

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE FINANCIAL QUARTER ENDED 29 FEBRUARY 2008  
THE FIGURES HAVE NOT BEEN AUDITED**

	Individual Quarter		Cumulative Quarter	
	29.02.2008 RM'000	28.02.2007 RM'000	29.02.2008 RM'000	28.02.2007 RM'000
Revenue	375,218	391,015	1,285,371	1,010,620
Cost of Sales	<u>(343,301)</u>	<u>(363,342)</u>	<u>(1,159,124)</u>	<u>(927,454)</u>
Gross Profit	31,917	27,673	126,247	83,166
Other income	418	2,019	4,831	8,978
Selling and distribution expenses	(11,168)	(13,927)	(42,922)	(31,012)
Administrative expenses	(8,906)	(5,359)	(34,251)	(12,588)
Other expenses	(3,807)	(138)	(5,513)	(816)
Finance cost	(2,270)	(3,193)	(7,292)	(7,089)
Share of results of associates	<u>(95)</u>	<u>26</u>	<u>278</u>	<u>189</u>
Profit before taxation	6,089	7,101	41,378	40,828
Taxation	<u>(1,941)</u>	<u>(697)</u>	<u>(10,467)</u>	<u>(8,845)</u>
Profit after taxation	<u>4,148</u>	<u>6,404</u>	<u>30,911</u>	<u>31,983</u>
Attributable to:				
Equity holders of the parent	4,129	6,551	30,759	32,322
Minority interest	<u>19</u>	<u>(147)</u>	<u>152</u>	<u>(339)</u>
	<u>4,148</u>	<u>6,404</u>	<u>30,911</u>	<u>31,983</u>
Earnings per share (sen)				
- basic	2.17	3.37	15.94	17.70
- diluted	N/A	N/A	N/A	N/A

**(The Condensed Consolidated Income Statement should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2007)**

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED BALANCE SHEET**

As at 29 February 2008

	<b>As at 29.02.2008 RM'000 (Unaudited)</b>	<b>As at 31.05.2007 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	59,977	58,240
Prepaid lease payments	18,916	19,121
Development expenditure	474	685
Goodwill arising on consolidation	87,634	91,330
Investments		
Quoted company	3,809	3,809
Unquoted associates	970	693
Unquoted company	3,580	3,580
Deferred tax assets	1,395	1,329
	<u>176,755</u>	<u>178,787</u>
<b>Current assets</b>		
Inventories	96,477	113,865
Trade debtors	212,742	249,030
Other debtors, deposits and prepayments	8,443	3,589
Marketable securities	1,138	1,330
Tax recoverable	5,695	4,800
Amount owing by related companies	309	232
Short-term deposits	25,730	19,420
Cash and bank balances	29,462	36,119
	<u>379,996</u>	<u>428,385</u>
<b>TOTAL ASSETS</b>	<u><b>556,751</b></u>	<u><b>607,172</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	194,338	194,338
Reserves	(15,250)	(9,613)
Retained profits	46,092	18,880
Less: Treasury shares, at cost	(6,739)	-
	<u>218,441</u>	<u>203,605</u>
<b>Minority interests</b>	4,749	4,691
<b>Total equity</b>	<u>223,190</u>	<u>208,296</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	3,862	4,683
Long term borrowings	47,952	57,652
Provision for retirement benefits	4,771	4,561
	<u>56,585</u>	<u>66,896</u>
<b>Current liabilities</b>		
Trade creditors	76,899	162,413
Other creditors and accrued expenses	17,703	17,663
Amount owing to related companies	5,557	3,785
Short-term borrowings	170,788	146,299
Provision for taxation	6,029	1,820
	<u>276,976</u>	<u>331,980</u>
<b>Total liabilities</b>	<u>333,561</u>	<u>398,876</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>556,751</b></u>	<u><b>607,172</b></u>
Net Assets per share attributable to equity holders of the parents (RM)	1.15	1.05

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2007)

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the financial period ended 29 February 2008

