

**LEADER UNIVERSAL HOLDINGS BERHAD** (Co. No. 172736-A)  
(Incorporated in Malaysia)  
**QUARTERLY REPORT**

Quarterly report on consolidated results for the financial quarter ended 30/06/2007.  
The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2007	30/06/2006	30/06/2007	30/06/2006
	RM'000	RM'000	RM'000	RM'000
Revenue	709,142	601,301	1,294,922	1,075,235
Cost of sales	<u>(651,190)</u>	<u>(553,586)</u>	<u>(1,198,500)</u>	<u>(989,759)</u>
Gross profit	57,952	47,715	96,422	85,476
Operating expenses	(25,962)	(26,382)	(44,309)	(51,239)
Other income	22	2,484	5,599	6,872
Finance costs	(7,944)	(6,543)	(16,886)	(10,057)
Share of (loss)/profit of associated companies	<u>1,677</u>	<u>1,573</u>	<u>2,867</u>	<u>2,693</u>
Profit before tax	25,745	18,847	43,693	33,745
Income tax expense	<u>(4,040)</u>	<u>(3,255)</u>	<u>(6,127)</u>	<u>(5,381)</u>
Profit for the period	<u><u>21,705</u></u>	<u><u>15,592</u></u>	<u><u>37,566</u></u>	<u><u>28,364</u></u>
Attributable to :				
Equity holders of the parent	15,852	8,936	28,098	16,913
Minority interests	<u>5,853</u>	<u>6,656</u>	<u>9,468</u>	<u>11,451</u>
	<u><u>21,705</u></u>	<u><u>15,592</u></u>	<u><u>37,566</u></u>	<u><u>28,364</u></u>
Earnings per share attributable to equity holders of the parent (sen) :				
- Basic	3.63	2.05	6.44	3.88
- Diluted	na	na	na	na

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**LEADER UNIVERSAL HOLDINGS BERHAD** (Co. No. 172736-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEET**

	As at 30/06/2007 RM'000	As at 31/12/2006 RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, Plant and Equipment	306,338	302,697
Prepaid Lease Payments	18,606	18,890
Investment Properties	24,959	25,163
Properties Held for Future Development	14,713	14,713
Investment in Associated Companies	22,806	19,943
Other Investments	10,495	10,039
Deferred Tax Assets	1,927	1,269
	<u>399,844</u>	<u>392,714</u>
<b>Current Assets</b>		
Properties Under Development	31,925	35,696
Inventories	260,434	270,621
Amount Due from Associated Companies	52,007	49,102
Trade and Other Receivables	508,573	450,076
Cash, Bank Balances and Deposits	158,514	144,480
	<u>1,011,453</u>	<u>949,975</u>
Assets held for sale	8,977	8,648
	<u>1,020,430</u>	<u>958,623</u>
<b>TOTAL ASSETS</b>	<u><u>1,420,274</u></u>	<u><u>1,351,337</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Parent</b>		
Share Capital	436,459	436,459
Reserves	(43,137)	(65,232)
	<u>393,322</u>	<u>371,227</u>
<b>Minority Interests</b>	<u>106,121</u>	<u>113,341</u>
<b>Total Equity</b>	<u>499,443</u>	<u>484,568</u>
<b>Non Current Liabilities</b>		
Term Loans	191,995	186,849
Deferred Tax Liabilities	32,081	34,072
	<u>224,076</u>	<u>220,921</u>
<b>Current Liabilities</b>		
Trade and Other Payables	372,719	282,609
Progress Payments Received and Receivable	58	17
Short Term Borrowings	319,712	361,946
Taxation	4,266	1,276
	<u>696,755</u>	<u>645,848</u>
<b>Total Liabilities</b>	<u>920,831</u>	<u>866,769</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,420,274</u></u>	<u><u>1,351,337</u></u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**LEADER UNIVERSAL HOLDINGS BERHAD** (Co. No. 172736-A)  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	6 MONTHS ENDED	
	30/06/2007	30/06/2006
	RM'000	RM'000
Profit for the financial period	37,566	28,364
Adjustment for:		
Non cash items	8,313	9,358
Non operating items (which are investing / financing activities)	15,580	16,891
Taxation	6,127	6,282
Operating profit before working capital changes	<u>67,586</u>	<u>60,895</u>
Decrease / (Increase) in working capital:		
Net changes in current assets	(49,792)	(69,996)
Net changes in current liabilities	90,232	30,854
Net cash flow from operations	<u>108,026</u>	<u>21,753</u>
Tax paid	(4,191)	(931)
Tax refund	181	5
Net cash flow from operating activities	<u>104,016</u>	<u>20,827</u>
Investing Activities		
Equity	-	-
Others	(15,988)	(3,640)
Net cash flow from investing activities	<u>(15,988)</u>	<u>(3,640)</u>
Financing Activities		
Bank borrowings	4,580	198,743
Euroconvertible Bonds	(39,195)	(134,654)
Repayment of advance from shareholders	-	(4,468)
Interest paid	(17,267)	(18,871)
Dividend paid to minority shareholders of a subsidiary	(21,027)	(15,231)
Others	-	-
Net cash flow from financing activities	<u>(72,909)</u>	<u>25,519</u>
Net changes in cash and cash equivalents	15,119	42,706
Cash and cash equivalents at beginning of the year	144,327	94,164
Foreign exchange differences on opening balance	(932)	(686)
Cash and cash equivalents at end of the financial period	<u>158,514</u>	<u>136,184</u>
Cash and cash equivalents comprise :		
Cash and bank balances	158,514	136,184
Bank overdrafts	-	-
	<u>158,514</u>	<u>136,184</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**LEADER UNIVERSAL HOLDINGS BERHAD** (Co. No. 172736-A)  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to Equity Holders of the Parent →				Minority Interests	Total Equity
	Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000		
At 1 January 2007	436,459	87,737	(152,969)	371,227	113,341	484,568
Movements during the period	-	(1,259)	23,354	22,095	(7,220)	14,875
At 30 June 2007	436,459	86,478	(129,615)	393,322	106,121	499,443
At 1 January 2006 As previously stated	436,459	109,811	(200,388)	345,882	108,210	454,092
Effects of adopting FRS140		(15,577)	15,577			
	436,459	94,234	(184,811)	345,882	108,210	454,092
Movements during the period	-	(1,096)	12,213	11,117	(3,454)	7,663
At 30 June 2006	436,459	93,138	(172,598)	356,999	104,756	461,755

