



**SUMMARY OF KEY FINANCIAL INFORMATION FOR THE THIRD QUARTER ENDED
31 DECEMBER 2008**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31.12.2008 UNAUDITED RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.12.2007 UNAUDITED Restated RM'000	CURRENT YEAR TO DATE 31.12.2008 UNAUDITED RM'000	PRECEDING YEAR TO DATE 31.12.2007 UNAUDITED Restated RM'000
1. Revenue	11,651	10,793	43,094	39,651
2. (Loss)/Profit before tax from continuing operations	(1,319)	816	(562)	2,105
3. (Loss)/Profit for the period from continuing operations	(1,451)	497	(1,236)	968
4. (Loss)/Profit for the period from discontinued operations	25	82	3,175	(134)
5. (Loss)/Profit attributable to ordinary equity holders of the parent	(1,343)	452	1,539	583
6. Basic earnings per share (sen)	(0.59)	0.20	0.67	0.26
7. Proposed/Declared dividend per share (sen)	-	-	-	-
	As At End of Current Quarter		As At Preceding Financial Year End	
8. Net asset per share attributable to ordinary equity holders of the parent (RM)	0.71		0.70	



UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31.12.2008 UNAUDITED	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.12.2007 UNAUDITED	CURRENT YEAR TO DATE 31.12.2008 UNAUDITED	PRECEDING YEAR TO DATE 31.12.2007 UNAUDITED
	RM'000	Restated RM'000	RM'000	Restated RM'000
<u>Continuing operations</u>				
Revenue	11,651	10,793	43,094	39,651
Operating Expenses	(13,417)	(10,584)	(45,134)	(39,104)
Other income	636	665	2,000	1,727
(Loss)/Profit From Operations	(1,130)	874	(40)	2,274
Finance Cost	(189)	(58)	(522)	(169)
(Loss)/Profit before taxation	(1,319)	816	(562)	2,105
Taxation	(132)	(319)	(674)	(1,137)
(Loss)/ Profit for the period from continuing operations	(1,451)	497	(1,236)	968
<u>Discontinued operations</u>				
(Loss)/Profit for the period from discontinued operations	25	82	3,175	(134)
Net (Loss)/Profit For The Period	(1,426)	579	1,939	834
(Loss)/Profit attributable to ordinary equity holders of the parent	(1,343)	452	1,539	583
Minority Interest	(83)	127	400	251
Net (Loss)/Profit For The Period	(1,426)	579	1,939	834
Earnings per ordinary Share	(sen)	(sen)	(sen)	(sen)
Basic				
- Continuing operations	(0.60)	0.19	(0.65)	0.34
- Discontinued operations	0.01	0.01	1.32	(0.08)
	(0.59)	0.20	0.67	0.26



UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31.12.2008	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.12.2007	CURRENT YEAR TO DATE 31.12.2008	PRECEDING YEAR TO DATE 31.12.2007
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
		Restated		Restated
Earnings per ordinary Share	(sen)	(sen)	(sen)	(sen)
Diluted				
- Continuing operations	-	0.19	-	0.34
- Discontinued operations	-	0.01	-	(0.08)
	<u>-</u>	<u>0.20</u>	<u>-</u>	<u>0.26</u>

For the current year quarter and current year to date, there is no computation presented as the Irredeemable Convertible Preference Shares (ICPS) were all converted to ordinary shares during this period.

(The Unaudited Condensed Consolidated Income Statement Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2008).



