



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 SEPTEMBER 2008
(Unaudited)

	<u>AS AT</u> <u>30.9.2008</u> RM'000	(AUDITED) <u>AS AT</u> <u>31.12.2007</u> RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant & equipment	85,349	73,894
Investment properties	57,415	58,600
Prepaid lease rentals	51,263	23,733
Land held for property development	36,424	28,090
Investment in associates	30,043	25,968
Other investments	24,445	24,965
Other non-current assets	<u>23,718</u>	<u>17,072</u>
	<u>308,657</u>	<u>252,322</u>
<u>Current Assets</u>		
Inventories	62,259	59,714
Property development costs	1,237	1,866
Trade and other receivables	103,871	124,743
Current tax assets	2,069	4,166
Cash & cash equivalents	<u>53,590</u>	<u>51,650</u>
	<u>223,026</u>	<u>242,139</u>
Total Assets	<u><u>531,683</u></u>	<u><u>494,461</u></u>



MWE HOLDINGS BERHAD (5713-D)
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CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 SEPTEMBER 2008 (Continuation)
(Unaudited)

	AS AT 30.9.2008 RM'000	(AUDITED) AS AT 31.12.2007 RM'000
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	89,323	83,644
Treasury shares	(235)	(235)
	320,647	314,968
Minority interests	28,249	30,087
Total equity	348,896	345,055
<u>Non-Current Liabilities</u>		
Long term borrowings	8,799	14,782
Deferred tax liabilities	6,065	6,003
Deferred income	14,366	15,441
	29,230	36,226
<u>Current Liabilities</u>		
Trade and other payables	89,178	78,079
Overdraft & short term borrowings	59,354	31,050
Current tax liabilities	5,025	4,051
	153,557	113,180
Total liabilities	182,787	149,406
Total equity and liabilities	531,683	494,461
Net assets per share (RM)	1.39	1.36

(The Condensed Consolidated Balance Sheet should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2008
(Unaudited)

	CURRENT QUARTER <u>ENDED 30.9.2008</u> RM'000	COMPARATIVE QUARTER <u>ENDED 30.9.2007</u> RM'000	CUMULATIVE 9 MONTHS <u>ENDED 30.9.2008</u> RM'000	COMPARATIVE 9 MONTHS <u>ENDED 30.9.2007</u> RM'000
Revenue	129,536	122,787	355,524	339,799
Operating expenses	(121,107)	(117,396)	(332,823)	(323,488)
Other operating income	2,383	2,430	7,643	5,104
Profit from operations	10,812	7,821	30,344	21,415
Finance costs	(1,117)	(972)	(2,804)	(2,901)
Net (loss)/gain from investments	(575)	2,586	845	19,301
Share of results of associates	1,079	1,941	1,912	70
Profit before tax	10,199	11,376	30,297	37,885
Tax expense	(2,649)	(2,213)	(6,499)	(5,110)
Profit from continuing operations	7,550	9,163	23,798	32,775
Discontinued operations	(9)	120	(32)	(270)
Net profit for the period	<u>7,541</u>	<u>9,283</u>	<u>23,766</u>	<u>32,505</u>
Attributable to:				
Equity holders of the Company	6,997	8,756	22,073	31,499
Minority interest	544	527	1,693	1,006
	<u>7,541</u>	<u>9,283</u>	<u>23,766</u>	<u>32,505</u>
Earnings per share				
Basic (sen)	3.03	3.79	9.55	13.62

