



## APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPT 2011 - unaudited

<i>In thousands of RM</i>	<b>Current Quarter Ended 30-Sep-11</b>	<b>Corresponding Quarter Ended 30-Sep-10</b>	<b>Cumulative Year To Date 30-Sep-11</b>	<b>Corresponding Year To Date 30-Sep-10</b>
<b>Revenue</b>	297,220	291,477	875,738	890,913
<b>Results from operating activities</b>	43,771	45,634	122,950	134,302
<b>Finance costs</b>	(124)	(124)	(654)	(373)
<b>Finance income</b>	2,727	2,014	7,740	4,854
<b>Profit before tax</b>	46,374	47,524	130,036	138,783
<b>Income tax expense</b>	(13,708)	(11,969)	(33,441)	(33,294)
<b>Profit for the period</b>	32,666	35,555	96,595	105,489
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation differences for foreign operations	1,785	(1,839)	2,435	(4,079)
Cash flow hedge	-	(15)	-	-
<b>Other comprehensive income for the period, net of tax</b>	1,785	(1,854)	2,435	(4,079)
<b>Total comprehensive income for the period</b>	34,451	33,701	99,030	101,410
<b>Profit attributable to :</b>				
Owners of the Company	26,837	31,666	82,669	94,147
Non-controlling interests	5,829	3,889	13,926	11,342
<b>Profit for the period</b>	32,666	35,555	96,595	105,489
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	28,622	29,812	83,252	90,068
Minority interests	5,829	3,889	15,778	11,342
<b>Total comprehensive income for the period</b>	34,451	33,701	99,030	101,410
<b>Depreciation</b>	10,046	7,554	28,643	28,028
<b>Earnings per share</b>				
Basic (sen)	13.71	16.18	42.24	48.11
Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

# APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPT 2011 – unaudited

<i>In thousands of RM</i>	<b>At 30-Sep-11</b>	<b>At 31-Dec-10</b>
<b>Assets</b>		
Property, plant & equipment	233,840	240,153
Prepaid lease payments	6,168	6,320
Investment property	1,187	1,217
Development expenditure	852	936
Deferred tax assets	10,533	13,079
<b>Total non-current assets</b>	<b>252,580</b>	<b>261,705</b>
Inventories	158,915	176,293
Trade and other receivables, including derivatives	245,453	213,359
Cash and cash equivalents	376,862	351,207
<b>Total current assets</b>	<b>781,230</b>	<b>740,859</b>
<b>Total assets</b>	<b>1,033,810</b>	<b>1,002,564</b>
<b>Equity</b>		
Share capital	201,600	201,600
Reserves	599,903	548,940
Treasury shares	(12,786)	(12,776)
<b>Total equity attributable to owners of the Company</b>	<b>788,717</b>	<b>737,764</b>
<b>Non-controlling interests</b>	<b>21,433</b>	<b>30,359</b>
<b>Total equity</b>	<b>810,150</b>	<b>768,123</b>
<b>Liabilities</b>		
Deferred tax liabilities	7,503	4,789
Employee benefits	14,593	14,139
<b>Total non-current liabilities</b>	<b>22,096</b>	<b>18,928</b>
Trade and other payables, including derivatives	178,536	179,656
Short term borrowings	15,274	25,279
Taxation	7,754	10,578
<b>Total current liabilities</b>	<b>201,564</b>	<b>215,513</b>
<b>Total liabilities</b>	<b>223,660</b>	<b>234,441</b>
<b>Total equity and liabilities</b>	<b>1,033,810</b>	<b>1,002,564</b>

Net asset per share attributable to owners of the Company  
(RM)

4.03

3.77

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

# APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPT 2011 – unaudited

<i>In thousands of RM</i>	<b>Current Year to Date 30-Sep-11</b>	<b>Corresponding Year To Date 30-Sep-10</b>
<b>Cash generated from operations</b>	110,178	144,014
<b>Net cash flow used in investing activities</b>	(23,603)	(27,484)
<b>Net cash flow used in financing activities</b>	(62,715)	(30,834)
<b>Net increase in cash and cash equivalents</b>	<b>23,860</b>	<b>85,696</b>
Exchange differences	2,197	(1,095)
<b>Cash and cash equivalents at beginning of year</b>	<b>350,805</b>	<b>259,879</b>
<b>Cash and cash equivalents at end of period</b>	<b>376,862</b>	<b>344,480</b>
<b>Cash and cash equivalents comprise :-</b>		
Cash and bank balances	376,862	344,866
Bank overdrafts	-	(386)
	<b>376,862</b>	<b>344,480</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

# APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPT 2011 - unaudited

<i>In thousands of RM</i>	<----- Non-Distributable ----->				Distributable	Total	Non- controlling interests	Total equity
	Share capital	Treasury shares	Trans- lation reserve	Capital reserve	Retained profits			
<b>At 1-Jan-10</b>	201,600	(12,733)	788	(24,441)	477,836	643,050	20,806	663,856
Purchase of treasury shares	-	(43)	-	-	-	(43)	-	(43)
Total comprehensive income for the period	-	-	(4,079)	-	94,147	90,068	11,342	101,410
Dividend paid	-	-	-	-	(26,419)	(26,419)	(5,776)	(32,195)
<b>At 30 Sept-2010</b>	<b>201,600</b>	<b>(12,776)</b>	<b>(3,291)</b>	<b>(24,441)</b>	<b>545,564</b>	<b>706,656</b>	<b>26,372</b>	<b>733,028</b>
<b>At 1-Jan-11</b>	201,600	(12,776)	(2,525)	(24,441)	575,906	737,764	30,359	768,123
Total comprehensive income for the period	-	-	583	-	82,669	83,252	15,778	99,030
Purchase of treasury shares	-	(10)	-	-	-	(10)	-	(10)
Deemed disposal of subsidiary	-	-	-	-	-	-	(3,891)	(3,891)
Dividend paid	-	-	-	-	(32,289)	(32,289)	(20,813)	(53,102)
<b>At 30-Sept-2011</b>	<b>201,600</b>	<b>(12,786)</b>	<b>(1,942)</b>	<b>(24,441)</b>	<b>626,286</b>	<b>788,717</b>	<b>21,433</b>	<b>810,150</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**EXPLANATORY NOTES – 30 SEPTEMBER 2011**

**1. Basic 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 Main Market 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 2010. The explanatory notes 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 2010.

**2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2011.

**FRSs, Amendments to FRSs and Interpretations**

FRS 1	First-time Adoption of Financial Reporting Standards (revised)
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statements (revised)
Improvements to FRSs (2010)	
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
	- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
	- Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share Based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Financial Instrument: Disclosures - Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation- Classification of Rights Issues
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining whether an Arrangement contain a lease
IC Interpretation 12	Service Concession Agreements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
Amendments to IC Interpretation 9,	Reassessment of Embedded Derivatives

The FRS 2, Amendments to FRS 5, IC Interpretation 4, IC Interpretation 12, IC Interpretation 16, IC Interpretation 17 and IC Interpretation 18 are not applicable to the Group or the Company.

The adoption of the above FRSs, Amendments to FRSs and Interpretations has no material impact on the interim financial statements and the interim financial result of the Group.

## APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

### 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 the Group operates.

### 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 issuances, 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:

*In thousands of RM*

<u>Month</u>	<u>No. of shares repurchased</u>	<u>Total consideration</u>
Feb-11	1,000	5
Aug-11	1,000	5
<b>Total</b>	<b>2,000</b>	<b>10</b>

### 8. Dividends Paid

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

*In thousands of RM*

	<b>Current Quarter Ended</b>	<b>Corresponding Quarter Ended</b>	<b>Current Year To Date</b>	<b>Corresponding Year To Date</b>
	<b><u>30-Sep-11</u></b>	<b><u>30-Sep-10</u></b>	<b><u>30-Sep-11</u></b>	<b><u>30-Sep-10</u></b>
Final dividend 2010/2009	-	-	(17,612)	(14,677)
<b>Interim dividend 2011/2010</b>	<b>(14,677)</b>	<b>(11,742)</b>	<b>(14,677)</b>	<b>(11,742)</b>
	<b>(14,677)</b>	<b>(11,742)</b>	<b>(32,289)</b>	<b>(26,419)</b>

### 9. Segment Information

The Group's operating structure comprises the following strategic business divisions, each offering different groups of products or activities as described below:

- *Suspension Division, Malaysia:* comprises business in products such as leaf springs, parabolic springs, coil springs, shock absorbers, Gas Springs, U-bolts and metal parts.
- *Interior & Plastics Division, Malaysia:* comprises business in products such as plastics parts, interiors, seatings for motor vehicles, buses, auditoriums and cinemas.
- *Electrical & Heat Exchange Division, Malaysia:* comprises business in products such as air-conditioning systems, radiators, starter motors, alternators, wiper system, distributors and other electrical parts.
- *Marketing Division, Malaysia:* main activity is that of trading and distribution of automotive components/parts manufactured by the Group for the replacement and export market.
- *Others, Malaysia:* comprises mainly operations related to the rental of investment properties in Malaysia, provision of management services for companies within the Group and provision of engineering and research services.
- *Operations Outside Malaysia:* comprises businesses in Indonesia, Vietnam and Australia

