Net cash generated from operating activities	<u>83,613</u>	<u>61,491</u>
<u>Cash Flows From Investing Activities</u>		
Purchase of property, plant and equipment	(16,116)	(24,110)
Proceeds from disposal of property, plant and equipment	831	1,371
Proceeds from disposal of quoted shares	8	-
Payments for prepaid lease payments	(159)	-
Other investment activities	815	993
Net cash used in investing activities	<u>(14,621)</u>	<u>(21,746)</u>
<u>Cash Flows From Financing Activities</u>		
Net repayment of borrowings	(90,000)	(35,000)
Interest paid	(6,595)	(691)
Net cash used in financing activities	<u>(96,595)</u>	<u>(35,691)</u>
Net Change in Cash & Cash Equivalents	(27,603)	4,054
Effects of currency translations	190	422
Cash & Cash Equivalents at beginning of the year	<u>162,220</u>	<u>155,041</u>
Cash & Cash Equivalents at end of the year	<u><u>134,807</u></u>	<u><u>159,517</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31st December 2007 and the accompanying explanatory notes attached to the interim financial statements)

LAFARGE MALAYAN CEMENT BERHAD
(1877-T)

A. EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

The interim financial statements have been prepared in accordance with Financial Reporting Standard (FRS) 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2007. 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 year ended 31 December 2007.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007, except that the Group had adopted the new/revised standards mandatory for annual periods beginning on or after 1 January 2008, which are as below:

FRS 107 : Cash Flow Statements

FRS 112 : Income Taxes

FRS 118 : Revenue

FRS 119 : Employee Benefits

Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation

FRS 126 : Accounting and Reporting by Retirement Benefit Plan

FRS 134 : Interim Financial Reporting

FRS 137 : Provisions, Contingent Liabilities and Contingent Assets

The adoption of these new/revised standards and interpretation does not result in significant changes in accounting policies of the Group.

As at the date of this report, the Group has not applied the new standard FRS 139 Financial Instruments: Recognition and Measurement which has been issued by the Malaysian Accounting Standards Board, but is not yet effective as the Malaysian Accounting Standards Board has yet to determine the effective date. It is expected that there will be no material impact on the financial statements when the Group applies this new standard.

Except as disclosed under Note A2, the accounting policies and presentation adopted for the interim financial statements are consistent with in those adopted for the audited financial statements for the year ended 31 December 2007.

A2. Restatement of comparatives

The current period's presentation of the Group's interim financial statements is restated to conform to the Group accounting policies adopted by the ultimate holding company, Lafarge S.A.. The comparatives had been restated as shown below to conform to the current period's presentation:

	As Restated RM'000	As Previously Reported RM'000
Income Statement		
Depreciation and amortisation	(42,757)	(41,430)
Investment income	2,184	782
Interest income	993	1,031
Profit before tax	58,548	58,511
Profit for the period	45,697	45,660
Balance Sheet		
Property, plant and equipment	1,997,807	1,981,988
Other receivables (Non-current)	-	9,407
Other receivables (Current)	69,070	75,317
Minority interests as of 1 January 2007	29,857	29,993
Minority interests as of 31 December 2007	26,401	26,338
Retained earnings as of 1 January 2007	686,723	686,942
Retained earnings as of 31 December 2007	889,570	889,468

A3. Audit Report of Preceding Audited Financial Statements

The audit reports of the preceding annual financial statements of the Company and of the Group were not subject to any qualification.

A4. Seasonal or Cyclical Factors

The operations of the Group are closely linked to the construction sector which would normally experience a slow-down in construction activities during festive seasons in Malaysia and Singapore.

A5. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting the Group's assets, liabilities, equity, net income or cash flows that are material and unusual because of their nature, size or incidence.

A6. Material Changes in Accounting Estimates

There were no material changes in estimates of amounts reported in prior interim periods or in previous financial years which have a material effect in the current quarter.

A7. Capital Issues, Dealings in Own Shares and Repayment of Debt

On 27 February 2008, the Company resolved to seek the approval of its shareholders at the forthcoming Annual General Meeting to cancel the 500 redeemable preference shares of RM1.00 each (“RPS”) in the authorised capital of the Company. This RPS were created in conjunction with and specifically for the RM500 Million Term Unsecured Loan Incorporating Preference Shares (“TULIPS”) facility obtained by the Company in July 2002. The cancellation of RPS will result in the diminution of the authorised capital of the Company by RM500, and will have no effect whatsoever on the issued and paid-up ordinary share capital of the Company.

