

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

(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31/3/2009.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
	RM'000	RM'000	RM'000	RM'000
Revenue	444,721	639,904	444,721	639,904
Cost of sales	<u>(406,861)</u>	<u>(590,146)</u>	<u>(406,861)</u>	<u>(590,146)</u>
Gross profit	37,860	49,758	37,860	49,758
Operating expenses	(13,197)	(19,002)	(13,197)	(19,002)
Other income	1,958	1,655	1,958	1,655
Finance costs	(5,472)	(6,189)	(5,472)	(6,189)
Share of (loss)/profit of associated companies	<u>297</u>	<u>1,028</u>	<u>297</u>	<u>1,028</u>
Profit before tax	21,446	27,250	21,446	27,250
Income tax expense	<u>(4,222)</u>	<u>(6,764)</u>	<u>(4,222)</u>	<u>(6,764)</u>
Profit for the period	<u><u>17,224</u></u>	<u><u>20,486</u></u>	<u><u>17,224</u></u>	<u><u>20,486</u></u>
Attributable to :				
Equity holders of the parent	12,258	15,511	12,258	15,511
Minority interests	<u>4,966</u>	<u>4,975</u>	<u>4,966</u>	<u>4,975</u>
	<u><u>17,224</u></u>	<u><u>20,486</u></u>	<u><u>17,224</u></u>	<u><u>20,486</u></u>
Earnings per share attributable to equity holders of the parent (sen) :				
- Basic	2.81	3.55	2.81	3.55
- 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 2008 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 31/3/2009 RM'000	As at 31/12/2008 RM'000 Audited
ASSETS		
Non Current Assets		
Property, Plant and Equipment	297,519	295,726
Prepaid Land Lease Payments	21,720	21,867
Investment Properties	46,542	46,773
Land Held for Properties Development	14,543	14,543
Investment in Associated Companies	25,483	25,180
Amount due from Associated Companies	8,739	8,913
Other Investments	10,861	10,393
	<u>425,407</u>	<u>423,395</u>
Current Assets		
Properties Development Cost	1,053	1,053
Inventories	206,460	262,886
Amount Due from Associated Companies	34,150	32,382
Redeemable preference shares	1,311	1,311
Trade and Other Receivables	337,059	387,692
Cash, Bank Balances and Deposits	211,978	178,306
Tax Recoverable	2,096	4,077
	<u>794,107</u>	<u>867,707</u>
TOTAL ASSETS	<u><u>1,219,514</u></u>	<u><u>1,291,102</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Share Capital	436,459	436,459
Reserves	82,064	63,514
	<u>518,523</u>	<u>499,973</u>
Minority Interests	<u>110,242</u>	<u>105,309</u>
Total Equity	<u>628,765</u>	<u>605,282</u>
Non Current Liabilities		
Borrowings	112,058	119,067
Retirement benefit obligations	3,484	3,484
Deferred Tax Liabilities	15,768	17,143
	<u>131,310</u>	<u>139,694</u>
Current Liabilities		
Trade and Other Payables	192,870	234,677
Short Term Borrowings	264,580	308,361
Taxation	1,989	3,088
	<u>459,439</u>	<u>546,126</u>
Total Liabilities	<u>590,749</u>	<u>685,820</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,219,514</u></u>	<u><u>1,291,102</u></u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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

	3 MONTHS ENDED	
	31/3/2009	31/3/2008
	RM'000	RM'000
Profit for the financial period	17,224	20,486
Adjustment for:		
Non cash items	8,591	5,768
Non operating items (which are investing / financing activities)	4,515	5,273
Taxation	4,222	6,764
Operating profit before working capital changes	<u>34,552</u>	<u>38,291</u>
Decrease / (Increase) in working capital:		
Net changes in current assets	109,213	(651)
Net changes in current liabilities	(43,707)	7,028
Net cash flow from operations	<u>100,058</u>	<u>44,668</u>
Tax paid	(5,518)	(6,158)
Tax refund	6	7
Net cash flow from operating activities	<u>94,546</u>	<u>38,517</u>
Investing Activities		
Others	(6,353)	(8,840)
Net cash flow from investing activities	<u>(6,353)</u>	<u>(8,840)</u>
Financing Activities		
Bank borrowings	(53,144)	(32,715)
Interest paid	(5,080)	(6,018)
Net cash flow from financing activities	<u>(58,224)</u>	<u>(38,733)</u>
Net changes in cash and cash equivalents	29,969	(9,056)
Cash and cash equivalents at beginning of the year	178,306	213,024
Foreign exchange differences on opening balance	3,703	(3,026)
Cash and cash equivalents at end of the financial period	<u>211,978</u>	<u>200,942</u>
Cash and cash equivalents comprise :		
Cash and bank balances	211,978	200,971
Bank overdrafts	-	(29)
	<u>211,978</u>	<u>200,942</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

