

EDARAN OTOMOBIL NASIONAL BERHAD

(119767 - X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2009

The Board of Directors is pleased to announce the unaudited financial results of the Group for the financial period ended 30 September 2009.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	Current Quarter		Year to Date	
		3 months ended		6 months ended	
		30/9/2009	30/9/2008	30/9/2009	30/9/2008
		Unaudited	Unaudited	Unaudited	Unaudited
		RM'000	RM'000	RM'000	RM'000
Revenue		463,026	721,948	1,090,796	1,384,254
Cost of sales and operating expenses		(454,737)	(712,569)	(1,074,155)	(1,367,685)
Other income		2,051	1,913	3,390	5,738
Profit from operations		10,340	11,292	20,031	22,307
Finance cost		(64)	(2)	(216)	(2)
Share of results of jointly controlled entities		6,010	9,258	9,493	15,874
Share of results of associates		748	584	532	1,127
Profit before tax		17,034	21,132	29,840	39,306
Tax	19	(2,885)	(5,332)	(5,508)	(8,083)
Profit after tax		14,149	15,800	24,332	31,223
Profit attributable to equity holders		14,149	15,800	24,332	31,223
		sen	sen	sen	sen
Earnings per share:	27				
- Basic	(a)	5.68	6.35	9.77	12.54
- Diluted	(b)	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Group's annual financial report for the financial year ended 31 March 2009.

EDARAN OTOMOBIL NASIONAL BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited As At 30/9/2009 RM'000	Audited As At 31/3/2009 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	171,216	174,192
Investment properties	18,530	18,530
Prepaid lease	10,738	10,881
Investments	4,389	4,389
Jointly controlled entities	99,404	102,251
Associates	42,054	41,047
Deferred tax assets	4,367	5,400
	350,698	356,690
CURRENT ASSETS		
Inventories	187,182	224,375
Receivables	113,457	112,779
Amounts due from holding companies	569	5
Amounts due from jointly controlled entities/ an associate	1,138	2,160
Amounts due from other related companies	3,716	2,038
Tax recoverable	250	197
Cash and bank balances and deposits with financial institutions	105,846	119,899
	412,158	461,453
CURRENT LIABILITIES		
Payables	89,557	137,269
Amounts due to jointly controlled entities/ an associate	10,723	24,216
Amounts due to other related companies	496	504
Taxation	5,129	778
Provisions for liabilities and charges	2,798	2,858
Borrowings	-	20,000
	108,703	185,625
NET CURRENT ASSETS	303,455	275,828
NON-CURRENT LIABILITIES		
Deferred tax liabilities	5,998	6,102
Provision for retirement benefits	8,479	7,996
Long-term lease payables	1,168	986
	15,645	15,084
	638,508	617,434
SHARE CAPITAL	248,993	248,993
RESERVES	389,515	368,441
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS	638,508	617,434
	RM	RM
Net assets per share attributable to equity holders	2.56	2.48

The Condensed Consolidated Balance Sheet should be read in conjunction with the Group's annual financial report for the financial year ended 31 March 2009.

EDARAN OTOMOBIL NASIONAL BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Note</u>	<u>Non-distributable</u>			<u>Distributable</u>		<u>Total</u> RM'000
		<u>Share Capital</u> RM'000	<u>Share Premium</u> RM'000	<u>Currency Translation Reserves</u> RM'000	<u>Revaluation Reserves</u> RM'000	<u>Retained Earnings</u> RM '000	
(Unaudited)							
At 1 April 2009		248,993	8,367	3,251	1,380	355,443	617,434
Movements in equity during the period							-
Share of associates' reserves		-	-	477	-	-	477
Net profit not recognised in income statement		-	-	477	-	-	477
Net profit attributable to equity holders						24,332	24,332
Total income and expenses for the period		-	-	477	-	24,332	24,809
Dividends						(3,735)	(3,735)
At 30 September 2009		248,993	8,367	3,728	1,380	376,040	638,508
(Unaudited)							
At 1 April 2008		248,993	8,367	2,460	1,380	618,571	879,771
Movements in equity during the period							
Share of associates' reserves		-	-	1,172	-	-	1,172
Net losses not recognised in income statement		-	-	1,172	-	-	1,172
Net profit attributable to equity holders						31,223	31,223
Total income and expenses for the period		-	-	1,172	-	31,223	32,395
Dividends		-	-	-	-	(273,867)	(273,867)
At 30 September 2008		248,993	8,367	2,460	1,380	375,927	638,299

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's annual financial report for the financial year ended 31 March 2009.