On 28 February 2008, the Company resolved to seek the approval of its shareholders at the forthcoming Annual General Meeting for a new mandate to undertake the Share Buyback up to ten percent (10%) of the issued shares.

Save as disclosed above, there were no other issuance and repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares during the period under review.

A8. Dividend Paid

An interim dividend of 20 sen gross less tax at 26% per ordinary share, amounting to RM125.755 million declared on the ordinary shares of RM1.00 each in respect of the financial year ended 31 December 2007 was paid on 6 May 2008.

A9. Segmental Information

Analysis of the Group’s segmental revenue and results is as follows:

	3 months ended 31 March			
	Revenue		Profit/(Loss)	
	2008	2007	2008	2007
	RM’000	RM’000	RM’000	RM’000
				(Restated)
Cement and clinker	421,981	380,559	61,182	58,780
Other building materials & operations	184,251	175,723	7,999	1,313
	<u>606,232</u>	<u>556,282</u>	<u>69,181</u>	<u>60,093</u>
Inter-segment elimination	(46,625)	(48,005)	-	-
Interest income	-	-	815	993
Total Revenue/Profit from operations	<u>559,607</u>	<u>508,277</u>	<u>69,996</u>	<u>61,086</u>
Finance cost			(6,285)	(3,975)
Share of results of associates			2,582	1,437
Profit before tax			<u>66,293</u>	<u>58,548</u>
Taxation			(4,787)	(12,851)
Profit for the period			<u>61,506</u>	<u>45,697</u>

A10 Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A11. Material Events Subsequent to Quarter End

On 7 April 2008, LMCB Holding Pte Ltd (“LMCBH”), a wholly owned subsidiary, received Notices of Additional Assessments from the Inland Revenue of Authority Singapore (“IRAS”) in connection with the tax refunds received by LMCBH for the Year of Assessment 2004 to 2006. LMCBH has recognised in its financial statements the tax refunds received arising from Section 44 tax credit amounting to RM21.276 million for the financial years ended 31 December 2003 to 2005 in connection with the dividends received by LMCBH following internal reorganisation of the Company’s investments and corporate structure in Singapore announced on 30 July 2003. Also included in the Group’s financial statements for the financial years ended 31 December 2006 and 2007 were tax refunds receivable amounting to RM17.275 million. Total tax refunds recognised for financial years ended 31 December 2003 to 2007 amounted to RM38.551 million. The IRAS via the Notice of Additional Assessment was seeking to recover the tax refunds previously received by LMCBH by raising “additional tax” on LMCBH equal to the tax refunds. Based on professional advice received, the Company should not be liable to pay this “additional tax” and a legal submission has been submitted to the IRAS on 2 May 2008, challenging the validity and basis of the Notices of Additional Assessment.

Save as disclosed above, there were no other material events subsequent to the current financial quarter 31 March 2008 up to the date of this report which are likely to substantially affect the results of the operations of the Group.

A12. Changes in Group Composition

On 11 January 2008, Lafarge Aggregates Sdn. Bhd. (“LASB”), a wholly owned subsidiary, entered into a share sale agreement to acquire the entire issued and paid-up share capital of Granite Indah Sdn. Bhd. (“GISB”), comprising 2,000,000 ordinary shares of RM1.00 each for a total cash consideration of RM34 million (the Proposed Acquisition). With the Proposed Acquisition, LASB would be acquiring two (2) wholly owned subsidiaries of GISB, namely, Granite Indah Premix Sdn. Bhd. (“GIPSB”) with a paid-up share capital of 100,000 shares of RM1.00 each and Laksana Murni Sdn. Bhd. (“LMSB”) with a paid-up share capital of 500,000 shares of RM1.00 each.

GISB is involved in the aggregates business and operates a granite quarry while GIPSB operates a premix business on GISB’s quarry site while the title to leasehold land on which the granite quarry is sited is registered in the name of LMSB.

In simplifying the structure of the Proposed Acquisition, LASB, the shareholders of GISB and GIPSB have agreed that all relevant assets relating to the aggregates and premix business shall be transferred to LMSB so that these assets and the title to the leasehold land will be housed under LMSB. In this regard, on 21 March 2008, LASB entered into a Supplemental Agreement with the shareholders of GISB and GIPSB to vary the Proposed Acquisition. LASB will now acquire from GISB the entire issued and paid up share capital of 500,000 shares of RM1.000 each of LMSB. Another condition precedent in the Supplemental Agreement is that the crusher plants and equipment owned by GISB and the premix plants owned by GIPSB shall be transferred to LMSB.