SITT TATT BERHAD (55576-A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT

	31 December 2008 (UNAUDITED) RM'000	31 March 2008 (AUDITED) RM'000
ASSETS		
<u>Non-current Assets</u>		
Property, Plant and Equipment	18,663	19,168
Investment Property	39,115	-
Intangible Assets	45,854	66,294
Other Investments	284	818
Fixed Deposit	861	842
Deferred Tax Assets	5	5
	<u>104,782</u>	<u>87,127</u>
<u>Current Assets</u>		
Inventories	7,293	7,288
Trade Receivables	13,413	15,028
Tax Recoverable	270	255
Other Receivables, Deposit and Prepayments	26,693	6,079
Cash & Cash Equivalent	33,047	69,859
	<u>80,716</u>	<u>98,509</u>
Assets Held For Sale	479	5,419
Assets of subsidiary classified as held for sale	-	9,542
	<u>81,195</u>	<u>113,470</u>
TOTAL ASSETS	<u><u>185,977</u></u>	<u><u>200,597</u></u>
EQUITY AND LIABILITIES		
<u>Equity Attributable To Equity Holders Of The Company</u>		
Share Capital :		
- Ordinary Shares	228,728	228,718
- Irredeemable Convertible Preference Shares	-	10
Reserves	<u>(66,940)</u>	<u>(68,715)</u>
	161,788	160,013
Minority Interest	<u>4,825</u>	<u>5,841</u>
Total Equity	<u><u>166,613</u></u>	<u><u>165,854</u></u>
<u>Non-current Liabilities</u>		
Borrowings	1,769	2,575
Other Deferred Liabilities	<u>253</u>	<u>251</u>
	2,022	2,826
<u>Current Liabilities</u>		
Trade Payables	5,711	6,679
Other Payables and Accruals	5,249	6,385
Bank Overdraft	2,519	875
Other Short Term Borrowings	2,898	11,153
Taxation	965	771
	<u>17,342</u>	<u>25,863</u>
Liability of subsidiary classified as held for sale	-	6,054
	<u>17,342</u>	<u>31,917</u>
Total Liabilities	<u><u>19,364</u></u>	<u><u>34,743</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>185,977</u></u>	<u><u>200,597</u></u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	0.71	0.70

(The Unaudited Condensed Consolidated Balance Sheet Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2008).



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 DECEMBER 2008

← Equity Attributable to Equity Holders Of The Parent →
← Share Capital → ← Non Distributable Reserves →

	Irredeemable Convertible		Share Premium	Capital Reserve	Foreign Exchange Reserve	Accum- ulated Loss	TOTAL	Minority Interests	Total Equity
	Ordinary Shares	Preference Shares							
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
9 Months Ended 31 December 2008									
At 1 April 2008	228,718	10	52,050	1,819	(6,288)	(116,296)	160,013	5,841	165,854
(a) Conversion to ordinary shares	10	(10)	-	-	-	-	-	-	-
(b) Foreign currency translation	-	-	-	-	579	-	579	-	579
(c) Absorption of minority interest share of subsidiary negative net assets	-	-	-	-	-	(178)	(178)	178	-
(d) Reversal due to disposal of the subsidiary	-	-	-	(681)	-	516	(165)	(1,594)	(1,759)
(e) Profit for the period	-	-	-	-	-	1,539	1,539	400	1,939
At 31 December 2008	<u>228,728</u>	<u>-</u>	<u>52,050</u>	<u>1,138</u>	<u>(5,709)</u>	<u>(114,419)</u>	<u>161,788</u>	<u>4,825</u>	<u>166,613</u>
9 Months Ended 31 December 2007									
At 1 April 2007	194,590	34,138	52,050	994	1,507	(97,247)	186,032	5,467	191,499
(a) Conversion to ordinary shares	34,128	(34,128)	-	-	-	-	-	-	-
(b) Foreign currency translation	-	-	-	-	1,103	-	1,103	-	1,103
(c) Absorption of minority interest share of subsidiary negative net assets	-	-	-	-	-	(103)	(103)	-	(103)
(d) Profit for the period	-	-	-	-	-	583	583	251	834
At 31 December 2007	<u>228,718</u>	<u>10</u>	<u>52,050</u>	<u>994</u>	<u>2,610</u>	<u>(96,767)</u>	<u>187,615</u>	<u>5,718</u>	<u>193,333</u>

(The Unaudited Condensed Consolidated Statement Of Changes In Equity Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2008).