Performance of these operating segments is measured primarily on the gross sales and the profit before tax. The results by segments for the quarter are as follows:

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**

**9. Segment Information (continued)**

*In thousands of RM*

<b><u>Quarterly</u></b>	<b>30-Sep-11</b>		<b>30-Sep-10</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit before tax</u></b>
Operations within Malaysia				
Suspension	57,249	7,119	55,306	6,578
Interior & Plastics	190,735	30,773	173,902	26,019
Electricals & Heat Exchange	63,766	6,083	65,895	7,387
Marketing	49,463	1,809	47,101	3,457
Others	2,894	(255)	2,968	997
Operations outside Malaysia	32,994	1,029	43,839	3,040
	397,101	46,558	389,011	47,478
Eliminations	(99,881)	(184)	(97,534)	46
	297,220	46,374	291,477	47,524

*In thousands of RM*

<b><u>Cumulative year to date</u></b>	<b>30-Sep-11</b>		<b>30-Sep-10</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit before tax</u></b>
Operations within Malaysia				
Suspension	172,930	18,519	163,307	18,574
Interior & Plastics	527,672	81,340	536,029	74,168
Electricals & Heat Exchange	194,031	17,221	205,562	23,443
Marketing	154,468	10,934	140,912	8,932
Others	15,284	(1,194)	9,115	553
Operations outside Malaysia	105,736	3,817	124,458	13,195
	1,170,121	130,637	1,179,383	138,865
Eliminations	(294,383)	(601)	(288,470)	(82)
	875,738	130,036	890,913	138,783

**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**

On 1 July 2011, the shareholding in P.T Armada Johnson Controls held via P.T APM Armada Autoparts which is a Jointly-controlled entity of the Group, was diluted from 60% to 50%, as the result of the issuance of new shares in P.T Armada Johnson Controls.

Effective from 1 July 2011, P.T Armada Johnson Controls results are accounted for in the consolidated financial statements using proportionate consolidation method based on the effective shareholding.

**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)

### 14. Capital Commitments

The outstanding capital commitments as at

*In thousands of RM*

	<u>30-Sep-11</u>	<u>30-Sep-10</u>
Authorized but not contracted for	4,699	19,171
Contracted but not provided for	29,189	18,032
<b>Total</b>	<b>33,888</b>	<b>37,203</b>

### 15. Significant related party transactions

The following is significant related party transactions:-

*In thousands of RM*

	<b>Current Quarter Ended 30-Sep-11</b>	<b>Corresponding Quarter Ended 30-Sep-10</b>	<b>Cumulative Year To Date 30-Sep-11</b>	<b>Corresponding Year To Date 30-Sep-10</b>
<b>With TCMH Group</b>				
Sales of goods	33,439	41,138	88,394	105,772
Rental income	70	71	212	113
Insurance agency services	143	37	2,437	1,995
Rental expense	2	1	4	4
Purchase of goods and services	1,662	1,298	5,257	2,208
Administrative and consultancy services	-	2	4	5
<b>Total</b>	<b>35,316</b>	<b>42,547</b>	<b>96,308</b>	<b>110,097</b>

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong Motor Holdings Bhd and its subsidiaries ("TCMH Group").



## APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

### 1. Review of Performance of the Company and its Principal Subsidiaries Compared with 3<sup>rd</sup> Quarter 2010

Group revenue increased marginally by 2.0% to RM297.2 million in 3Q11 compared to RM291.5 million in 3Q10. The improvement was contributed mainly by higher vehicle production.

Profit before tax however dropped slightly by 2.3% to RM46.4 million in 3Q11 from RM 47.5 in 3Q10, partly due to currencies and operational upgrades.

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

Group revenue increased by 7.1% to RM 297.2 in 3Q11 compared to RM 277.4 million in 2Q11. The effects of the disruption in the supply chain caused by the earthquake in Japan have been mostly contained. Hence, all operations in Malaysia recorded higher revenue.

In tandem with the higher revenue, profit before tax improved by 12.9% to RM46.4 million in 3Q11 compared to RM41.1 million in 2Q11.

### 3. Prospects

The recent severe flooding in Thailand is expected to cause disruption to the supply chain. Several local non-national assemblers have announced a slowdown in vehicle production for the rest of the year. Fortunately, due to the high level of localization for national assemblers, the impact to the national carmakers is likely to be kept to a minimum. Thus, the Group's performance in the last quarter would not be adversely affected.