The Proposed Acquisition is subject to the outcome of operational, financial and legal due diligence and approval of the Foreign Investment Committee.

The Proposed Acquisition has no effect on the Company's share capital. It will also have no material effect on the net tangible assets and earning per share of the Group for the financial year ending 31 December 2008 but is expected to have a positive impact on the future earnings of the Group.

A13. Contingent Liabilities

The Group has no material contingent liabilities as at the date of this report.

A14. Commitments

Outstanding commitments in respect of capital commitments at balance sheet date not provided for in the financial statements are as follows:

	As at 31/03/2008 RM'000
In respect of capital expenditure:	
Approved and contracted for	20,281
Approved but not contracted for	57,445
	<u>77,726</u>
In respect of acquisition of a company	<u>34,000</u>

A15. Related Party Transactions

The related parties and their relationship with the Company and its subsidiaries are as follows:

Name of Related Parties	Relationship
Lafarge S.A.	Ultimate holding company of the Company
Alliance Concrete Singapore Pte Ltd	Associate of the Company
Cementia Trading AG	Subsidiary of Lafarge S.A.
Cement Shipping Company Ltd	Subsidiary of Lafarge S.A.
Cementia Asia Sdn Bhd	Subsidiary of Lafarge S.A.
Lafarge Asia Sdn Bhd	Subsidiary of Lafarge S.A.
Lafarge Asia Pacific Pte Ltd	Subsidiary of Lafarge S.A.
LGBA Trading (Singapore) Pte Ltd	Subsidiary of Lafarge S.A.
Marine Cement Ltd	Subsidiary of Lafarge S.A.
PT Semen Andalas Indonesia	Subsidiary of Lafarge S.A.
Monier Sdn Bhd	Associate of Lafarge S.A.
Lafarge Roofing Tiles Sdn Bhd	Associate of Lafarge S.A.
Lafarge Tiles (Pahang) Sdn Bhd	Associate of Lafarge S.A.

Description of Transactions	Current Year to Date 31/03/2008 RM'000
Ultimate holding company of the Company:	
Provision of trademark licence and general assistance fee	7,094
Insurance brokerage fee	39
Associate of the Group:	
Sales of cement and ready-mixed concrete	13,235
Subsidiaries of ultimate holding company of the Company:	
Sales of cement and clinker	77,583
Purchase of cement and clinker	13,781
Time charter hire/Sub-charter of vessels	2,169
Services for export sales	819
Maintenance of hardware and software	571
Purchase of gypsum	414
Rental income of office premises	236
Associate of ultimate holding company of the Company:	
Sales of cement	5,954
Purchase of building materials for resale	2,642

The Directors are of the opinion that the related party transactions are entered into in the normal course of business and have been established under terms that are no less favourable than those that could be arranged with independent parties where comparable services or purchases are obtainable from unrelated parties. With regard to the agreement for the provision of trademark license and general assistance, Lafarge has the specialised expertise, technical competencies and/or facilities and infrastructure required for the provision of such services.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group's Performance

Current Quarter

Revenue in the current quarter rose by 10% compared to the corresponding quarter in 2007 mainly due to higher domestic cement demand in Malaysia which grew by 12% year-on-year in the current quarter. Group profit before tax of RM66.3 million for the current quarter is an increase of RM7.8 million compared to RM58.5 million in the corresponding quarter last year, mainly due to contributions from higher domestic sales but partly offset by higher cost of fuel and raw materials.

B2. Comparison with Preceding Quarter

	Current Quarter 31/03/2008 RM'000	Preceding Quarter 31/12/2007 RM'000 (Restated)
Revenue	559,607	542,480
Profit before tax	<u>66,293</u>	<u>72,065</u>

Revenue was higher during the current quarter mainly due to higher domestic cement sales. Group profit before tax however was lower at RM66.3 million as compared to RM72.1 million in the preceding quarter due to higher production costs and more scheduled plant maintenance being carried out during the current quarter.

B3. Current Year Prospects

Growth in cement demand in Malaysia was strong in the first quarter and the level of consumption for the remaining 9 months is expected to be supported by the on-going implementation of the 9th Malaysia Plan. In Singapore, construction activities are expected to continue to be robust, with the Integrated Resort projects and still active property market. Contributions from cement exports are expected to remain significant as the Group will benefit from strong demand in the international market and increased cement production with better plant performance and higher usage of cementitious materials.

