

UAC BERHAD (5149-H)

Interim report for the three months ended 30 September 2009

Condensed Consolidated Income Statements

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/9/09 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/9/08 RM'000	CURRENT YEAR TO DATE 30/9/09 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/9/08 RM'000
Revenue	41,505	49,977	132,446	150,493
Operating Expenses	(42,165)	(47,062)	(126,174)	(140,047)
Other Operating Income	4,736	1,936	9,056	4,836
Profit from Operations	4,076	4,851	15,328	15,282
Finance costs	-	-	-	-
Profit before taxation	4,076	4,851	15,328	15,282
Taxation	(374)	(573)	(2,292)	(2,790)
Profit for the period	3,702	4,278	13,036	12,492
EPS				
- Basic (sen)	4.98	5.75	17.52	16.79

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

UAC BERHAD (5149-H)

Interim report for the three months ended 30 September 2009

CONSOLIDATED BALANCE SHEET

(The figures have not been audited)

	(UNAUDITED) AS AT END OF CURRENT QUARTER 30/09/2009 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 RM'000
ASSETS		
Non-current assets		
Property , Plant & Equipment	63,782	61,409
Prepaid Lease Payments	10,123	10,246
Investment Properties	57,881	59,056
Other Investments	15,393	25,011
	<u>147,179</u>	<u>155,722</u>
Current assets		
Inventories	26,584	35,225
Trade & Other Receivables	36,718	43,670
Advance Due From Holding Company	90,000	90,000
Cash & Cash Equivalents	56,017	17,828
	<u>209,319</u>	<u>186,723</u>
TOTAL ASSETS	<u>356,498</u>	<u>342,445</u>
EQUITY AND LIABILITIES		
Shareholders' Equity		
Share Capital	74,408	74,408
Reserves	228,451	227,693
Total Equity	<u>302,859</u>	<u>302,101</u>
Non-current liabilities		
Provision	6,370	5,968
Deferred Taxation	9,277	8,670
	<u>15,647</u>	<u>14,638</u>
Current liabilities		
Trade & Other Payables	31,284	25,685
Dividend Payable	6,695	-
Taxation	13	21
	<u>37,992</u>	<u>25,706</u>
Total Liabilities	<u>53,639</u>	<u>40,344</u>
TOTAL EQUITY AND LIABILITIES	<u>356,498</u>	<u>342,445</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>4.07</u>	<u>4.06</u>

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

UAC BERHAD (5149-H)

Interim report for the three months ended 30 September 2009

Condensed Consolidated Statement of Changes in Equity

(The figures have not been audited)

	← Attributable to equity holders of the Company →				Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	
9 months ended 30 September 2009					
Balance as at 1 January 2009	74,408	13,917	3,983	209,793	302,101
Net profit for the 9-month period	-	-	-	13,036	13,036
Final dividend for the year ended 31 December 2008	-	-	-	(5,581)	(5,581)
Interim dividend for the year ended 31 December 2009	-	-	-	(6,697)	(6,697)
Balance as at 30 September 2009	74,408	13,917	3,983	210,551	302,859
9 months ended 30 September 2008					
Balance as at 1 January 2008	74,408	13,917	4,429	212,925	305,679
Net profit for the 9-month period	-	-	-	12,492	12,492
Final dividend for the year ended 31 December 2007	-	-	-	(9,911)	(9,911)
Interim dividend for the year ended 31 December 2008	-	-	-	(6,607)	(6,607)
Balance as at 30 September 2008	74,408	13,917	4,429	208,899	301,653

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

UAC BERHAD (5149-H)