LEADER UNIVERSAL HOLDINGS BERHAD (Co. No. 172736-A)
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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 2009	436,459	93,394	(29,880)	499,973	105,309	605,282
Movements during the period	-	6,292	12,258	18,550	4,933	23,483
At 31 March 2009	<u>436,459</u>	<u>99,686</u>	<u>(17,622)</u>	<u>518,523</u>	<u>110,242</u>	<u>628,765</u>
At 1 January 2008 (restated)	436,459	91,616	(85,126)	442,949	98,495	541,444
Movements during the period	-	(3,505)	20,700	17,195	4,966	22,161
At 31 March 2008	<u>436,459</u>	<u>88,111</u>	<u>(64,426)</u>	<u>460,144</u>	<u>103,461</u>	<u>563,605</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008. 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 2008.

(b) Changes in Accounting Policies

At the date of authorisation of these financial statements, the following new FRS and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

FRS, Amendment to FRS and Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 2: Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 123: Borrowing Costs (Replaces FRS 123 ²⁰⁰⁴)	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 FRS 2: Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 FRS 119: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

The new and amended FRS and Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

The other significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

(c) Audit Report

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

(d) Seasonality or Cyclicity 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 31 March 2009 that were unusual because of their nature, size or incidence other than disclosed in this interim condensed financial statements.

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NOTES TO QUARTERLY 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**

The total amount of MMTN outstanding as of 31 March 2009 is RM90 million. There were no 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 reporting quarter up to date of issue of this quarterly report.

(h) **Dividend Payment**

The Board of directors has declared a first interim dividend of 1.5 sen per share less 25% tax (1st Quarter 2008 : 1.5 sen per share less 26% tax) which will be paid on 26 June 2009 to shareholders whose names appear on the Record of Depositors as at 16 June 2009. A depositor shall qualify for dividend entitlement only in respect of :

- a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 16 June 2009 in respect of ordinary transfers;
- b) shares deposited into the Depositor's Securities Account before 12.30 p.m. on 12 June 2009 in respect of shares exempted from mandatory deposit;
- c) shares bought on the Bursa Securities on a cum entitlement basis according to the rules of the Bursa Securities.

(i) **Segmental Reporting**

Analysis by activity	Cable and wire RM'000	Power generation RM'000	Others RM'000	Total RM'000
Sales				
Total sales	407,672	35,957	1,377	445,006
Intersegment sales	-	-	(285)	(285)
External sales	407,672	35,957	1,092	444,721
Results				
Operating profit/(loss) / Segment results	17,595	9,615	(589)	26,621
Finance costs				(5,472)
Share of profit of associated companies	297	-	-	297
Profit before taxation				21,446
Income tax expense				(4,222)
Profit for the period				17,224
Attributable to :				
Equity holders of the parent				12,258
Minority interests				4,966
				17,224

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NOTES TO QUARTERLY FINANCIAL STATEMENTS

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

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

(k) **Subsequent Material Events**

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

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

A dormant subsidiary, Northern Wire & Cable Sdn. Bhd. has held its Final Meeting and concluded its Members' Voluntary Winding Up process.

(m) **Contingent Liabilities**

As at 22 May 2009, guarantees extended by the Company as security for the Group's banking facilities amounted to RM 732.90 million (31 December 2008 : RM733.52 million).

