



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

CONDENSED CONSOLIDATED BALANCE SHEETS

AS AT 30 JUNE 2009

(Unaudited)

	AS AT <u>30.6.2009</u> RM'000	(AUDITED) AS AT <u>31.12.2008</u> RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant & equipment	72,951	70,970
Investment properties	59,918	59,918
Biological assets	11,232	11,539
Prepaid lease rentals	50,608	51,018
Land held for property development	36,315	36,277
Investment in associates	27,143	28,129
Other investments	34,201	22,078
Other non-current assets	20,235	21,731
	<u>312,603</u>	<u>301,660</u>
<u>Current Assets</u>		
Inventories	62,854	68,357
Property development costs	2,350	2,463
Trade and other receivables	105,678	102,042
Current tax assets	2,138	2,895
Cash & cash equivalents	50,775	42,027
	<u>223,795</u>	<u>217,784</u>
Total Assets	<u><u>536,398</u></u>	<u><u>519,444</u></u>



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

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2009 (*Continuation*)
(*Unaudited*)

	AS AT <u>30.6.2009</u> RM'000	(AUDITED) AS AT <u>31.12.2008</u> RM'000
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	92,523	84,664
Treasury shares	<u>(235)</u>	<u>(235)</u>
	323,847	315,988
Minority interests	29,396	27,855
Total equity	<u>353,243</u>	<u>343,843</u>
<u>Non-Current Liabilities</u>		
Long term borrowings	3,499	6,638
Deferred tax liabilities	1,670	2,332
Deferred income	<u>14,075</u>	<u>14,656</u>
	<u>19,244</u>	<u>23,626</u>
<u>Current Liabilities</u>		
Trade and other payables	95,518	95,385
Overdraft & short term borrowings	61,979	51,343
Current tax liabilities	<u>6,414</u>	<u>5,247</u>
	<u>163,911</u>	<u>151,975</u>
Total liabilities	183,155	175,601
Total equity and liabilities	<u>536,398</u>	<u>519,444</u>
Net assets per share (RM)	1.40	1.37

(The Condensed Consolidated Balance Sheets should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2008)



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

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2009
(Unaudited)

	CURRENT QUARTER <u>ENDED 30.6.2009</u> RM'000	COMPARATIVE QUARTER <u>ENDED 30.6.2008</u> RM'000	CUMULATIVE 6 MONTHS <u>ENDED 30.6.2009</u> RM'000	COMPARATIVE 6 MONTHS <u>ENDED 30.6.2008</u> RM'000
Revenue	125,265	123,786	240,544	225,988
Operating expenses	(116,976)	(114,617)	(224,027)	(211,716)
Other operating income	2,738	1,545	4,050	5,260
Profit from operations	11,027	10,714	20,567	19,532
Finance costs	(1,027)	(988)	(2,155)	(1,687)
Net gain from investments	1,565	372	1,630	1,420
Share of results of associates	(241)	699	(987)	833
Profit before tax	11,324	10,797	19,055	20,098
Tax expense	(2,634)	(1,898)	(4,941)	(3,850)
Profit from continuing operations	8,690	8,899	14,114	16,248
Discontinued operations	-	(23)	-	(23)
Net profit for the period	<u>8,690</u>	<u>8,876</u>	<u>14,114</u>	<u>16,225</u>
Attributable to:				
Equity holders of the Company	7,666	8,013	12,711	15,076
Minority interests	1,024	863	1,403	1,149
	<u>8,690</u>	<u>8,876</u>	<u>14,114</u>	<u>16,225</u>
Earnings per share				
Basic (sen)	3.32	3.47	5.50	6.52

(The Condensed Consolidated Income Statements should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2008)