Interim report for the three months ended 30 September 2009

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	(UNAUDITED) 9 months ended 30 September 2009 RM'000	(UNAUDITED) 9 months ended 30 September 2008 RM'000
Net profit before tax	15,328	15,282
Adjustment for non-cash flow:-		
Non-cash items	5,664	5,512
Non-operating items	(5,678)	(4,644)
Operating profit before changes in working capital	15,314	16,150
Changes in working capital		
Net change in current assets	6,384	(8,960)
Net change in current liabilities	6,001	7,147
Cash from operations	27,699	14,337
Tax paid	(2,100)	(3,535)
Net cash from operating activities	25,599	10,802
Investing activities		
- Equity investments	11,167	(7,871)
- Other investments	7,006	(11,894)
Net cash from / (used) in investing activities	18,173	(19,765)
Financing activities		
- Transactions with owners as owners	(5,583)	(9,913)
- Advance to holding company	0	(75,000)
Net cash used in financing activities	(5,583)	(84,913)
Net increase / (decrease) in cash & cash equivalents	38,189	(93,876)
Cash & cash equivalents at beginning of period	17,828	119,910
Cash & cash equivalents at end of period	56,017	26,034

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

UAC BERHAD (5149-H)

Interim report for the three months ended 30 September 2009

Notes to the Financial Information**A1) Basis of preparation**

This unaudited interim report is prepared in accordance with FRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim report 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.

The significant accounting policies and methods of computation applied in the interim report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008.

A2) Audit report

The audit report of the Company's preceding annual financial statements for the year ended 31 December 2008 was not qualified.

A3) Seasonal or cyclical factors

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

A4) Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A5) Changes in estimates of amount reported

There were no changes in estimates of amounts reported in prior interim quarters of the current financial year and no changes in estimates of amounts reported in prior financial years which have a material impact on the current quarter.

A6) Debt and equity securities

There were no cancellations, purchases or resale and repayment of debt and equity securities during the current financial year-to-date.

A7) Dividends paid

A final dividend of 10 sen per share less tax at 25% on paid-up capital of 74,408,000 ordinary shares of RM1.00 each, amounting to RM5,580,598.68 in respect of the financial year ended 31 December 2008, was paid on 30 April 2009.

A8) Segmental reporting

The Group is organised into two main business segments:

- Building & Construction Products - relates to the manufacture and sale of fibre cement boards, polyethylene pipes and fittings and steel root trusses.
- Others - comprises property holding.

Inter segment sales comprise rental charge to the building and construction products segment.

	Building & Construction Products RM'000	Others RM'000	Group RM'000
9 months ended 30 September 2009			
Revenue			
Total sales	128,655	3,971	132,626
Inter segment sales	0	(180)	(180)
External sales	<u>128,655</u>	<u>3,791</u>	<u>132,446</u>
Segment result	9,271	1,093	10,364
Unallocated income			6,314
Unallocated expense			<u>(1,350)</u>
Profit from operations			15,328
Finance cost			0
Profit before tax			<u>15,328</u>
Taxation			<u>(2,292)</u>
Profit for the period			<u>13,036</u>
9 months ended 30 September 2008			
Revenue			
Total sales	149,323	1,350	150,673
Inter segment sales	0	(180)	(180)
External sales	<u>149,323</u>	<u>1,170</u>	<u>150,493</u>
Segment result	11,363	(725)	10,638
Unallocated income			4,644
Profit from operations			<u>15,282</u>
Finance cost			0
Profit before tax			15,282
Taxation			<u>(2,790)</u>
Profit for the period			<u>12,492</u>

A9) Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward, without any amendments from the previous annual financial statements.

A10) Material events subsequent to the end of the current quarter

There are no material events subsequent to the end of the current quarter that have not

been reflected in the financial statements as at the date of this announcement.

A11) Changes in composition of the Group

There were no changes in the composition of the Group for the current financial year-to-date.

A12) Changes in contingent liabilities or assets

There are no contingent liabilities or contingent assets at the last annual balance sheet date or at the end of the current quarter.