<----- Attributable to equity holders of the parent ----->

	Share capital RM'000	Share premium RM'000	Translation reserve RM'000	Retained profits/ Accumulated losses) RM'000	Treasury shares RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
<b>9 months quarter ended 29 February 2008</b>								
Balance as at 01 June 2007	194,338	805	(10,418)	18,880	-	203,605	4,691	208,296
Repurchase of shares	-	-	-	-	(6,739)	(6,739)	-	(6,739)
	<u>194,338</u>	<u>805</u>	<u>(10,418)</u>	<u>18,880</u>	<u>(6,739)</u>	<u>196,866</u>	<u>4,691</u>	<u>201,557</u>
Currency translation differences representing net expense recognised directly in equity	-	-	(5,637)	-	-	(5,637)	(94)	(5,731)
Net profit for the period	-	-	-	30,759	-	30,759	152	30,911
Total recognised income and expense for the period	-	-	(5,637)	30,759	-	25,122	58	25,180
Dividends - 2nd interim dividend declared for the financial year ended 31 May 2007 (2.5% less 27% Malaysian income tax)	-	-	-	(3,547)	-	(3,547)	-	(3,547)
	-	-	-	(3,547)	-	(3,547)	-	(3,547)
Balance as at 29 February 2008	<u>194,338</u>	<u>805</u>	<u>(16,055)</u>	<u>46,092</u>	<u>(6,739)</u>	<u>218,441</u>	<u>4,749</u>	<u>223,190</u>
<b>9 months quarter ended 28 February 2007</b>								
Balance as at 01 June 2006	176,671	809	(2,630)	(11,034)	-	163,816	5,318	169,134
Issue of ordinary shares - private placement	17,667	177	-	-	-	17,844	-	17,844
Dilution of interest in a subsidiary	-	-	-	-	-	-	(483)	(483)
	<u>194,338</u>	<u>986</u>	<u>(2,630)</u>	<u>(11,034)</u>	<u>-</u>	<u>181,660</u>	<u>4,835</u>	<u>186,495</u>
Currency translation differences	-	-	(1,576)	-	-	(1,576)	(43)	(1,619)
Share issue expenses	-	(181)	-	-	-	(181)	-	(181)
Net expense recognised directly in equity	-	(181)	(1,576)	-	-	(1,757)	(43)	(1,800)
Net profit for the period	-	-	-	32,322	-	32,322	(339)	31,983
Total recognised income and expense for the period	-	(181)	(1,576)	32,322	-	30,565	(382)	30,183
Dividends - Final dividend paid for the financial year ended 31 May 2006 (4.0% less 28% Malaysian income tax)	-	-	-	(5,088)	-	(5,088)	-	(5,088)
- Interim dividend declared for the financial year ended 31 May 2007 (3.0% less 27% Malaysian income tax)	-	-	-	(4,256)	-	(4,256)	-	(4,256)
	-	(181)	(1,576)	22,978	-	21,221	(382)	20,839
Balance as at 28 February 2007	<u>194,338</u>	<u>805</u>	<u>(4,206)</u>	<u>11,944</u>	<u>-</u>	<u>202,881</u>	<u>4,453</u>	<u>207,334</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2007)**

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)

(Company No : 9378-T)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the period ended 29 February 2008