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

(a) **Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 audited financial statements for the year ended 31 December 2006. 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 2006.

(b) **Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006 except for the adoption of the following revised Financial Reporting Standards (“FRS”):

FRS 117 Leases

FRS 124 Related Party Disclosures

The Group has taken the option of early adoption of FRS 117 Leases for the financial period beginning 1 January 2006.

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

(c) **Audit Report**

The audit report of the Company's preceding annual financial statements was not qualified.

(d) **Seasonality or Cyclical of Interim Operations**

The operations of the Group are not affected by seasonal or cyclical factors.

(e) **Unusual Items**

There were no items affecting assets, liabilities, equity, net income or cash flow for the interim period ended 30 June 2007 that were unusual because of their nature, size or incidence other than disclosed in this interim condensed financial statements.

(f) **Changes in Estimates**

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

(g) **Debt and Equity Securities**

On 30 April 2007, the Company effected the final repayment of its EuroConvertible Bonds (ECB) amounting to USD11.3 million. With this repayment, the Company has fully settled the ECB.

There were no other issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter up to date of issue of this quarterly report.

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

(h) **Dividend Payment**

No interim dividend has been declared for the current quarter.

An interim dividend of 1.5 sen per share less 27% tax declared on 23 May 2007 was paid on 19 June 2007. (2006: 1.5 sen per share less 28% tax)

(i) **Segmental Reporting**

Analysis by activity	Cable and wire RM'000	Power generation RM'000	Property RM'000	Others RM'000	Total RM'000
<b>Sales</b>					
Total sales	1,208,099	74,887	10,865	1,510	1,295,361
Intersegment sales	-	-	-	(439)	(439)
External sales	1,208,099	74,887	10,865	1,071	1,294,922
<b>Results</b>					
Operating profit/(loss) / Segment results	34,469	20,128	113	3,002	57,712
Finance costs					(16,886)
Share of profit of associated companies	2,867	-	-	-	2,867
Profit before taxation					43,693
Income tax expense					(6,127)
Profit for the period					37,566
Attributable to :					
Equity holders of the parent					28,098
Minority interests					9,468
					37,566

(j) **Valuation of Property, Plant and Equipment**

The valuation of property, plant and equipment have been brought forward, without amendment, from the previous annual financial statements.

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**

(Incorporated in Malaysia)

**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

**(k) Subsequent Material Events**

There were no material events subsequent to the end of the current interim period that have not been reflected in the financial statements.

**(l) Changes in the Composition of the Group**

On 18 July 2007, the Company had announced that Leader-Goldstar Electronic Wire Sdn Bhd (In Members' Voluntary Winding Up), its 51% dormant subsidiary, held its final meeting on 18 July 2007 to conclude the Members' Voluntary Winding up.

On 7 May 2007, the Company had announced the disposal of Leader LS Magnet Wire Sdn Bhd, its 51% subsidiary and had ceased to be a subsidiary of the Group effective 13 July 2007.

**(m) Contingent Liabilities**

As at 14 August 2007, guarantees extended by the Group as security for the bank facilities amounted to RM547.25 million (31 December 2006 : RM484.1 million).

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

**1. Review of Performance**

The Group revenue for the current quarter ended 30 June 2007 registered an increase to RM709.1 million as compared to RM601.3 million for the corresponding quarter ended 30 June 2006.