**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW FOR THE THIRD QUARTER
ENDED 31 DECEMBER 2008**

	2008	2007
	9 Months Ended	9 Months Ended
	31 December	31 December
	RM'000	Restated
	RM'000	RM'000
(Loss)/Profit Before Tax		
- Continuing operations	(562)	2,105
- Discontinued operations	3,680	(98)
	<u>3,118</u>	<u>2,007</u>
<u>Adjustment For Non-cash Flow :</u>		
Non-cash Items	1,450	3,533
Non-operating Items	(5,291)	(979)
Operating Profit Before Changes In Working Capital	(723)	4,561
<u>Changes In Working Capital</u>		
Net Changes In Current Assets	1,262	(7,013)
Net Changes In Current Liabilities	3,165	4,860
Cash Flow From Operating Activities	3,704	2,408
Tax Paid	(1,045)	(1,294)
Interest paid	(647)	(358)
Net Cash Flow From Operating Activities	<u>2,012</u>	<u>756</u>
<u>Investing Activities</u>		
- Equity investment	686	26
- Other investment	(30,011)	1,133
- Net cash inflow from disposal of subsidiary company (Note 1)	1,523	-
- Net cash used in acquisition of subsidiary group (Note 2)	-	(19,451)
<u>Financing Activities</u>		
- Bank borrowings	(11,870)	8,989
Net Changes In Cash & Cash Equivalent	<u>(37,660)</u>	<u>(8,547)</u>
Cash & Cash Equivalent At Beginning Of The First Quarter	68,188	61,964
Cash & Cash Equivalent At End Of Third Quarter (Note 3)	<u>30,528</u>	<u>53,417</u>

(The Unaudited Condensed Consolidated Cash Flow Statement Should Be Read In Conjunction With The Audited Financial Statements For The Year Ended 31 March 2008).



**NOTES TO UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR
THE THIRD QUARTER ENDED 31 DECEMBER 2008**

1) Net cash inflow from disposal of subsidiary company

	2008	2007
	9 Months Ended	9 Months Ended
	31 December	31 December
		Restated
	RM'000	RM'000
Total Assets	12,054	-
Total Liabilities	(8,242)	-
Net Assets	3,812	-
Share of net assets disposed	2,053	-
Gain on disposal of subsidiary company	947	-
Proceeds from disposal of subsidiary company	3,000	-
Less : Cash and cash equivalents disposed	(1,477)	-
Net cash inflow from disposal of subsidiary company	1,523	-

2) Net cash used in acquisition of subsidiary group

	2008	2007
	9 Months Ended	9 Months Ended
	31 December	31 December
		Restated
	RM'000	RM'000
Total Assets	-	417
Total Liabilities	-	(827)
Net Assets	-	(410)
STB portion of net liabilities	-	(308)
Goodwill on acquisition	-	20,085
Purchase consideration	-	19,777
Less : Cash and bank balances acquired	-	(326)
Net cash used in acquisition of subsidiary group	-	19,451



**NOTES TO UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR
THE THIRD QUARTER ENDED 31 DECEMBER 2008**

3) Cash and cash equivalents at end of the third quarter comprises of

	2008	2007
	9 Months Ended	9 Months Ended
	31 December	31 December
		Restated
	RM'000	RM'000
Bank Overdraft		
- Continuing operations	-	(794)
- Discontinued operations	(2,519)	(913)
Cash and Bank and Short Term Deposit		
- Continuing operations	33,047	55,124
- Discontinued operations	-	-
	<u>30,528</u>	<u>53,417</u>



Part A – Explanatory Notes Pursuant to Financial Reporting Standards (FRS) 134 Interim Financial Reporting

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: 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 audited financial statements for the year ended 31 March 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial year ended 31 March 2008.

The accounting policies and method of computation applied in the preparation of these quarterly financial statements are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 March 2008.

2 Accounting Policies

The significant accounting policies adopted by the Group for the interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2008 except for the adoption of the following new or revised Financial Reporting Standards ("FRS") which are effective for the Group's financial statements for the financial year ending 31 March 2009.

New and revised FRSs, Amendments to FRSs and Issues Committee ("IC") Interpretations.

		For financial periods beginning on or after
Amendment to FRS 121	The effects of Changes in Foreign Exchange Rates – net investment in foreign operation	1 July 2007
FRS 107	Cash Flow Statements	1 July 2007
FRS 111	Construction Contracts	1 July 2007
FRS 112	Income Taxes	1 July 2007
FRS 118	Revenue	1 July 2007
FRS 119	Employee Benefits	1 July 2007
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007



2 Accounting Policies (Cont'd)

New and revised FRSs, Amendments to FRSs and Issues Committee (“IC”) Interpretations (cont'd).

