



APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS

(RM'000)	Current Quarter ended 30-Jun-09	Corresponding Quarter ended 30-Jun-08	Cumulative Year To Date 30-Jun-09	Corresponding Year To Date 30-Jun-08
Revenue	213,013	239,137	403,851	470,497
Profit from Operations	24,053	20,896	38,180	40,501
Finance Costs	(156)	(117)	(408)	(240)
Interest Income	1,321	1,360	2,460	2,869
Profit before Tax	25,218	22,139	40,232	43,130
Taxation	(4,771)	(5,975)	(8,118)	(10,289)
Net Profit for the Period	20,447	16,164	32,114	32,841
Attributable to :				
Equity holders of the parent	17,567	14,900	27,829	30,050
Minority interests	2,880	1,264	4,285	2,791
	20,447	16,164	32,114	32,841
Depreciation	7,230	7,125	14,704	14,688
Earnings per share				
Basic (sen)	8.91	7.53	14.09	15.17
Diluted (sen)	N/A	N/A	N/A	N/A

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

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS

(RM'000)	As at	As at
	<u>30-Jun-09</u>	<u>31-Dec-08</u>
Assets		
Property, plant & equipment	185,957	186,073
Prepaid lease payments	37,730	35,436
Investment property	1,277	1,298
Development expenditure	604	615
Deferred tax assets	6,778	6,121
Total non-current assets	232,346	229,543
Inventories	156,239	190,301
Trade and other receivables	201,747	204,218
Cash and bank balances	230,901	192,217
Total current assets	588,887	586,736
Total assets	821,233	816,279
Equity		
Share capital	201,600	201,600
Reserves	415,231	397,471
Treasury shares	(9,583)	(8,433)
Total equity attributable to equity holders of the parent	607,248	590,638
Minority interests	17,610	13,325
Total equity	624,858	603,963
Liabilities		
Long-term borrowings	328	686
Deferred tax liabilities	4,816	4,553
Others	13,349	13,258
Total non-current liabilities	18,493	18,497
Trade and other payables	168,320	180,759
Short term borrowings	5,475	10,969
Taxation	4,087	2,091
Total current liabilities	177,882	193,819
Total liabilities	196,375	212,316
Total equity and liabilities	821,233	816,279
Net asset per share attributable to ordinary equity holders (RM)	3.08	2.99

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

APM AUTOMOTIVE HOLDINGS BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

(RM'000)	Current Year to Date <u>30-Jun-09</u>	Corresponding Year To Date <u>30-Jun-08</u>
Cash generated from operations	73,042	41,996
Net cash flow used in investing activities	(14,610)	(10,716)
Net cash flow used in financing activities	(21,237)	(15,342)
Net increase in cash and cash equivalents	37,195	15,938
Exchange differences	560	1,912
Cash and cash equivalents at beginning of year	191,534	172,056
Cash and cash equivalents at end of period	229,289	189,906
Cash and cash equivalents comprise :-		
Cash and bank balances	230,901	195,389
Bills/Bank overdrafts	(1,612)	(5,483)
	229,289	189,906

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

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(RM'000)	<----- Non-Distributable ----->			Distributable		Minority interests	Total equity
	Share capital	Treasury shares	Reserves attributable to capital	Retained profits	Sub-total		
As at 1 Jan 2008	201,600	(7,149)	(26,472)	397,634	565,613	11,497	577,110
Purchase of treasury shares	-	(1,234)	-	-	(1,234)	-	(1,234)
Capital Contribution from MI	-	-	-	-	-	2,429	2,429
Disposal of subsidiary	-	-	-	-	-	(4,884)	(4,884)
Exchange adjustment on translation	-	-	1,503	-	1,503	-	1,503
Net profit for the period	-	-	-	30,050	30,050	2,791	32,841
Dividend paid	-	-	-	(13,189)	(13,189)	-	(13,189)
As at 30 June 2008	201,600	(8,383)	(24,969)	414,495	582,743	11,833	594,576
As at 1 Jan 2009	201,600	(8,433)	(29,360)	426,831	590,638	13,325	603,963
Purchase of treasury shares	-	(1,150)	-	-	(1,150)	-	(1,150)
Capital Contribution from MI	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-
Exchange adjustment on translation	-	-	3,237	-	3,237	-	3,237
Net profit for the period	-	-	-	27,829	27,829	4,285	32,114
Dividend paid	-	-	-	(13,306)	(13,306)	-	(13,306)
As at 30 June 2009	201,600	(9,583)	(26,123)	441,354	607,248	17,610	624,858

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

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
EXPLANATORY NOTES – 30 June 2009

1. Accounting Policies

This interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Securities Main Market Listing Requirements. This interim financial report should be read in conjunction with the Group’s financial statements for the year ended 31 December 2008.

2. Changes in Accounting Policies

The accounting policies adopted in this interim financial report are consistent with those of the audited financial statements for the year ended 31 December 2008.