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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2009
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >								
	Share Capital	Share Premium	Exchange Translation Reserve	Capital Reserve	Unappropriated profit/(Accu- mulated loss)	Treasury Shares	Total	Minority interests	Total equity
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</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			(1,153)				(1,153)	487	(666)
Transfer to capital reserve				400	(400)		-		-
Changes of equity interest in subsidiaries							-	(278)	(278)
Net profit for the period					15,076		15,076	1,149	16,225
Dividend paid					(7,445)		(7,445)	(43)	(7,488)
Balance as at 30.6.2008	<u>231,559</u>	<u>23,586</u>	<u>4,200</u>	<u>1,154</u>	<u>61,182</u>	<u>(235)</u>	<u>321,446</u>	<u>31,402</u>	<u>352,848</u>
Balance as at 1.1.2009	231,559	23,586	3,699	1,154	56,225	(235)	315,988	27,855	343,843
Exchange translation differences			2,084				2,084	214	2,298
Acquisition of shares in subsidiary							-	148	148
Net profit for the period					12,711		12,711	1,403	14,114
Dividend paid					(6,936)		(6,936)	(224)	(7,160)
Balance as at 30.6.2009	<u>231,559</u>	<u>23,586</u>	<u>5,783</u>	<u>1,154</u>	<u>62,000</u>	<u>(235)</u>	<u>323,847</u>	<u>29,396</u>	<u>353,243</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2008)



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

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2009
(Unaudited)

	CUMULATIVE 6 MONTHS <u>30.6.2009</u> RM'000	CUMULATIVE 6 MONTHS <u>30.6.2008</u> RM'000
Profit before tax	19,055	20,098
Adjustments for :		
Non-cash items	<u>6,287</u>	<u>(112)</u>
Operating profit before changes in working capital	25,342	19,986
Changes in current assets	9,088	8,872
Changes in current liabilities	(8,950)	2,042
Net income tax paid	<u>(3,774)</u>	<u>(1,139)</u>
Net cash from operating activities		
- Continuing operations	21,706	29,761
- Discontinued operations	<u>-</u>	<u>1,271</u>
	<u>21,706</u>	<u>31,032</u>
Investing Activities		
Equity investments	28	(38,453)
Other investments	(14,614)	(5,329)
Withdrawal /(Placement) of pledged fixed deposits	<u>16</u>	<u>(54)</u>
Net cash used in investing activities	<u>(14,570)</u>	<u>(43,836)</u>
Financing Activities		
Capital injection by minority shareholders	240	-
Dividend paid to shareholders	(6,936)	(7,445)
Dividend paid to minority interests	(224)	(43)
Net drawdown of borrowings	<u>8,868</u>	<u>21,141</u>
Net cash from financing activities	<u>1,948</u>	<u>13,653</u>



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

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2009 (Continuation)
(Unaudited)

	CUMULATIVE 6 MONTHS <u>30.6.2009</u> RM'000	CUMULATIVE 6 MONTHS <u>30.6.2008</u> RM'000
Net Changes in Cash & Cash Equivalents	9,084	849
Effects of changes in exchange rates	150	80
	<u>9,234</u>	<u>929</u>
Cash & Cash Equivalents at beginning of period	37,890	48,674
Effects of changes in exchange rates	36	279
	<u>37,926</u>	<u>48,953</u>
Cash & Cash Equivalents at end of period	<u>47,160</u>	<u>49,882</u>
Represented by:		
Cash & cash equivalents	50,775	52,410
Bank overdrafts	(1,697)	(1,869)
	<u>49,078</u>	<u>50,541</u>
Less: Fixed deposits (pledged)	(1,918)	(659)
	<u>47,160</u>	<u>49,882</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2008)



EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2009

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 2008.

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

Garments division traditionally experienced a rise in demand in the second 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.

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 reporting period.

7. DIVIDEND PAID

On 26 February 2009, the Company paid an interim dividend of 3% tax exempt which amounted to RM6.94 million in respect of the financial year ended 31 December 2008.

The Company proposed a final dividend of 3% tax exempt for the financial year 2008. The dividend was approved by shareholders at the Annual General Meeting held on 2 June 2009 and was paid on 3 August 2009.

**8. SEGMENT INFORMATION**

	Garments	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	80,958	104,114	22,035	1,542	31,895	240,544
Inter-segment sales	-	-	191	-	1,525	1,716
Total revenue	<u>80,958</u>	<u>104,114</u>	<u>22,226</u>	<u>1,542</u>	<u>33,420</u>	<u>242,260</u>
RESULTS						
Segment operating profit	8,206	13,425	1,743	(3,112)	2,134	22,396
Unallocated corporate expenses						<u>(1,829)</u>
Profit from operations						20,567
Finance costs						(2,155)
Net gain from investments						1,630
Share of results of associates	<u>8</u>	<u>-</u>	<u>(902)</u>	<u>-</u>	<u>(93)</u>	<u>(987)</u>
Profit before tax						19,055
Tax expense						<u>(4,941)</u>
Net profit for the period						<u>14,114</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

There were no material changes in the composition of the Group during the reporting quarter.