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2008
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >								
	Share Capital <u>RM'000</u>	Share Premium <u>RM'000</u>	Exchange Translation Reserve <u>RM'000</u>	Capital Reserve <u>RM'000</u>	Unappropriated profit/(Accu- mulated loss) <u>RM'000</u>	Treasury Shares <u>RM'000</u>	Total <u>RM'000</u>	Minority interests <u>RM'000</u>	Total equity <u>RM'000</u>
Balance as at 1.1.2007	231,559	23,586	5,796	754	31,543	(235)	293,003	31,072	324,075
Exchange translation differences			275				275	(372)	(97)
Changes of equity interest in subsidiaries							-	(260)	(260)
Net profit for the period					31,499		31,499	1,006	32,505
Dividend paid					(18,936)		(18,936)	(966)	(19,902)
Balance as at 30.9.2007	<u>231,559</u>	<u>23,586</u>	<u>6,071</u>	<u>754</u>	<u>44,106</u>	<u>(235)</u>	<u>305,841</u>	<u>30,480</u>	<u>336,321</u>
Balance as at 1.1.2008	231,559	23,586	5,353	754	53,951	(235)	314,968	30,087	345,055
Exchange translation differences			(395)				(395)	458	63
Transfer to capital reserve				400	(400)		-		-
Changes of equity interest in subsidiaries							-	(2,987)	(2,987)
Net profit for the period					22,073		22,073	1,693	23,766
Dividend paid					(15,999)		(15,999)	(1,002)	(17,001)
Balance as at 30.9.2008	<u>231,559</u>	<u>23,586</u>	<u>4,958</u>	<u>1,154</u>	<u>59,625</u>	<u>(235)</u>	<u>320,647</u>	<u>28,249</u>	<u>348,896</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2008
(Unaudited)

	CUMULATIVE 9 MONTHS <u>30.9.2008</u> RM'000	CUMULATIVE 9 MONTHS <u>30.9.2007</u> RM'000
Profit before tax	30,297	37,885
Adjustments for :		
Non-cash items	<u>2,136</u>	<u>(12,443)</u>
Operating profit before changes in working capital	32,433	25,442
Changes in current assets	16,468	6,747
Changes in current liabilities	1,061	(4,095)
Income tax paid, net of refund	<u>(3,802)</u>	<u>(1,583)</u>
Net cash from/(used in) operating activities		
- Continuing operations	46,160	26,511
- Discontinued operations	<u>1,287</u>	<u>(288)</u>
	<u>47,447</u>	<u>26,223</u>
Investing Activities		
Equity investments	(43,596)	(1,000)
Other investments	(9,481)	26,742
Placement of pledged fixed deposits	<u>(55)</u>	<u>(1,577)</u>
Net cash (used in)/from investing activities		
- Continuing operations	(53,132)	24,165
- Discontinued operations	<u>-</u>	<u>(166)</u>
	<u>(53,132)</u>	<u>23,999</u>
Financing Activities		
Capital injection by minority shareholders	-	392
Dividend paid to shareholders	(15,999)	(18,936)
Dividend paid to minority interests	(1,002)	(966)
Net drawdown/(repayment) of borrowings	<u>23,773</u>	<u>(22,092)</u>
Net cash from/(used in) financing activities	<u>6,772</u>	<u>(41,602)</u>



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 9-MONTH PERIOD ENDED 30 SEPTEMBER 2008
(Continuation)
(Unaudited)

	CUMULATIVE 9 MONTHS <u>30.9.2008</u> RM'000	CUMULATIVE 9 MONTHS <u>30.9.2007</u> RM'000
Net Changes in Cash & Cash Equivalents	1,087	8,620
Effects of changes in exchange rates	47	(22)
	<u>1,134</u>	<u>8,598</u>
Cash & Cash Equivalents at beginning of period	48,674	33,510
Effects of changes in exchange rates	562	(97)
	<u>49,236</u>	<u>33,413</u>
Cash & Cash Equivalents at end of period	<u><u>50,370</u></u>	<u><u>42,011</u></u>
Represented by:		
Cash & cash equivalents	53,590	47,868
Bank overdrafts	(2,560)	(3,944)
	<u>51,030</u>	<u>43,924</u>
Less: Fixed deposits (pledged)	(660)	(1,913)
	<u><u>50,370</u></u>	<u><u>42,011</u></u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2008

1. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation applied to the financial statements are consistent with those applied to the annual audited accounts for the year ended 31 December 2007 except for the adoption of the following new and revised Financial Reporting Standards (FRS) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2008:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have significant financial impact on the Group.

2. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

The preceding annual audited financial statements were not qualified by the Auditors.

3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division traditionally experienced a rise in demand in the third quarter whereas the Electronics division faces a more volatile market that depends on global demand.

4. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the reporting quarter and financial year to date.

5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

There were no material changes in estimates of amounts previously reported.

6. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities undertaken by the Company during the nine-month period.

**7. DIVIDENDS PAID**

On 18 March, 2008, the Company paid an interim dividends of 1% tax exempt and 3% less 26% tax which amounted to RM7.44 million in respect of the financial year ended 31 December, 2007.

The Company paid a final dividend of 5% less 26% tax for the financial year 2007 on 28 July 2008.

8. SEGMENT INFORMATION

	Textile & Garment	Lighting & Pagers	Properties	Plantation	Trading & Others	Group total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
REVENUE						
External sales	101,304	163,525	33,046	5,088	52,561	355,524
Inter-segment sales	-	-	286	-	2,707	2,993
Total revenue	<u>101,304</u>	<u>163,525</u>	<u>33,332</u>	<u>5,088</u>	<u>55,268</u>	<u>358,517</u>
RESULTS						
Segment operating profit	7,991	21,202	(3,428)	(78)	5,754	31,441
Unallocated corporate expenses						<u>(1,097)</u>
Profit from operations						30,344
Finance costs						(2,804)
Net gain from investments						845
Share of results of associates	<u>34</u>	<u>-</u>	<u>19</u>	<u>-</u>	<u>1,859</u>	<u>1,912</u>
Profit before tax						30,297
Tax expense						<u>(6,499)</u>
Profit from continuing operations						23,798
Discontinued operations						<u>(32)</u>
Net profit for the period						<u>23,766</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment of the Group have been brought forward without amendment from the previous annual audited accounts.

10. SUBSEQUENT EVENTS

There are no material subsequent events at the date of this report.



11. EFFECT OF CHANGES IN COMPOSITION OF GROUP

In the first quarter, the Company completed the acquisition of 5,000,000 ordinary shares of RM1.00 each representing 100% shareholding interest in Fauzi-Lim Plantation Sdn Bhd for a cash consideration of RM34,250,000.

In the second quarter, the Company acquired 2 ordinary shares of RM1.00 each and 3 ordinary shares of RM1.00 each representing 100% shareholding interest in Etika Gangsa Sdn Bhd and Taka Worldwide Trading Sdn Bhd respectively for a cash consideration of RM1,544,000 each. These companies have 500 acres of lands each and 66 years lease agreement with Yayasan Al-Khairiah and Badan Kebajikan AL-Nur Kelantan respectively for the purpose of oil palms cultivation in the state of Kelantan.

During the reporting quarter, the Company acquired 171,765 ordinary shares of RM1.00 each representing approximately 2.39% shareholding interest in Davex Holdings Berhad (DHB), thus increasing its shareholding in DHB from 97.61% to 100%.

12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

There were no material changes in contingent liabilities and assets during the nine-month period.

13. REVIEW OF PERFORMANCE OF CURRENT QUARTER

The Group registered total revenue of RM130 million in the third quarter, which represents an increase of 6% over the RM123 million reported in the previous corresponding quarter. Lighting and pagers divisions both recorded higher contribution, together with the newly acquired Plantation division, have contributed to the increase in Group's revenue. However, both Properties and Freight divisions reported lower revenue as compared to the preceding corresponding quarter.

In line with the increase in revenue, profit from operations also reported higher at RM10.8 million as compared to RM7.8 million in the preceding corresponding quarter. However, pre-tax profit was reported lower at RM10.2 million, largely due to impairment loss from investments and also lower share of profit from associated companies during the reporting quarter.

14. COMPARISON WITH IMMEDIATE PRECEDING QUARTER ON MATERIAL CHANGES IN PROFIT BEFORE TAX

The Group posted RM130 million turnover for the current reporting quarter, increased by RM6 million or 5% as compared to RM124 million reported in the second quarter. Profit from operation increased slightly to RM10.8 million while pre-tax profit reported lower at RM10.2 million, mainly attributed to recognition of impairment loss during the quarter.