At the date of authorisation of these interim financial report, the following FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:

FRSs / Interpretations	Effective date
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 8, <i>Operating Segments</i>	1 July 2009
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010

The adoption of the above FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the financial statements of the Group except for changes in disclosures arising from the adoption of FRS 7 and FRS 139. By virtue of the exemption given in FRS 139, the Group is not required to disclose the possible impact, if any, to the financial statements upon its initial application.

3. Annual Audit Report

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

4. Seasonality or Cyclicity of Interim Operations

The operations of the Group were not affected by any seasonal or cyclical factors, other than the general economic environment in which we operate.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

NIL.

6. Changes in Estimates Reported in Prior Interim Periods of the Current Financial Year or Prior Financial Year Having a Material Effect in the Current Interim Period

NIL.

7. Debts and Equity Securities

There were no issuance, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to date, other than the following repurchase of shares by the Company :

<u>Month</u>	<u>No. of shares repurchased</u>	<u>Total consideration</u>
Feb-09	100,000	156,269
Mar-09	101,000	155,100
Apr-09	346,000	574,223
May-09	146,600	262,841
Jun-09	1,400	2,452
	<u>695,000</u>	<u>1,150,885</u>

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8. Dividends Paid

The following dividend was paid to shareholders during the current quarter and year to date

(RM'000)	Current Quarter ended <u>30-Jun-09</u>	Corresponding Quarter ended <u>30-Jun-08</u>	Current Year To Date <u>30-Jun-09</u>	Corresponding Year To Date <u>30-Jun-08</u>
Final dividend 2008/2007	(13,306)	(13,189)	(13,306)	(13,189)
Interim dividend 2009/2008	-	-	-	-
	<u>(13,306)</u>	<u>(13,189)</u>	<u>(13,306)</u>	<u>(13,189)</u>

9. Segment Information

Segment information on business segments is not presented in respect of the Group's business because the Group's activities are predominantly in the manufacturing and trading of automotive parts in Malaysia and outside Malaysia.

Geographical segments

Segment information is presented in respect of geographical segment as the activities of the Group are principally within Malaysia and Outside Malaysia.

Inter-segment pricing is determined on an arm's length basis.

<u>Quarterly</u> (RM'000)	<u>30-Jun-09</u>		<u>30-Jun-08</u>	
	Segment <u>Revenue</u>	Profit <u>before tax</u>	Segment <u>Revenue</u>	Profit <u>before tax</u>
Operations in Malaysia	192,637	20,034	206,402	21,555
Outside Malaysia	25,137	5,248	36,037	584
	<u>217,774</u>	<u>25,282</u>	<u>242,439</u>	<u>22,139</u>
Inter-segment elimination	(4,761)	(64)	(3,302)	-
	<u>213,013</u>	<u>25,218</u>	<u>239,137</u>	<u>22,139</u>

<u>Year To Date</u> (RM'000)	<u>30-Jun-09</u>		<u>30-Jun-08</u>	
	Segment <u>Revenue</u>	Profit <u>before tax</u>	Segment <u>Revenue</u>	Profit <u>before tax</u>
Operations in Malaysia	366,604	35,735	410,497	41,937
Outside Malaysia	44,522	4,452	65,938	1,193
	<u>411,126</u>	<u>40,187</u>	<u>476,435</u>	<u>43,130</u>
Inter-segment elimination	(7,275)	45	(5,938)	-
	<u>403,851</u>	<u>40,232</u>	<u>470,497</u>	<u>43,130</u>

10. Valuations of Property, Plant and Equipment

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

11. Material Events Subsequent to the End of the Interim Period

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

12. Changes in the Composition of the Enterprise during the Interim Period

There were no material changes in the composition of the enterprise during the interim period.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

Additional Information Required By Bursa Malaysia Listing Requirements

1. Review of Performance of the Company and its Principal Subsidiaries Compared with 2nd Quarter 2008

Group revenue in the second quarter fell by 10.9% to RM213.0 million from RM239.1 million recorded in the corresponding quarter last year. Malaysian operations registered a decline of 6.7% to RM192.6 million from RM206.4 million, while operations outside Malaysia registered a larger decline of 30.3% from RM36.0 million to RM25.1 million.

Group pre tax profit improved to RM25.2 million from RM22.1 million achieved in the corresponding period last year. Malaysian operations registered a drop in pre tax profit of 7.4% to RM20.0 million from RM 21.6 million achieved in the same quarter last year. However, operations outside Malaysia recorded a higher pre tax profit of RM5.2 million. The increase in profit was partly a result of the positive price adjustments by customers to compensate for material and currency variations and also partly due to the strengthening of functional currencies, namely Indonesian Rupiah and Australian Dollar. A price adjustment of RM 2.0 million and a realised & unrealised gain in currencies of RM2.3 million were taken up in this quarter.

2. Comments on any Material Changes in the Current Quarter Profit before Tax Compared with the Immediate Preceding Quarter

Compared with the immediate preceding quarter, Group revenue rose 11.6% to RM213.0 million from RM190.8 million. Revenue from Malaysian operations increased 10.7% to RM192.6 million from RM174.0 million while operations outside Malaysia registered a significant improvement of 29.4% to RM25.1 million from RM19.4 million.