A13) Capital commitments

Approved capital expenditure not provided for in the financial statements as at 30 September 2009 is as follows:

	RM ' 000
Property, plant and equipment	
- contracted	5,278
- not contracted	5,894
	<u>11,172</u>

B1) Review of performance

Sales revenue for the 3rd Quarter 2009 at RM41.5 million was 17.0% lower than that of the equivalent quarter last year. Profit before tax at RM4.1 million was a decrease of 16% compared with that of the equivalent quarter in 2008.

The lower sales was mainly due to drop in demand for building products owing to slowdown of construction activities during the holidays season in September. Competition from importers of similar products had resulted in lower selling prices, thus affecting margins.

The weaker performance in the quarter was mitigated by significant increases in other operating income such as gains on disposal of equity shares and insurance claims received.

The lower profit in the third quarter has slightly eroded profits achieved in the first half of 2009. Profit before tax for the nine months ended 30 September 2009 at RM15.3 million was close to that of the equivalent period last year.

B2) Material changes in profit before tax for the current quarter compared with the preceding quarter

Profit before tax at RM4.1 million was 43.7% lower than that of the preceding quarter. This was mainly due to lower sales demand and lower selling prices but was mitigated by recovery of an insurance claim.

B3) Prospects for the current financial year

The fourth quarter's performance is expected to be encouraging and profits for the current financial year is anticipated to exceed that of 2008.

B4) Variance of actual profit from forecast profit

Not applicable

B5) Tax

	Individual Quarter 3 months ended		Cumulative Period 9 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
In respect of current period:				
- income tax	770	850	1,684	2,185
- deferred tax	(396)	(277)	608	605
	<u>374</u>	<u>573</u>	<u>2,292</u>	<u>2,790</u>

The effective rate of taxation of the Group for the current quarter and financial year-to-date is lower than the statutory tax rate due to the availability of reinvestment allowance.

B6) Sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

B7) Quoted securities**(a) Purchases and disposals**

	Individual Quarter 3 months ended 30.09.2009 RM'000	Cumulative Period 9 months ended 30.09.2009 RM'000
Total purchase consideration	1,758	2,978
Total sale proceeds	4,993	13,748
Total profit on disposal	1,469	2,503

(b) Investment as at 30 September 2009

	RM'000
At cost	20,290
At carrying value/book value	15,393
At market price	20,241

B8) Status of corporate proposals

There are no outstanding proposals as at the date of this announcement.

B9) Group borrowings and debt securities

There were no group borrowings and debt securities as at 30 September 2009.

B10) Off balance sheet financial instruments

The Group does not have any off balance sheet financial instruments as at the date of this announcement.

B11) Changes in material litigation

The Group is not engaged in any material litigation as at the date of this announcement.

B12) Dividends Payable

- i) The Directors have declared a 1st Interim Dividend of 12 sen per share less 25% tax (2008 : 12 sen less 26% tax) in respect of the year ended 31 December 2009. The dividend was paid on 21 October 2009.
- ii) The Directors have declared a 2nd Interim Dividend of 6 sen per share less 25% tax (2008 - *nil*) in respect of the year ended 31 December 2009. There is a variation in the distribution pattern for a 2nd Interim Dividend as the Directors are of the opinion that it is in the best interest of shareholders to receive their dividends earlier. This dividend will be paid on 22 December 2009 to shareholders whose names appear on the Record of Depositors at the close of business on 30 November 2009.

B13) Earnings per share

	Individual Quarter		Cumulative Period	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Basic earnings per share				
Profit for the period attributable to equity holders of the Company (RM'000)	3,702	4,278	13,036	12,492
Weighted average number of ordinary shares in issue ('000)	74,408	74,408	74,408	74,408
Basic earnings per share (sen)	4.98	5.75	17.52	16.79

14) Economic Loss

The Economic Loss for the nine months ended 30 September 2009 was RM1.21 million compared with the Economic Loss of RM1.27 million for the equivalent nine months of 2008.

By Order of the Board
UAC BERHAD

Sharifah Malek
Company Secretary
LS No. 00448

Petaling Jaya