15. PROSPECTS FOR FINANCIAL YEAR 2008

In the light of the current global uncertainties and bleak economic outlook, the Board expects the performance of the Group for the remaining quarter to be challenging.

16. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

**17. TAXATION**

The tax expense consists of:

	Third Quarter <u>RM '000</u>	Current Year-to-date <u>RM '000</u>
Current tax expense		
- current period	2,552	7,319
- overestimated in prior years	(3)	(456)
Deferred tax expense		
- current period	(69)	(677)
- underestimated in prior years	169	313
	<u>2,649</u>	<u>6,499</u>

The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	Third Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Accounting profit (including discontinued operations and excluding share of results of associates)	<u>9,111</u>	<u>28,353</u>
Tax at the applicable tax rate of 26%	2,369	7,372
Tax effect of expenses not deductible in determining taxable profit	765	1,656
Deferred tax assets arising from unused tax losses and unabsorbed capital allowance	181	1,195
Tax effect of income not taxable in determining taxable profit	(734)	(2,137)
Tax effect on utilisation of deductible temporary differences not previously recognised	(68)	(752)
Tax effect of differences in tax rates	(30)	(692)
Tax under/(over)estimated in prior years	166	(143)
	<u>2,649</u>	<u>6,499</u>

18. PROFIT/LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

Save for sales of properties in the ordinary course of business within the Group's Properties Division, there were no other profits or losses on sale of properties and unquoted investments during the nine-month period.

**19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES**

During the nine-month period, the Group did not transact in any quoted securities. At 30 September 2008, quoted securities of the Group were as follows:

	RMø000
At cost	15,171
At carrying value	14,577
At market value	17,134

20. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced or pending as at the date of making this report.

21. GROUP BORROWINGS

Particulars of Group borrowings at the end of the reporting quarter are as follows:

	RMø000
Short term ó unsecured	17,769
Short term ó secured	41,585
Long term ó secured	8,799

Foreign borrowings as at 30 September 2008 included in the above are as follows:

Currency	Amount '000	RM '000
Australian Dollar	AUD 834	2,269
Singapore Dollar	SGD 113	271

The foreign borrowings were drawn by the foreign subsidiaries in their respective local currencies.

22. SUMMARY OF OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

The Group has entered into foreign currency forward contracts to protect the Group against unfavourable exchange rate movements for transactions billed in foreign currencies. These forward contracts are not recognised in the financial statements at inception.

At 30 September 2008, the Group has entered into foreign currency forward contracts with the following contract amounts and maturities:

Hedged item	Contract Amount '000	Average Contractual Rates	Amount to be received/settled RM '000
Trade receivables	AUD 2,500	3.027	7,568

**23. COMPUTATION OF EARNINGS PER SHARE (“EPS”)**

Computation of the EPS is as follows:

	Current Quarter <u>30.9.2008</u> RM'000	Comparative Quarter <u>30.9.2007</u> RM'000	Cumulative 9 months <u>30.9.2008</u> RM'000	Comparative 9 months <u>30.9.2007</u> RM'000
Net profit/(loss) for the period from:				
- Continuing operations	7,006	8,636	22,105	31,769
- Discontinued operations	(9)	120	(32)	(270)
Net profit for the period	<u>6,997</u>	<u>8,756</u>	<u>22,073</u>	<u>31,499</u>
No. of ordinary shares after deducting treasury shares	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>
Basic EPS from:				
- Continuing operations	3.03	3.74	9.56	13.74
- Discontinued operations	(0.00)	0.05	(0.01)	(0.12)
Total basic EPS attributable to equity holders of the company (sen)	<u>3.03</u>	<u>3.79</u>	<u>9.55</u>	<u>13.62</u>

24. DIVIDEND

The Board of Directors does not recommend the payment of any interim dividend for the current reporting quarter.

By Order of the Board

LIM KONG YOW
Company Secretary
13 November 2008