	<b>FY 2008</b>	<b>FY 2007</b>
	<b>9 months ended 29.02.2008 RM'000 (Unaudited)</b>	<b>9 months ended 28.02.2007 RM'000 (Unaudited)</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	41,378	40,828
Adjustments for non-cash items	12,105	(3,641)
Operating profit before working capital changes	53,483	37,187
Changes in working capital	(48,469)	(48,001)
<b>Net Cash Generated From/(Used In) Operating Activities</b>	<b>5,014</b>	<b>(10,814)</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from issuance of ordinary shares pursuant to private placement	-	17,844
Net cash flows on acquisition of subsidiary	-	(71,302)
Other investments	(3,953)	(547)
<b>Net Cash Used In Investing Activities</b>	<b>(3,953)</b>	<b>(54,005)</b>
<b>Cash Flows From Financing Activities</b>		
Dividends paid to shareholders of the Company	(3,547)	(5,088)
Term loans and advances	15,323	100,994
Purchase of Company's own shares	(6,739)	-
Interest paid	(7,291)	(7,089)
<b>Net Cash (Used In)/Generated From Financing Activities</b>	<b>(2,254)</b>	<b>88,817</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(1,193)</b>	<b>23,998</b>
<b>Effects of Exchange Rate Changes</b>	<b>(2,203)</b>	<b>(1,750)</b>
<b>Cash and Cash Equivalents at beginning of year</b>	<b>55,514</b>	<b>33,588</b>
<b>Effects of Exchange Rate Changes</b>	<b>1,399</b>	<b>21</b>
	<b>56,913</b>	<b>33,609</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>53,517</b>	<b>55,857</b>
<b>The Cash and Cash Equivalents comprise:</b>		
Cash and bank balances	29,462	30,077
Short-term deposits	25,730	25,780
Bank overdrafts	(1,675)	-
	<b>53,517</b>	<b>55,857</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Company's Annual Financial Statements for the year ended 31 May 2007)

**NYLEX (MALAYSIA) BERHAD**

(Incorporated in Malaysia)  
(Company No.: 9378-T)

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

(For the Financial Quarter Ended 29 February 2008)

**A1. Basis of Preparation**

This Interim Financial Report ("Report") is unaudited and has been prepared in compliance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

This Report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 May 2007.

The significant accounting policies and methods of computation adopted by the Group in this Report are consistent with those adopted in the most recent Audited Financial Statements for the year ended 31 May 2007 except for the adoption of the following new/revised FRSs effective for financial year beginning 1 June 2007:-

FRS 117	Leases
FRS 124	Related Party Disclosures

The adoption of the above FRSs does not have significant financial impact on the Group except for the following: -

**FRS 117: Leases**

Prior to 1 June 2007, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The upfront payments made for the leasehold land represents prepaid lease payments and are amortized on a straight-line basis over the lease term.

The Group has applied the change in accounting policy relating to the leasehold land in accordance with the transitional provisions of FRS 117. At 1 June 2007, the unamortized amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments. The reclassification of the leasehold land as prepaid lease payments has been accounted for retrospectively and certain comparative amounts as at 31 May 2007 have been restated as follows:-

	Previously stated RM'000	Adjustments FRS 117 RM'000	Restated RM'000
<b>At 31 May 2007</b>			
Property, plant and equipment	77,361	(19,121)	58,240
Prepaid lease payments	-	19,121	19,121

**A2. Qualification of Auditors' Report of Preceding Financial Statements**

There was no audit qualification in the auditors' report of the Group's Audited Financial Statements for the financial year ended 31 May 2007.

**A3. Seasonality or Cyclicity of Interim Operations**

The operations of the Group were not significantly affected by seasonality and cyclicity factors.

**A4. Items of Unusual Nature and Amount**

There were no items affecting the assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size or incidence.

**A5. Changes in Estimates Reported in Prior Interim Periods**

There were no changes in estimated amounts reported in prior periods, which have a material effect on the current period.

**A6. Debts and Equity Securities**

There were no issuance, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date, except for the following:

Treasury shares:

On 31 October 2007, the shareholders of the Company approved the proposal for the Company to repurchase its own ordinary shares. During the current quarter and financial year-to-date, the Company purchased 2,313,400 and 4,359,700, respectively, of ordinary shares RM1.00 each in the Company pursuant to Section 67A of the Companies Act, 1965, details of which are as follows:

Date	No. of Shares	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration (RM)
November 2007	2,046,300	1.5600	1.4300	1.5164	3,114,461
December 2007	2,313,400	1.6400	1.4900	1.5608	3,624,014
	<u>4,359,700</u>				<u>6,738,475</u>

*Notes: The consideration is inclusive of brokerage, contract stamp and clearing fees.*

As at 29 February 2008, a total of 4,359,700 treasury shares at a total cost of RM6.74 million were held by the Company pursuant to Section 67A (3A) (b) of the Companies Act, 1965.