		For financial periods beginning on or after
FRS 126	Accounting and Reporting by Retirement Benefit Plans	1 July 2007
FRS 129	Financial Reporting in Hyperinflationary Economies	1 July 2007
FRS 134	Interim Financial Reporting	1 July 2007
FRS 137	Provision, Contingent Liabilities and Contingent Assets	1 July 2007
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2	Members’ Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8	Scope of FRS 2	1 July 2007

The adoption of FRS 107, 111, 112, 118, 119, 134, 137 and amendment to FRS 121 will not have any significant financial impact on the results and the financial position of the Group and of the Company.

IC Interpretation 1, 2, 5, 6, 7, 8 and FRS 120, 126 and 129 are not relevant to the Group's and the Company's operations.

3 Auditors’ Report on preceding Annual Financial Statements

The Auditors’ Report on the preceding Annual Financial Statements for the year ended 31 March 2008 was not qualified.



4 Seasonal or cyclical factors

The Group's results for the current financial quarter and the financial year-to-date were not materially affected by any seasonal or cyclical factors.

5 Unusual items due to their nature, size or incidence

There are no unusual items affecting assets, liabilities, equity, net income, or cash flow during the reporting quarter as well as the financial year to-date.

6 Changes in estimates

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

7 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

8 Dividends paid

There were no dividends declared or paid during the quarter ended 31 December 2008 as well as financial year-to-date.

9 Significant events

Other than those disclosed in Note 24, there are no material significant events that took place during this current quarter

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10 Segmental information

By business segments	Current quarter 3 months ended 31.12.2008		Cumulative quarters 9 months ended 31.12.2008	
	Turnover RM'000	Profit/ (Loss) before taxation RM'000	Turnover RM'000	Profit/ (Loss) before taxation RM'000
Continuing Operations				
Semiconductor related businesses	7,946	(419)	31,236	1,680
Industrial chemicals	-	(12)	18	(3)
Sticker and label printing	3,224	(114)	10,097	138
Investment Property	889	790	1,483	1,318
Investment holding	502	(1,564)	3,665	(3,695)
Elimination of inter-segment sales	(910)	-	(3,405)	-
	<u>11,651</u>	<u>(1,319)</u>	<u>43,094</u>	<u>(562)</u>
Discontinued Operations				
Semiconductor related businesses	-	(10)	634	3,343
Investment holding	-	36	-	(1)
Welding electrodes	-	-	4,594	338
	<u>11,651</u>	<u>(1,293)</u>	<u>48,322</u>	<u>3,118</u>

11 Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 March 2008.

12 Subsequent events

On 21 January 2009, the Company entered into seventeen (17) conditional Sale and Purchase Agreements (“SPA”) for the acquisition of seventeen (17) parcels of strata titled office space at the Ground, 7th, 8th, 9th, 10th and 11th floors of Wisma Chase Perdana from Chase Perdana Sdn Bhd (formerly known as Chase Perdana Berhad) (“Vendor”) for an aggregate consideration of RM70.0 million. On 5th February 2009, the Company and the Vendor signed a supplemental letter to vary certain clauses in the SPA to reduce the aggregate amount of deposit under the SPA from RM7 million to RM 1 million.

The financing for the proposed acquisition is through a combination of internal funds and bank borrowings. The acquisition is conditional upon the fulfillment of the conditions precedent such as approval from the relevant authority and shareholders within the stipulated period.

Other than as disclosed above, there are no material subsequent events that took place after this current quarter.



13 Changes in composition of the Group

There are no major changes to the composition of the Group since the last quarter announcement.

14 Changes in contingent liabilities and contingent assets

There were no material contingent liabilities or contingent assets during the reporting quarter as well as the financial year-to-date.

15 Capital commitments

There are no material capital commitments for the Company and the Group.