EDARAN OTOMOBIL NASIONAL BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited 6 months ended 30/9/2009 RM'000	Unaudited 6 months ended 30/9/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit attributable to equity holders	24,332	31,223
Adjustments for investing and financing items and non-cash items:		
Tax	5,508	8,083
Share of results of jointly controlled entities	(9,493)	(15,874)
Share of results of associates	(532)	(1,127)
Depreciation	5,478	6,493
Other investing and financing items and non-cash items	1,083	(1,849)
Operating profit before working capital changes	26,376	26,949
Net changes in working capital	(27,784)	(42,466)
Cash generated from/(used in) operations	(1,408)	(15,517)
Add/(Less) :		
Interest received	1,290	4,783
Interest paid	(216)	(2)
Income tax paid, net of refund	(282)	1,278
Net cash flow from/(used in) operating activities	<u>(616)</u>	<u>(9,458)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Dividends received	12,248	24,076
Proceeds from sale of property, plant and equipment	353	265
Proceeds from sale of associate company		516
Additional investment in associate company	-	(7,733)
Purchase of property, plant and equipment	(2,640)	(2,616)
Net cash flow from investing activities	<u>9,961</u>	<u>14,508</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(20,000)	-
Proceeds from/(payment of) finance lease	337	(309)
Payment of cash dividends	(3,735)	(273,867)
Net cash flow used in financing activities	<u>(23,398)</u>	<u>(274,176)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(14,053)	(269,126)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	119,899	383,519
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>105,846</u>	<u>114,393</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's annual financial report for the financial year ended 31 March 2009.

EDARAN OTOMOBIL NASIONAL BERHAD
EXPLANATORY NOTES TO THE FINANCIAL REPORT

Disclosure requirements pursuant to Financial Reporting Standard 134 (formerly known as Malaysian Accounting Standard Board 26)

1. Basis of preparation

The interim financial report is prepared in accordance with the Financial Reporting Standard (FRS) 134 on Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Listing Requirements, and should be read in conjunction with the Group's annual financial statements for the financial year ended 31 March 2009.

2. Changes in accounting policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31 March 2009.

3. Audit report of the preceding annual financial statements

The audit report of the Group's preceding audited annual financial statements did not contain any qualification.

4. Seasonality or cyclicity of operations

The business operations of the Group were not materially affected by seasonal or cyclical fluctuations.

5. Items of unusual nature, size or incidence

There was no item of unusual nature, size or incidence affecting assets, liabilities, equity, net income or cash flows of the current interim financial reporting period.

6. Changes in estimates

There was no material change in estimates of amounts reported in prior financial years that has a material effect on the financial statements of the current interim financial reporting period.

7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities and, no share buy-backs, shares held as treasury shares and resale of treasury shares during the current interim financial reporting period.

8. Dividends paid

Dividends paid by the Company during the current financial reporting period was as follows:

	Gross per share	Dividend, net of tax
	Sen	RM'000
- Final dividend of 2 sen per share less tax at 25% in respect of the financial year ended 31 March 2009, paid on 15 September 2009.	2.0	3,735

9. Segmental reporting

The Group's activities are focused on the motor sector.

10. Property, plant and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited annual financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

11. Subsequent events

There has not arisen any event subsequent to the end of the financial period that has not been reflected in the financial statements for the current interim financial reporting period.

12. Changes in the composition of the group

There was no change in the composition of the Group during the current interim financial reporting period.

13. Changes in contingent assets or contingent liabilities

There was no material change in contingent assets or contingent liabilities since the last balance sheet date as at 31 March 2009.

14. Capital commitments

There was no material capital commitment as at the end of the current interim financial reporting period.

Additional disclosure requirements pursuant to paragraph 9.22 of the Bursa Malaysia Listing Requirements

15. Review of performance

Total Industry Volume (TIV) for the 9 months ended 30 Sept 2009 was lower at 397,627 units (YTD 30 Sept 2008: 429,913 units). The TIV for passenger vehicle segment also registered lower at 361,464 units, a decrease of 7.9% from 392,393 units recorded in year 2008. However, Proton's market share in the passenger vehicle segment increased from 28.5% to 30.5%. EON's market share was relatively lower at 8.3% (YTD 30 Sept 2008: 9.4%).

The Group's revenue of RM463.0 million for the second quarter ended 30 Sept 2009 was lower than the corresponding quarter in 2008 of RM721.9 million by RM258.9 million. This was mainly due to lower Proton and Mitsubishi vehicle sales.