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NOTES TO QUARTERLY FINANCIAL STATEMENTS

1. Review of Performance

The Group registered a revenue of RM444.72 million for the current reporting quarter ended 31 March 2009, a decrease of 31% as compared to RM639.90 million for the corresponding quarter ended 31 March 2008.

The drop was mainly due to a 31% decline in revenue from the cable & wire business from RM590.5 million to RM407.7 million due to a steep decline in commodity metal prices. The average London Metal Exchange ("LME") price for copper for the current reporting quarter was USD3,428 per metric ton as compared to USD7,796 per metric ton for the corresponding quarter, a decline of 56%, while the average LME price for aluminium for the current reporting quarter was USD1,360 per metric ton as compared to USD2,742 per metric ton for the corresponding quarter, a decline of 50.4%.

The lower revenue and less favourable sales mix have resulted in the Group registering both lower gross profit and profit before tax of RM37.86 million and RM21.45 million respectively as compared to the corresponding quarter ended 31 March 2008.

2. Material Change in Profit Before Taxation

The Group's profit before taxation for the current reporting quarter ended 31 March 2009 was 24% higher at RM21.45 million as compared to RM17.35 million for the preceding quarter mainly due to better performance from higher value added cable and wire sales, lower finance cost and efficient management of its operating expenses.

3. Prospects for Financial Year Ending 31 December 2009

With the present global financial crisis and economic slowdown, the directors expect the balance of the year to remain challenging. The continuing low prices of the commodity metals are expected to weigh down on the Group's revenue.

The Group will continue to address the challenges to maintain a satisfactory level of operating performance for this financial year.

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 31/3/2009 RM'000	Interim Period To Date 31/3/2009 RM'000
Income tax	(5,597)	(5,597)
Deferred tax	1,375	1,375
	<u>(4,222)</u>	<u>(4,222)</u>
Under/(Over) provision in previous years	-	-
	<u><u>(4,222)</u></u>	<u><u>(4,222)</u></u>

The difference between the effective tax rate and the statutory tax rate of the Group for the current reporting quarter ended 31 March 2009 is primarily due to lower tax rate of an overseas subsidiary company, some income of the subsidiaries are not taxable, coupled with the utilisation of unabsorbed losses and tax incentives to offset against statutory income of subsidiary company.

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

There was no sale of unquoted investments or properties for the current reporting quarter.

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NOTES TO QUARTERLY FINANCIAL STATEMENTS**7. Purchase or Disposal of Quoted Securities****(a) Purchase or disposal**

There was no purchase or disposal of quoted securities for the current reporting quarter.

(b) Investments in quoted securities as at 31 March 2009

	RM'000
(i) Total investments at cost	919
(ii) Total investments at carrying value/book value	487
(iii) Total investments at market value at 31 March 2009	487

8. Corporate Proposals**100MW Coal-fired Power Project in Cambodia**

The development works on the project are still ongoing.

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

9. Group Borrowings and Debt Securities

Group borrowings and debt securities as at 31 March 2009

	RM'000
(a) Secured	9,011
Unsecured	367,627
Total	376,638
(b) Short term	264,580
Long term	112,058
Total	376,638
(c) Ringgit Malaysia	330,695
Foreign currency (USD12,500,000)	45,943
Total	376,638

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NOTES TO QUARTERLY FINANCIAL STATEMENTS

10. Off Balance Sheet Financial Instruments

Forward Foreign Exchange Contracts

As at 22 May 2009, the Group has the following forward foreign exchange contracts:

Currency	Contract Amount RM'000	Expiry Dates
U.S. Dollar	478	26.05.09
Singapore Dollar	1,778	30.06.09 to 31.12.09
EURO	3,015	17.08.09 to 19.08.09

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

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 issuance of this quarterly report.

12. Earnings Per Share

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
	RM'000	RM'000	RM'000	RM'000
<u>Basic earnings per share</u>				
Profit attributable to equity holders of the parent	12,258	15,511	12,258	15,511
Number of ordinary shares ('000)	436,459	436,459	436,459	436,459
Basic earnings per share (sen)	<u>2.81</u>	<u>3.55</u>	<u>2.81</u>	<u>3.55</u>

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

29/05/2009