16 Significant related party transactions

	Current quarter 3 months ended 31.12.2008 RM'000	Cumulative quarter 9 months ended 31.12.2008 RM'000
1) Chase Perdana Sdn Bhd (CPSB) (STB and CPSB have a common holding company)		
- Rental of office paid/payable	(43)	(129)
- Management fees received/receivable	165	521
- Maintenance services for office lots paid/payable	(33)	(165)
2) Shinsho (Malaysia) Sdn Bhd (A corporate shareholder in a subsidiary company)		
- Sale of welding electrodes	-	24
3) Kobe Welding (Singapore) Pte Ltd (A corporate shareholder in a subsidiary company)		
- Sale of welding electrodes	-	350
- Purchase of raw materials	-	(934)
- Royalty and technical fees paid/payable	-	(33)
4) Goodweld Corporation (A corporate shareholder in a subsidiary company)		
- Purchase of raw materials	-	(138)

These transactions had been entered in the ordinary course of business and have been established on a "negotiation basis" between the parties.



Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

17 a) Review of results for the current quarter for the period ended 31 December 2008

For the three months ended 31 December 2008, the Group recorded a loss attributable to ordinary equity holders of RM 1.34 million as compared to a profit of RM 0.45 million reported in the preceding year's corresponding quarter. The loss is mainly due to lower margins recorded in the semiconductor related business segment and sticker and label printing segment. These segments were affected by the overall global economic slowdown resulting in lower revenue and higher operating costs.

The Group recorded revenue of RM 11.65 million for the period of three months ended 31 December 2008. The increase in revenue of RM 0.86 million or 8% as compared to the preceding year's corresponding quarter of RM 10.79 million is mainly due to the rental income from the newly acquired 3 floors of office lots in the investment property segment in this quarter.

b) Review of the year to date results for the financial period ended 31 December 2008

For the nine months ended 31 December 2008, the Group recorded a profit attributable to ordinary equity holders of RM 1.54 million as compared to a profit of RM 0.58 million reported in the preceding year's corresponding six months period. The increase in the Group's result for the nine months period is mainly due to the gain on disposal of RM3.62 million for assets held for sale in the discontinued operations.

The Group recorded revenue of RM 43.09 million for the period of nine months ended 31 December 2008. There was an increase in revenue of RM 3.44 million or 9 % as compared to the preceding year's corresponding nine months period of RM 39.65 million. This is mainly due to rental income generated by the newly acquired 3 floors of office lots in the investment property segment division and slight increase in the revenue for the semiconductor related business segment.

18 Material changes in the profit before taxation compared with the immediate preceding quarter

The Group recorded a loss before taxation and minority interest of RM 1.29 million for the third quarter ended 31 December 2008 as compared to a profit of RM 3.94 million reported in the second quarter ended 30 September 2008. The loss results in the third quarter ended 31 December 2008 is mainly due to the same reasons in note 17(a) above. The profitable results in the second quarter ended 30 Sept is mainly due to the gain on disposal of assets held for sale in the discontinued operations totalling RM 3.62 million.

19 Coming financial year prospects

The overall performance of the Group depends substantially on the performance of the Company's subsidiaries in China and Singapore which are involved in the semiconductor related industry as well as contributions from its property investment segment.

The Directors anticipate the Group's operating results in this coming financial year will be affected by the overall global economic slowdown.



20 Variance of actual profit from forecast profit or profit guarantee

The Company did not provide any profit guarantee during this reporting quarter.

The Company received a profit guarantee in respect of the acquisition of Pyramid Manufacturing Industries Pte. Ltd., CEM Machinery Pte. Ltd. and PMI Plating Services Pte. Ltd. from MISL & Associates Sdn. Bhd. ("Vendor") on 3 June 2003. The Vendor guaranteed profits of not less than an aggregate profit after tax of RM69.3 million from the three companies for three financial years ended 31 March 2004, 31 March 2005 and 31 March 2006.

The Company has computed a shortfall of RM47.8 million of the profit guarantee and recovered RM20.3 million from the vendor for the current period ended 31 December 2008. The Vendor is liable for the remaining balance of RM27.5 million and the management is currently looking into the appropriate action to recover the shortfall.

21 Taxation

	Current quarter 3 months ended 31.12.2008 RM'000	Cumulative quarter 9 months ended 31.12.2008 RM'000
Malaysian taxation	(10)	(75)
Overseas taxation	<u>(122)</u>	<u>(599)</u>
	<u>(132)</u>	<u>(674)</u>

The Group's effective tax rates for the current and cumulative quarter ended 31 December 2008 differ from the statutory tax rates due to tax liability arising from profitable subsidiary companies which cannot be set off against other subsidiary companies' losses incurred for these periods.