**A7. Dividend Paid**

Dividend paid for the current financial year-to-date is as follows: -

Second interim dividend for the financial year ended 31 May 2007 was paid on 10 September 2007:

2.5% or 2.5 sen per share less 27% Malaysian income tax	<b>RM'000</b>
	<u>3,547</u>

**A8. Segment Revenue and Results**

The segment revenue and segment results for business segments for the current financial year-to-date are as follows: -

<b>9-Month period ended 29.02.2008</b>	<b>Polymer RM'000</b>	<b>Industrial Chemical RM'000</b>	<b>Building Products RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	98,152	1,180,494	6,725	-	1,285,371
Inter-segment sales	11	515	-	(526)	-
<b>Total revenue</b>	<b>98,163</b>	<b>1,181,009</b>	<b>6,725</b>	<b>(526)</b>	<b>1,285,371</b>
<b>Results</b>					
Segment result	2,765	54,061	322	-	57,148
Goodwill amortisation					-
Unallocated corporate expenses (Note A)					(10,158)
Operating profit					46,990
Interest expense					(7,292)
Interest income					1,402
Share of results of associates					278
Profit before taxation					41,378
Taxation					(10,467)
Profit after taxation					30,911

<b>9-Month period ended 28.02.2007</b>	<b>Polymer RM'000</b>	<b>Industrial Chemical RM'000</b>	<b>Building Products RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
External sales	91,329	912,232	7,059	-	1,010,620
Inter-segment sales	2	527	-	(529)	-
<b>Total revenue</b>	<b>91,331</b>	<b>912,759</b>	<b>7,059</b>	<b>(529)</b>	<b>1,010,620</b>
<b>Results</b>					
Segment result	5,635	36,281	355	-	42,271
Goodwill amortisation					-
Unallocated corporate income (Note A)					4,059
Operating profit					46,330
Interest expense					(7,089)
Interest income					1,398
Share of results of associates					189
Profit before taxation					40,828
Taxation					(8,845)
Profit after taxation					31,983

Note A: This includes dividend income received from investment in an unquoted company (FY2008: RM3,287,671; FY2007: 7,412,654) net of expenses.

**A9. Valuation of Property, Plant and Equipment**

The valuations of land and buildings have been brought forward, without amendment from the Audited Financial Statements for the financial year ended 31 May 2007. The carrying values are based on valuations carried out in 1985 by independent qualified valuers less depreciation.

**A10. Material Events Subsequent to the End of the Current Period**

There were no material events subsequent to the end of the current period up to the date of this Report that have not been reflected in the financial statements for the current period.

**A11. Changes in Composition of the Group**

There were no material changes in the composition of the Group for the current quarter and financial year-to-date including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuing operations.

**A12. Contingent Liabilities**

There were no contingent liabilities since the last annual balance sheet as at 31 May 2007.



<b>B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS</b>
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**B1. Review of Group's Performance for the Current Quarter and Financial Year-To-Date**

For the nine months ended 29 February 2008, the Nylex Group increased sales by 27.2% to RM1,285.4 million, compared with RM1,010.6 million achieved in the same period last year. The increase in sales was mainly due to higher sales contribution from the Industrial Chemical Division. The Group recorded a profit before tax ("PBT") of RM41.4 million, compared to RM40.8 million that was achieved in the corresponding period last year.

For the current quarter under review, the Group achieved sales and PBT of RM375.2 million and RM6.1 million respectively, compared to RM391.0 million and RM7.1 million in Q3 FY 2007. Included in the Q3 FY 2007 PBT of RM7.1 million was an amount of RM1.8 million [Q3 FY 2008: Nil] being dividend income received from the Group's investment in an unquoted company.

The Polymer Division achieved sales of RM31.6 million for the current financial quarter, which represents an increase of 18.3% from RM26.7 million in the corresponding quarter in Q3 FY 2007. However, due to lower profits margin achieved, the Division made a lower PBT of RM0.1 million as compared with RM2.1 million achieved in the same period last year.