Operating profit for the Group for the current quarter ended 30 June 2007 also increased to RM32.0 million as compared to RM23.8 million for the corresponding quarter ended 30 June 2006.

The higher revenue for the current quarter ended 30 June 2007 was mainly due to better performance from the Group's cable and wire business as a result of its improved sales volume and high metal prices. Better product mix with a higher margin and higher output in aluminium based products, strategic marketing plans, prudent raw materials procurement policies and effective cost saving measures also contributed to the Group's overall improved operations and profitability.

**2. Material Change in Profit Before Taxation**

The Group's profit before taxation for the current quarter ended 30 June 2007 was RM25.7 million as compared to RM17.9 million for the preceding quarter. The higher profit before taxation for the current quarter was in line with higher revenue achieved coupled with better product mix with higher margin and improved production and operational efficiency.

**3. Current Year Prospects**

The Group's performance for the remaining part of the current financial year is expected to improve.

**4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee**

There are no forecast profit and profit guarantee.

**5. Taxation**

The Group tax charge comprises:

	Current Quarter 30/06/2007 RM'000	Interim Period To Date 30/06/2007 RM'000
Income tax	(4,751)	(7,320)
Deferred tax	621	1,103
	<u>(4,130)</u>	<u>(6,217)</u>
Under/(Over) provision in previous years	90	90
	<u><u>(4,040)</u></u>	<u><u>(6,127)</u></u>

The difference between the effective tax rate and the statutory tax rate of the Group for the current quarter ended 30 June 2007 is primarily due to lower tax rate of an overseas subsidiary company, coupled with the utilisation of unabsorbed reinvestment allowance and unabsorbed exemption of income for the value of increased exports to offset against statutory income of some of the subsidiary companies.



**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

**6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties for the Current Quarter and Financial Year to date**

	Current Quarter 30/06/2007 RM'000	Interim Period To Date 30/06/2007 RM'000
Profit on sale of unquoted investment net of provision	-	<u>2,848</u>

**7. Purchase or Disposal of Quoted Securities**

(a) Purchase or disposal

	Current Quarter 30/06/2007 RM'000	Interim Period To Date 30/06/2007 RM'000
Total purchase consideration	Nil	Nil
Total sale proceeds	4	4
Total profit/(loss) on disposal	1	1

(b) Investments in quoted securities as at 30 June 2007

	RM'000
(i) Total investments at cost	2,208
(ii) Total investments at carrying value/book value	1,578
(iii) Total investments at market value at 30 June 2007	1,578

**8. Corporate Proposals**

There were no corporate proposals announced during the current quarter and up to the date of issue of this quarterly report.

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

9. **Group Borrowings and Debt Securities**

Group borrowings and debt securities as at 30 June 2007

(a)		RM'000
	Secured	9,366
	Unsecured	502,341
(b)	Total	511,707
	Short term	319,712
	Long term	191,995
(c)	Total	511,707
	Ringgit Malaysia	425,050
	Foreign currency (USD25,136,000)	86,657
	Total	511,707

10. **Off Balance Sheet Financial Instruments**

Forward Foreign Exchange Contracts

As at 14 August 2007, the Group has the following forward foreign exchange contracts:

Currency	Contract Amount RM'000	Expiry Dates
U.S. Dollar	29,644	14 August 2007 - 5 November 2007
Singapore Dollar	567	30 August 2007 - 28 September 2007

The Group enters into forward foreign exchange contracts to hedge its foreign currency receivables from specific transactions against fluctuations in foreign exchange rates.

Market and Credit Risks

The Group is not exposed to any market risk as the exchange rates are pre-determined under such contracts.

We are of the view that credit risk is minimal given that the above contracts were entered into with reputable and credit worthy financial institutions.

Related Accounting Policy

Outstanding foreign exchange related contracts at the balance sheet date are valued based on the applicable spot rates ruling at the date adjusted for the applicable premium or discount to maturity. Gains or losses are recognised in the period/year they arise.

11. **Material Litigation**

The Group has not engaged in any litigation, either as plaintiff or defendant, which has a material effect on the financial position of the Group for the current quarter up to the date of issue of this quarterly report.

**LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)**  
(Incorporated in Malaysia)  
**NOTES TO QUARTERLY FINANCIAL STATEMENTS**

**12. Earnings Per Share**

	3 MONTHS ENDED		6 MONTHS ENDED	
	30/06/2007	30/06/2006	30/06/2007	30/06/2006
	RM'000	RM'000	RM'000	RM'000
<u>Basic earnings per share</u>				
Profit attributable to equity holders of the parent	15,852	8,936	28,098	16,913
Number of ordinary shares ('000)	436,459	436,459	436,459	436,459
Basic earnings per share (sen)	3.63	2.05	6.44	3.88

Diluted earnings per share

The Group has no dilution in its earnings per share.

BY ORDER OF THE BOARD  
JOANNA LIM LAY GUAT  
COMPANY SECRETARY  
21 AUGUST 2007