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

Not applicable.

### 5. Income tax

The Group's effective tax rate is higher this quarter due to prior year deferred tax adjustments. Removing these adjustments would result in a lower than the statutory tax rate.

<i>In thousands of RM</i>	<b>Current Quarter Ended 30-Sep-11</b>	<b>Corresponding Quarter Ended 30-Sep-10</b>	<b>Cumulative Year To Date 30-Sep-11</b>	<b>Corresponding Year To Date 30-Sep-10</b>
<b><u>Current tax</u></b>				
- Current year	(9,538)	(11,903)	(27,946)	(34,031)
- Prior year	(655)	(2,015)	(664)	(686)
<b><u>Deferred tax</u></b>				
- Current year	(148)	1,534	(2,068)	2,057
- Prior year	(3,297)	439	(2,610)	(597)
Withholding Tax	(70)	(24)	(153)	(37)
	<u>(13,708)</u>	<u>(11,969)</u>	<u>(33,441)</u>	<u>(33,294)</u>

### 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.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**

**9. Group Borrowings and Debt Securities**

<i>In thousands of RM</i>	<b>Current Quarter Ended <u>30-Sep-11</u></b>	<b>At <u>31-Dec-10</u></b>
Unsecured - Overdraft	-	402
- Trade loan	6,275	24,877
- Short term borrowings	8,999	-
	<u>15,274</u>	<u>25,279</u>
Amount due within the next 12 months	15,274	25,279
Amount due after the next 12 months	-	-
	<u>15,274</u>	<u>25,279</u>

Group borrowings breakdown by currencies.

<i>In thousands of RM</i>		<b>Current Quarter Ended <u>30-Sep-11</u></b>	<b>At <u>31-Dec-10</u></b>
<u>Currency</u>	<u>Denominated In</u>		
RM	RM	2,494	21,073
RM	JPY	2,490	-
AUD	AUD	-	204
AUD	USD	1,291	1,002
VDN	USD	-	3,000
USD	USD	8,999	-
		<u>15,274</u>	<u>25,279</u>

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.

**10. Financial Instruments**

Outstanding forward exchange contracts with maturities of less than 1 year as at 30 September 2011.

Outstanding forward exchange contracts with maturities of less than a year.

<i>In thousands</i>	<b>Contract Amount <u>in Original Currency</u></b>	<b>Contract/Notional <u>Value (RM)</u></b>	<b>Fair Value <u>Gain/(loss)</u> <u>(RM)</u></b>
<b>Buy forward contracts</b>			
YEN	144,308	4,645	95
USD	21	64	4
THB	80,029	7,949	245
<b>Sell forward contracts</b>			
USD	11,539	35,660	(1,212)
SGD	882	2,184	6
EUR	1,263	5,481	21
AUD	95	302	8
<b>Total</b>			<u><b>(833)</b></u>

## APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

### 10. Financial Instruments (continued)

The Group practices selective hedging mainly on sales and purchases that are denominated in currencies other than Ringgit Malaysia, whenever necessary and appropriate.

These forward exchange contracts are entered into with licensed banks and with pre-determined exchange rates, thus the Group is not exposed to credit risk and market risk. There are no cash requirements on the date of inception of these foreign currency forward contracts.

Changes in the fair value of forward exchange contracts are accounted for accordance to FRS 139: Financial Instruments - Recognition and Measurement

### 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

No dividends were declared for the current financial quarter.

### 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 195,691,300. The outstanding number of ordinary shares as at 30 September 2011 is 195,691,300 (31 December 2010: 195,693,300 shares).

### 14. Realized and Unrealized profits

<u>(RM'000)</u>	<u>As At</u> <u>30-Sep-11</u>	<u>As At</u> <u>31-Dec-10</u>
Total retained profits/(accumulated losses) of the company and its subsidiaries		
- Realised	612,518	570,414
- Unrealised Gain/(Loss)	(567)	(770)
	<u>611,951</u>	<u>569,644</u>
Total share of retained profits/(accumulated losses) of jointly control entities		
- Realised	20,054	20,432
- Unrealised Gain/(Loss)	495	1,124
	<u>20,549</u>	<u>21,556</u>
Consolidation adjustments	(6,214)	(15,294)
Total group retained profits as per consolidated accounts	<u>626,286</u>	<u>575,906</u>

### BY ORDER OF THE BOARD

LEE KWEE CHENG  
CHAN YOKE LIN  
Company Secretaries

Kuala Lumpur

17 November 2011