The Industrial Chemical Division achieved slightly lower sales of RM347.5 million for the quarter compared to RM372.3 million in Q3 of FY 2007. However, due to favourable market conditions, the Division contributed a higher PBT of RM13.8 million compared with RM6.3 million achieved in the same period last year.

The Building Products Division maintained same level of sales and profits of RM2.7 million and RM0.1 million respectively for the current quarter, as compared to the corresponding quarter last year.

**B2. Material Change in the Profit Before Taxation for the Current Quarter as compared with Immediate Preceding Quarter**

For the current quarter under review, the Group achieved sales of RM375.2 million and a PBT of RM6.1 million, compared to sales of RM476.5 million and a PBT of RM25.2 million in the immediate preceding quarter. The lower sales and profits recorded for the current quarter is due mainly to lower contributions from the Industrial Chemical Division.

**B3. Current Year's Prospects**

- (1) Barring unforeseen circumstances, the Group's performance is expected to be satisfactory for the remaining periods of financial year ending 31 May 2008.
- (2) As disclosed in the Company's reply to Bursa Securities' queries on 30 January 2007, the internal target for the Group's revenue for the financial year ending 31 May 2008 is RM1.6 billion. Based on the Group's consolidated revenue achieved for the 9-month period ended 29 February 2008 of RM1,285.4 million, which represent 80.3% of the revenue target of RM1.6 billion, the Group is on track to meet this internal target.

**B4. Achievability of Internal Target**

The Board of Directors of the Company is of the opinion that, barring unforeseen circumstances, the revenue target for the financial year ending 31 May 2008 of RM1.6 billion, of which was previously disclosed in the Company's reply to Bursa Securities' queries on 30 January 2007, is likely to be achieved.

**B5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding year
	29.02.2008 RM'000	28.02.2007 RM'000	29.02.2008 RM'000	28.02.2007 RM'000
Taxation based on results for the period				
- Current				
Malaysian	(1,374)	(862)	(10,270)	(8,762)
Foreign	(301)	(175)	(977)	(847)
- Deferred tax	(159)	(150)	910	364
	(1,834)	(1,187)	(10,337)	(9,245)
Over/(Under) provision in prior years	(107)	490	(130)	400
	(1,941)	(697)	(10,467)	(8,845)

The effective tax rate of the Group is disproportionate to the statutory tax rate mainly due to non-deductibility of certain expenses for tax purposes, tax incentives of the Company and the concessionary tax rate in a subsidiary.

**B6. Profits/(losses) on Sale of Unquoted Investments/Properties**

There were no disposals of unquoted investments/properties for the current quarter and financial year-to-date.

**B7. Marketable Securities**

There were no purchases and disposals of marketable securities during the current quarter and financial year-to-date.

Details of the Group's investment in marketable securities are as follows:

	As at 29.02.2008 RM'000	As at 31.05.2007 RM'000
(i) At cost	1,549	1,549
(ii) At book value	1,138	1,330
(iii) At market value	1,138	1,330

**B8. Status of Corporate Proposals**

Expressions of Interest

On 21 November 2007, Nylex announced that it has appointed ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECM Libra") as its financial advisors to evaluate the merits of the expressions of interest it has received for its chemical business and to assess the feasibility and structure of listing its chemical business on the Singapore Exchange Securities Trading Limited.

On 10 March 2008, on behalf of the Board of Directors of Nylex, ECM Libra announced that Nylex together with Ancom Berhad (immediate holding company of Nylex) ("Ancom") and Mr. Lim Hock

Heng, had on 10 March 2008 entered into a legally non-binding term sheet (“Term Sheet”) with Brenntag Holding GmbH (“Brenntag”).