22 Sales of unquoted investments and/or properties

There are no disposals of unquoted investments during the reporting quarter as well as the financial year-to-date.

23 Quoted securities

- There were no sales of any quoted shares during the reporting quarter.
- The value of the securities as at 31 December 2008 are as follows:

	RM'000
Investment in quoted securities	
At cost	81
At carrying value	59
At market value	<u>63</u>



24 Status of corporate proposals

(A) The status of the utilisation of RM70 million proceeds from the disposal of an associated company, Air Products STB Sdn Bhd (“APSTB”) is as follows:

	Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe For Utilisation	To Be Utilised		Explanation
		RM Million	RM Million		RM Million	%	
(i)	New business opportunities	36.9	36.9	Completed	-	-	Note (i)
(ii)	Expansion of existing business	20.0	2.7	Up to 2 years	17.3	86	In progress
(iii)	Repayment of bank borrowings	7.8	7.8	Completed	-	-	-
(iv)	Working capital	5.0	5.0	Completed	-	-	-
(v)	Estimated expenses	0.3	0.3	Completed	-	-	-
		70.0	52.7				

Explanatory notes:

(i) New business opportunities

The Securities Commission (SC) had on 11 February 2008 approved the change in utilisation proceeds from “ investments in new business opportunities” to “ acquisition of the 4th, 5th and 6th floors being the three (3) floors of strata titled office space together with 117 car park bays in Wisma Chase Perdana” for a cash consideration of RM37.8 million. The acquisition was completed on 13 November 2008.

(B) The proposed disposal of a 75% equity interest in Pyramid Manufacturing Industries Pte Ltd (Pyramid), a wholly owned subsidiary of the Company to China Food Industries Limited (now known as Iconic Global Limited) (IGL) a 75% owned subsidiary has been shelved.



24 Status of corporate proposals (Cont'd)

(C) Subsequent to the Conditional Voluntary Take-Over Offer by Empire Holdings Ltd (“EHL”) during the year, the Company’s public shareholding spread is 24.39%. Bursa Securities vide its letter dated 1 December 2008 has approved the Company’s application for acceptance of 24.39% of the issued and paid-up share capital as compliance with the public shareholding spread requirement pursuant to the Listing Requirements of Bursa Securities.

Notwithstanding the above approval, the Company is required to notify Bursa Securities immediately once the Company becomes aware of the following:-

1. Any decrease to STB's issued and paid-up capital;
2. Any decrease in the percentage of public shareholding spread below 24.39%; and
3. Any decrease in the number of public shareholders.

The above approval is subject to review by Bursa Securities at any time.

(D) The Company announced that STB Technologies Pte Ltd (“STB Tech”), a wholly owned subsidiary of the Company, had entered into a Memorandum of Understanding (“MOU”) with Crestino International Limited (“Crestino”) on 9 May 2008 to participate in the business of constructing and operating palm oil mills in Indonesia by investing RM20.0 million (the “Said Sum”) in the Project. The parties has subsequently entered into a Supplemental Agreement with Crestino International Limited on 7 November 2008 to extend the option period under the MOU for a further period of six (6) months expiring on 7 May 2009.

(E) The Company announced on 7th October 2008, that STB Technologies Pte Ltd, a wholly owned subsidiary of the Company, had entered into an agreement with Dr. Mohamad N. Alamuddin for the subscription of 500,000 new ordinary shares in Zeal International Holdings Limited (“ZEAL”) representing 50% equity interest in ZEAL for a total consideration of USD500,000 (equivalent to approximately RM1.74 million). Dr. Mohamad N. Allamuddin will also be issued 500,000 new ordinary shares of ZEAL for transferring all his rights, interests and benefits for the use of his “Health Invest” programme for management of patient care and hospitals globally to ZEAL.

The subscription for the new ordinary shares in ZEAL is pending completion.