In tandem with the higher revenue and as a result of price adjustments & currencies gain as explained in (1) above, Group pre tax profit rose to RM25.2 million from RM15.0 million in the preceding quarter.

3. Prospects

Economic indicators released recently suggest that the economic slowdown is expected to be moderate for the remaining year. The Malaysian Automotive Association has revised its total industry volume forecast to 500,000 units from the earlier projection of 480,000 units for year 2009, an upward revision of 4.16%. The higher vehicle sales is expected to lead to higher OE sales for the Group.

The Board is of the view that market conditions will continue to be challenging. However, by remaining strongly focusing on improving quality, efficiency and reducing cost, the Group's performance for 2009 is expected to be satisfactory.

4. Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

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5. Taxation

The Group's effective tax rate is lower than the statutory tax rate due mainly to the availability of tax incentives and the impact of change in the statutory rate on deferred tax.

(RM'000)	Current Quarter ended <u>30-Jun-09</u>	Corresponding Quarter ended <u>30-Jun-08</u>	Cumulative Year To Date <u>30-Jun-09</u>	Corresponding Year To Date <u>30-Jun-08</u>
<u>Current tax expenses</u>				
- Current year	(4,566)	(6,373)	(8,521)	(11,068)
- Prior years	186	310	14	1,183
<u>Deferred tax expenses</u>				
- Current year	(233)	300	444	1,000
- Prior years	(158)	(212)	(55)	(1,404)
Total	(4,771)	(5,975)	(8,118)	(10,289)

6. Profits/(losses) on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties in the current interim period and financial year to date.

7. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities in the interim period and financial year to date.

8. Status of Corporate Proposals

Not applicable.

9. Group Borrowings and Debt Securities

(RM'000)	<u>30-Jun-09</u>	<u>31-Dec-08</u>
Unsecured - Overdraft	1,612	683
- Trade loan	2,475	8,252
- Term loan	1,716	2,720
	5,803	11,655
Amount due within the next 12 months	5,475	10,969
Amount due after the next 12 months	328	686
	5,803	11,655

Group borrowings breakdown by currencies.

Functional Currency	Denominated In	<u>30-Jun-09</u>	<u>31-Dec-08</u>
RM	RM	1,739	2,097
RM	USD	660	1,306
AUD	USD	1,277	1,452
AUD	AUD	929	-
VDN	USD	1,198	6,800
		5,803	11,655

Functional currency of borrowing entities in Malaysia are denominated in RM while functional currency of borrowing entities outside Malaysia are denominated in currencies of the respective countries in which they are operating.

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10. Financial Instruments with Off Balance Sheet Risk

The Group does not have any financial instruments with off balance sheet risk as at the date of this quarterly report, other than the following forward contracts on foreign currencies to hedge the Group's purchases and sales in foreign currencies.

The Group has the following outstanding fixed forward foreign currency contracts as at 12th August 2009

Currency	Notional amount in foreign currency ('000)	Equivalent amount in RM'000	Expiry dates
Purchase contracts :			
Japanese Yen	504,589	18,347	Aug'09-Mar'10
USD	1,982	6,946	Aug'09-Nov'09
THB	55,022	5,608	Aug'09-Feb'10
Sale contracts :			
USD	1,850	6,565	Aug'09-Mar'10
EUR	2,321	11,560	Oct'09-Apr'10
AUD	433	1,204	Nov'09-Feb'10
SGD	196	479	Nov'09-Feb'10

These forward contracts on foreign currencies are entered into with licensed banks to hedge certain portion of the Group's purchases and sales from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Group is not exposed to market risks. There are no cash requirements on these contracts.

Forward foreign exchange contracts are accounted for on an equivalent basis as the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or net positions

11. Status of Material Litigation since the last Annual Balance Sheet Date

There was no material litigation since the last annual balance sheet date.

12. Dividend

The Board of Directors has declared an interim dividend of 6% less 25% income tax for the year ending 31 December 2009 (2008 – 6% less 26% income tax) to be paid on 16 September 2009. The entitlement date for the interim dividend will be 4 September 2009.

A depositor will qualify for the entitlement to the dividend only in respect of:

- (1) Shares transferred into the depositor's securities account before 4:00 p.m. on 4 September 2009 in respect of ordinary transfers; and
- (2) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance with the rules of Bursa Malaysia Securities Berhad.

13. Earnings per Share

The computation of earnings per share for the period is based on the net profit attributable to ordinary shareholders of the parent entity for the period and the weighted average number of ordinary shares. The weighted average number of ordinary shares during the quarter is 197,239,156 and for the year to date is 197,490,044. The outstanding number of ordinary shares as at 30 June 2009 is 197,116,100 (31 December 2008:197,811,100 shares).

BY ORDER OF THE BOARD

CHAN YOKE LIN
LEE KWEE CHENG
Company Secretary

Kuala Lumpur
19 August 2009