Accordingly, the Group recorded a lower profit before tax of RM17.0 million as compared to RM21.1 million in the corresponding quarter of 2008.

The Group's revenue of RM1,090.8 million for the 6 months ended 30 Sept 2009 was lower than the revenue of RM1,384.3 million registered in the 6 months ended 30 Sept 2008. The decline in revenue was mainly due to lower Proton and Mitsubishi vehicles sales.

Accordingly, the Group recorded a lower profit before tax of RM29.8 million for the current financial period ended 30 Sept 2009 (YTD Sept 2008: RM39.3 million) mainly attributable to lower earnings from Proton and Mitsubishi business.

16. Profit before tax for the current quarter compared to the immediate preceding quarter

The Group reported a higher profit before tax of RM17.0 million for the current quarter as compared to the immediate preceding quarter's profit before tax of RM12.8 million. This was mainly attributed to higher earnings from Proton and Mitsubishi business.

17. Prospects

The continuing upward trend in the vehicle sales since the beginning of this year augurs well for the motor industry. Consumers' sentiments are expected to improve gradually as reflected in the increase in new orders for vehicles. Though financial institutions continued to be cautious and stringent in providing hire purchase loans, demand for vehicles is expected to increase for the second half of the financial year in view of the positive signs of recovery in the Malaysian economy.

Despite the improved sentiment, the Group will continue to initiate appropriate measures to mitigate the impact on any uncertainty in the economic conditions. The Group will further intensify its efforts to reorganize its network and manpower with the objective of sustaining the Group's profitability.

The Board expects the Group's results to remain positive for the financial year ending 31 March 2010.

18. Profit forecast / profit guarantee

The Group neither made any profit forecast nor issued any profit guarantee for the current financial year in a public document.

19. Tax

Tax comprises the following:
 Current tax expense / (credit)
 Deferred tax
 Tax expense

Current Quarter		Year to Date	
3 months ended		6 months ended	
30/9/2009	30/9/2008	30/9/2009	30/9/08
RM'000	RM'000	RM'000	RM'000
1,644	912	4,578	4,266
1,241	4,420	930	3,817
2,885	5,332	5,508	8,083

The effective tax rate for the current interim financial reporting period was lower than the statutory tax rate mainly attributable to availability of unabsorbed tax losses.

20. Sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties for the current interim financial reporting period.

21. Purchase or disposal of quoted securities

(a) There was no purchase or disposal of quoted securities for the current interim financial reporting period.

As at
30/9/2009
RM'000

(b) Total investments in quoted securities are as follows:

(i) At cost	338
(ii) At carrying value / book value	521
(iii) At market value	1,395

22. Status of corporate proposals

Extension of time to comply with the public shareholding spread requirement pursuant to Paragraph 8.15(1) of the Listing Requirements

Bursa Malaysia Securities Berhad has via its letter dated 29 June 2009 granted EON a further extension of time of six (6) months until 29 December 2009 to comply with the public shareholding spread requirement pursuant to the Paragraph 8.15(1) of the Listing Requirements.

23. Group borrowings and debt securities

The Group does not have any borrowings or debt securities as at the end of the current interim financial reporting period.

24. Off balance sheet financial instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than the functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions. Foreign currency transactions that are hedged by forward foreign exchange contracts are accounted for at their contracted rates.

As at 17 November 2009, the Group had entered into the following outstanding foreign currency contracts:

	Contract amount		Expiry Dates
	Foreign currency ('000)	Ringgit equivalent (RM '000)	
Euro	1,925	9,706	7/12/2009 - 31/12/2009

25. Material litigation

As at the date of this report, the Group does not have any material litigation which would have a material adverse effect on the financial position of the Group.

26. Dividends

No interim dividend is recommended for the current interim financial reporting period (30 September 2008: Nil)

27. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders by the number of ordinary shares in issue.

		Current Quarter		Year to Date	
		3 months ended		6 months ended	
		30/9/2009	30/9/2008	30/9/2009	30/9/2008
Profit attributable to equity holders	(RM'000)	14,149	15,800	24,332	31,223
Number of ordinary shares in issue		248,992,823	248,992,823	248,992,823	248,992,823
Basic earnings per share	(sen)	5.68	6.35	9.77	12.54

(b) Diluted earnings per share

Diluted earnings per share is not calculated as the Company does not have any dilutive potential ordinary shares to be issued as at end of the current interim financial reporting period.

BY ORDER OF THE BOARD
NORZALILI MOHD YUSOF
CAROL CHAN CHOY LIN
Company Secretaries

Shah Alam, 24 November 2009