In the Term Sheet, Brenntag proposes to acquire 30% equity interest in Perusahaan Kimia Gemilang Sdn Bhd (“PKG”) and CKG Chemicals Pte Ltd (“CKG”) from Nylex for cash offers of RM64.1 million and USD9.6 million (or an equivalent of about RM30.7 million) respectively and 30% equity interest in Synergy Trans-Link Sdn Bhd (“STL”) from Ancom and Mr. Lim Hock Heng for a cash offer of RM23.0 million or alternatively business and related assets of the foregoing three companies (the “Proposal”). In addition, Brenntag also proposes that it be given an option to acquire the remaining 70% equity interest of PKG, CKG and STL after the completion of the initial 30% and such option may be exercised no later than 31 December 2009 (the “Option”). The price for the remaining 70% stakes shall be determined at a later stage, but such price is subject to a minimum of RM240.4 million for PKG, USD34.4 million (or an equivalent of about RM110.1 million) for CKG and RM83.0 million for STL.

Pursuant to the Term Sheet, Nylex, Ancom, Mr. Lim Hock Heng and Brenntag have agreed to an exclusive period of 90 days up to 8 June 2008 (“Exclusivity Period”) to negotiate and sign a definitive agreement and undertake due diligence. During this period, Nylex, Ancom and Mr. Lim Hock Heng have agreed to customary no-shop and no-talk arrangements. In the event the Exclusivity Period expires but the above process is moving forward to the reasonable satisfaction of all parties, the parties will grant a 30-day extension of the Exclusivity Period.

Except for the Exclusivity Period, the Term Sheet is not binding on the parties. There can be no assurance that any transaction will result, or as to the final terms of any offer, including price.

If and when a definitive agreement has been finalised and agreed by Nylex, Ancom, Mr. Lim Hock Heng and Brenntag, the Board will make the necessary announcement.

As at the date of this Report, the definitive agreement has not been finalised.

**B9. Utilisation of Proceeds**

Not applicable as the Company has not raised any proceeds from any of its corporate exercise.

**B10. Group Borrowings**

	<b>As At 29.02.2008 (RM'000 equivalent)</b>	<b>As At 31.05.2007 (RM'000 equivalent)</b>
<b>Short-term borrowings</b>		
Secured		
- Ringgit Malaysia	16,075	13,200
- United States Dollar	47,115	36,752
	<u>63,190</u>	<u>49,952</u>
Unsecured		
- Ringgit Malaysia	107,596	96,337
- Indonesia Rupiah	2	10
	<u>107,598</u>	<u>96,347</u>
	<u>170,788</u>	<u>146,299</u>

**Long-term borrowings**

Secured		
- Ringgit Malaysia	<u>47,849</u>	<u>57,449</u>
Unsecured		
- Ringgit Malaysia	<u>103</u>	<u>203</u>
	<u>47,952</u>	<u>57,652</u>
<b>Total Borrowings</b>	<u><u>218,740</u></u>	<u><u>203,951</u></u>

**B11. Financial Instruments with Off Balance Sheet Risk**

There were no financial instruments with off balance sheet risk at the date of this Report.

**B12. Material Litigation**

There was no material litigation at the date of this Report.

**B13. Dividends**

- (a) The Directors do not recommend the payment of any dividend for the current financial quarter;
- (b) There were no dividends declared for the current financial year-to-date (FY 2007: 3.0% or 3.0 sen per share, less 27% Malaysian income tax).

**B14. Earnings per Share**

*Basic Earnings Per Share*

The calculation of basic earnings per share was based on the net profit attributable to ordinary equity holders of the parent for the current quarter of RM4,128,436 (28.02.2007: net profit of RM6,551,591) and net profit of RM30,758,739 (28.02.2007: net profit of RM32,322,336) for the financial year-to-date as reported in the condensed income statements of the Group, divided by the weighted average number of ordinary shares in issue during the current quarter of 190,303,173 (28.02.2007: 194,337,860) and for the financial year-to-date of 192,953,985 (28.02.2007: 182,559,860).

*Diluted Earnings Per Share*

Not applicable as the Company does not have dilutive potential ordinary shares in issue as at the balance sheet date.

**BY ORDER OF THE BOARD**

Choo Se Eng  
Stephen Geh Sim Whye  
*Company Secretaries*

Petaling Jaya  
29 April 2008