12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS

There were no material changes in contingent liabilities and assets in the reporting quarter.

**13. REVIEW OF PERFORMANCE OF CURRENT QUARTER**

The Group registered total revenue of RM125 million in the current reporting quarter, slightly higher than RM124 million reported in the preceding year corresponding quarter. Both Garments and Lighting divisions contributed higher revenue for current reporting quarter whereas Freight and Payer divisions recorded lower revenue. The Group's pre-tax profit reported higher at RM11.3 million as compared to RM10.8 million in the preceding year corresponding quarter, partly attributed to better profit margins and higher gains from investments.

For current six-month period, the Group reported RM241 million in revenue, increased by RM15 million as compared to RM226 million in 2008. However, pre-tax profit was reported slightly lower at RM19 million as compared to RM20 million in 2008.

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

During the reporting quarter, the Group posted a revenue of RM125 million as compared to RM115 million in the preceding quarter, an increase of approximately 9%. Pre-tax profit stood at RM11.3 million as compared to RM7.7 million registered in the preceding quarter, higher profit reported in the current quarter were partly attributed to higher operating profits as well as impairment gains from quoted investments.

15. PROSPECTS FOR FINANCIAL YEAR 2009

In the light of the uncertain global market outlook, the Board expects the performance of the Group for the second half of the year 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:

	Second Quarter <u>RM '000</u>	Current Year-to-date <u>RM '000</u>
Current tax expense		
- current period	2,672	5,187
- underestimated in prior years	411	413
Deferred tax expense		
- current period	(325)	(532)
- overestimated in prior years	(124)	(127)
	<u>2,634</u>	<u>4,941</u>

**17. TAXATION (Continuation)**

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

	Second Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Accounting profit (excluding share of results of associates)	<u>11,565</u>	<u>20,042</u>
Tax at the applicable tax rate of 25%	2,892	5,011
Tax effect of expenses not deductible in determining taxable profit	378	1,265
Deferred tax assets arising from unused tax losses and unabsorbed capital allowance	109	336
Tax effect of income not taxable in determining taxable profit	(459)	(819)
Tax effect on utilisation of deductible temporary differences not previously recognised	(193)	(463)
Tax effect of differences in tax rates	(380)	(675)
Tax underestimated in prior years	287	286
	<u>2,634</u>	<u>4,941</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 material profits or losses on sale of properties and unquoted investments during the reporting quarter.

19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES

During the last quarter, the Company purchased securities quoted on the Bursa Malaysia for a total consideration of RM10.4 million. Save as disclosed, there were no other transactions involving quoted securities during the financial period. At 30 June 2009, quoted securities of the Group were as follows:

	RM'000
At cost	25,553
At carrying value	25,412
At market value	32,878



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:

	RM'000
Short term – unsecured	15,805
Short term – secured	46,174
Long term – secured	3,499

Foreign borrowings as at 30 June 2009 included in the above are as follows:

Currency	Amount '000	RM '000
Australian Dollar	AUD 1,257	3,510
Singapore Dollar	SGD 98	234

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 June 2009, 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 6,100	2.61	15,914
	GBP 284	5.65	1,604
	SGD 930	2.42	2,251
Trade payables	USD 272	3.50	952

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

Computation of the EPS is as follows:

	Current Quarter <u>30.6.2009</u> RM'000	Comparative Quarter <u>30.6.2008</u> RM'000	Cumulative 6 months <u>30.6.2009</u> RM'000	Cumulative 6 months <u>30.6.2008</u> RM'000
Net profit/(loss) for the period from:				
- Continuing operations	7,666	8,036	12,711	15,099
- Discontinued operations	-	(23)	-	(23)
Net profit for the period	<u>7,666</u>	<u>8,013</u>	<u>12,711</u>	<u>15,076</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	3.32	3.48	5.50	6.53
- Discontinued operations	-	(0.01)	-	(0.01)
Total basic EPS attributable to equity holders of the company (sen)	<u>3.32</u>	<u>3.47</u>	<u>5.50</u>	<u>6.52</u>

24. DIVIDEND

The Board of Directors does not recommend any dividend payment during this reporting quarter.

By Order of the Board

LIM KONG YOW
Company Secretary
20 August 2009