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25 Group borrowings and debt securities

	As at 31.12.2008 RM'000
Short term borrowings:	
Secured	4,825
Unsecured	592
	<hr/> 5,417 <hr/>
Long term borrowings:	
Secured	1,769
Unsecured	-
	<hr/> 1,769 <hr/>
Total	<hr/> <hr/> 7,186 <hr/> <hr/>

Included in the above are borrowings denominated in Singapore Dollars, equivalent to approximately RM1.87 million.

26 Off-balance sheet financial instruments

There are no financial instruments with off-balance sheet risk issued by the Group as at the date of this report.

27 Material litigation

As at the date of reporting, the following is the status of material litigation of the Group.

(A) (i) **** SIAC Arbitration No. 064 of 2006 (ARB064/06)**

Sitt Tatt Berhad (“STB”) v Prime International Consultancy Pty. Ltd

STB had on 31 August 2006 commenced arbitration proceedings in Singapore against Prime International Consultancy Pty. Ltd. (“Prime” or “Respondent”), a company incorporated in Australia for breach of the Tripartite Joint Venture Agreement and the Joint Venture Agreement (“Agreements”) entered between STB, Prime and PT Kutai Timur Resources on 27 July 2005 and 24 August 2005 respectively to survey, study, mine, manage, revive, develop, explore, exploit and produce oil and gas from wells in certain areas in Indonesia (“the Project”).

STB is seeking the return of the sum of USD1 million which was paid to the Respondent as an advance to secure the Project.

Current Status: Based on the decision for the civil suit : STB v Goh Tai Hock (A) (ii), the Board has yet to decide on whether or not to proceed with the arbitration.



27 Material litigation (Cont'd)

(A) (ii) ** High Court of Singapore (“Court”) Suit No. 560 of 2006/ B
Sitt Tatt Berhad (“STB”) v Goh Tai Hock

STB had instituted legal proceedings against Goh Tai Hock, the Chief Executive Officer of Prime ("the Defendant") on 31 August 2006. STB is claiming the return of the sum of USD1 million.

Current Status: High Court of the Republic of Singapore had on 26th November 2008 awarded judgment in favour of STB as follow :

- i) USD 380,511.71 ;
- ii) Interest from the date of the Writ and
- iii) Costs .

The Defendant has filed a Notice of Appeal against the decision of the High Court. The appeal has been fixed for hearing before the Court of Appeal for the week commencing 27 April 2009.

* * Both the above cases are inter related.

(B) KL High Court Suit No. D1-22-347-2007
Sitt Tatt Berhad (“STB”) v Melati Usaha Sdn Bhd (“Melati”)

STB has commenced legal action against Melati, a company incorporated in Malaysia for breach of contract by Melati under a Sale Shares Agreement dated 30 April 1997.

STB is seeking, the following claims from Melati:-

1. Judgment for the total amount of RM5,808,650;
2. Interest on RM5,808,650 at the rate of 8 percent per annum with effect from 19 April 2001 until the date of full payment;
3. Costs; and
4. Such further relief as the Court may deem fit and just to be granted.

Current Status: STB's application for summary judgment is fixed for hearing on 20 April 2009.

28 Dividend

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



29 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of shares in issue during the period.

	Current quarter 3 months ended 31.12.2008 (RM'000)	Cumulative quarter 9 months ended 31.12.2008 (RM'000)
(Loss)/Profit from continuing operations	(1,451)	(1,236)
Minority interest	<u>83</u>	<u>(251)</u>
(Loss) from continuing operations attributable to ordinary equity holders of the parent	<u>(1,368)</u>	<u>(1,487)</u>
Profit from discontinued operations	25	3,175
Minority interest	<u>-</u>	<u>(149)</u>
Profit from discontinued operations attributable to ordinary equity holders of the parent	<u>25</u>	<u>3,026</u>
(Loss)/Profit attributable to ordinary equity holders of the parent	(1,343)	1,539
Weighted average number of ordinary shares in issue ('000)	228,725	228,725
Basic (loss)/profit per share (sen)	(0.60)	(0.65)
- Continuing	<u>0.01</u>	<u>1.32</u>
- Discontinued	<u>(0.59)</u>	<u>0.67</u>

Diluted

There was no computation for diluted earnings per share as the Irredeemable Convertible Preference Shares were fully converted into ordinary shares during this period.

30 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 February 2009.