However, the impact of rising cost of fuel and raw materials will be more significant in the next 3 quarters compared to the current quarter which was mitigated by the availability of lower cost coal inventory and contracts. The results of 2008 will depend on the cement price increase and the proposed implementation of the Automatic Pricing Mechanism.

B4. Profit Forecast and Profit Guarantee

The Group did not publish any profit forecast or profit guarantee during the current quarter ended 31 March 2008.

B5. Taxation

Taxation comprises the following:

	Current Year Quarter 31/03/2008 RM'000	Current Year to Date 31/03/2008 RM'000
In respect of current period:		
- income tax (charge)/credit	(2,698)	(2,698)
- deferred tax (charge)/credit	(2,089)	(2,089)
	<u>(4,787)</u>	<u>(4,787)</u>

The Group effective tax rate for the current quarter and current year to date is lower than the statutory tax rate of 26% in Malaysia mainly due to higher utilisation of reinvestment allowances.

B6. Unquoted Investments and/or Properties

There was no disposal of unquoted investments and properties during the quarter under review.

B7. Quoted Securities

a) Purchases or disposal of quoted securities during the quarter under review are as follows:-

	Current Year Quarter 31/03/2008 RM'000	Current Year to Date 31/03/2008 RM'000
Total Purchases	<u>8</u>	<u>8</u>
Total Disposals		
Sales proceeds	8	8
Book value of investment	<u>8</u>	<u>8</u>
Gain on disposal	<u>-</u>	<u>-</u>

b) Investment in quoted securities as at 31 March 2008 is as follows:

At cost	RM'000 619
Less: Allowance for diminution in value	(499)
At book value	<u>120</u>
At market value	<u>124</u>

B8. Status of Corporate Proposals

Proposed Special Issue to Bumiputera Investors

The Company has been given an extension of time until 31 December 2008 by the Foreign Investment Committee (“FIC”) and the Securities Commission (“SC”) to implement the remainder Proposed Special Issue of up to 552,228,461 ordinary shares to Bumiputera investors to be approved by the Ministry of International Trade and Industry. The remainder Proposed Special Issue balance of 552,228,461 ordinary shares of RM0.50 each has been revised to 161,880,497 ordinary shares of RM1.00 each after the completion of the Proposed Capital Repayment and Proposed Consolidation exercise by the Company.

B9. Group Borrowings

The Group borrowings as at 31 March 2008 are as follows:

	RM’000
<u>Long-term borrowings</u>	
Finance lease (secured)	7,760
<u>Short-term borrowings</u>	
Commercial papers (unsecured)	275,000
Short term loan (unsecured)	260,000
Finance lease (secured)	3,277
	<hr/>
	538,277
	<hr/>
Total Group borrowings	<u>546,037</u>

All borrowings are denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

As of 9 May 2008, the forward foreign exchange contracts which have been entered into by the Group are as follows:-

Forward Contracts Sold

Currency	Contract Amount (USD’000)	Date of Contract	Value Date of Contract	Equivalent Amount (RM’000)
USD	15,000	7 June 2007 to 8 May 2008	15 May 2008 to 8 May 2009	49,354

Forward Contracts Purchased

Currency	Contract Amount (EURO’000)	Date of Contract	Value Date of Contract	Equivalent Amount (RM’000)
EURO	2,129	10 October 2007 to 6 May 2008	13 May 2008 to 15 December 2008	10,307

The Group does not foresee any significant credit and market risks associated with the above forward exchange contracts as they are entered into with approved financial institutions in line with the Group's policy.

B11. Material Litigation

There was no pending material litigation as at the date of this report.

B12. Dividend

No dividend has been declared for the current quarter ended 31 March 2008.

B13. Earnings per share

Earnings per share is calculated as follows:

	Current Year Quarter 31/3/2008	Preceding Year Corresponding Quarter 31/3/2007	3 Months Ended 31/3/2008	3 Months Ended 31/3/2007
Profit attributable to equity holders of the parent (RM'000)	62,177	45,955	62,177	45,955
Weighted average number of ordinary shares in issue* ('000)	849,695	1,416,160	849,695	1,416,160
Basic and diluted earnings per shares (sen)	7.3	3.2	7.3	3.2

*net of treasury shares

Basic earnings per share for the preceding year corresponding quarter and preceding year have been adjusted for the effect of share consolidation exercise which was completed at the end of previous financial year.

Dated: 15 May 2008
Petaling Jaya, Selangor Darul Ehsan.