WARISAN TC HOLDINGS BERHAD
(Company No: 424834-W)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2008 (THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		**CUMULATIVE QUARTER**	
	Quarter Ended 30 June		**Year to Date 30 June**	
	2008 RM'000	**2007 RM'000 Restated**	**2008 RM'000**	**2007 RM'000 Restated**
Revenue	80,260	61,951	153,622	121,309
Cost of sales	(62,718)	(48,632)	(120,153)	(94,636)
Gross profit	17,542	13,319	33,469	26,673
Other income	979	621	2,169	1,025
Selling and distribution costs	(8,559)	(6,263)	(15,620)	(12,266)
Administrative and general expenses	(5,597)	(4,412)	(10,360)	(8,639)
Interest expense	(284)	(353)	(608)	(679)
Interest income	266	385	576	724
Share of profit of jointly controlled entities	1,128	1,394	3,013	3,018
Profit before tax	5,475	4,691	12,639	9,856
Tax expense	(2,459)	(1,067)	(3,360)	(2,035)
Profit for the period	3,016	3,624	9,279	7,821
Attributable to:				
Equity holders of the parent	3,106	3,658	9,459	7,890
Minority interest	(90)	(34)	(180)	(69)
	3,016	3,624	9,279	7,821
Basic earnings per share (sen)	4.69	5.50	14.29	11.82
Diluted earnings per share (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 2007.

WARISAN TC HOLDINGS BERHAD
(Company No: 424834-W)

CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) As at End of Quarter 30 June 2008 RM'000	(Audited) As at Preceding Year Ended 31 December 2007 RM'000
ASSETS		
Property, plant and equipment	130,824	106,834
Prepaid lease payments	10,311	10,413
Investment in jointly controlled entities	28,148	25,982
Other investments	10	10
Lease receivables	5,223	4,902
Deferred tax asset	472	472
Intangible asset	606	606
Total non-current assets	175,594	149,219
Inventories	55,186	44,828
Receivables, deposits and prepayments	86,966	52,131
Current tax assets	1,894	2,033
Cash and cash equivalents	40,696	53,015
Total current assets	184,742	152,007
TOTAL ASSETS	360,336	301,226
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	67,200	67,200
Reserves	(41,335)	(41,296)
Retained earnings	193,356	186,345
Treasury shares	(1,936)	(1,745)
Total equity attributable to equity holders of the parent	217,285	210,504
Minority interest	(28)	152
Total equity	217,257	210,656
LIABILITIES		
Deferred tax liabilities	8,756	7,256
Employee benefits	507	465
Borrowings	6,108	2,165
Total non-current liabilities	15,371	9,886
Payables and accruals	103,940	48,692
Borrowings	19,863	29,037
Bank overdraft	100	219
Current tax liabilities	3,805	2,736
Total current liabilities	127,708	80,684
Total liabilities	143,079	90,570
TOTAL EQUITY AND LIABILITIES	360,336	301,226
Net assets per share attributable to ordinary equity holders of the parent (RM)	3.28	3.18

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

WARISAN TC HOLDINGS BERHAD
(Company No: 424834-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent								
		Non-distributable				Distributable			
	Share capital	Share premium	Merger reserve	Translation reserve	Treasury shares	Retained earnings	Total	Minority interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2008	67,200	615	(41,614)	(297)	(1,745)	186,345	210,504	152	210,656
Foreign exchange differences arising from translation	-	-	-	(39)	-	-	(39)	-	(39)
Net loss not recognised in the income statement	-	-	-	(39)	-	-	(39)	-	(39)
Purchase of treasury shares	-	-	-	-	(191)	-	(191)	-	(191)
Net profit for the six months period	-	-	-	-	-	9,459	9,459	(180)	9,279
Dividend - 2007 final	-	-	-	-	-	(2,448)	(2,448)	-	(2,448)
At 30 June 2008	67,200	615	(41,614)	(336)	(1,936)	193,356	217,285	(28)	217,257
At 1 January 2007	67,200	615	(41,614)	(133)	(269)	173,777	199,576	477	200,053
Foreign exchange differences arising from translation	-	-	-	(56)	-	-	(56)	-	(56)
Net loss not recognised in the income statement	-	-	-	(56)	-	-	(56)	-	(56)
Purchase of treasury shares	-	-	-	-	(1,030)	-	(1,030)		(1,030)
Net profit for the six months period	-	-	-	-	-	7,890	7,890	(69)	7,821
Dividend - 2006 final	-	-	-	-	-	(2,432)	(2,432)	-	(2,432)
At 30 June 2007	67,200	615	(41,614)	(189)	(1,299)	179,235	203,948	408	204,356

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

WARISAN TC HOLDINGS BERHAD
(Company No: 424834-W)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	For the 6 months ended 30 June 2008 RM'000	For the 6 months ended 30 June 2007 RM'000
Profit before tax	12,639	9,856
Adjustment for :		
Non-cash items	6,654	7,623
Non-operating items (which are investing/financing)	32	(45)
Operating profit before working capital changes	19,325	17,434
Changes in working capital	9,729	(3,016)
Other cash used (tax payment etc.) in operations	(678)	(1,139)
Net cash generated from operating activities	28,376	13,279
Net cash used in investing activities		
Purchase of property, plant and equipment	(43,032)	(17,655)
Purchase of treasury shares	(191)	(1,030)
Proceeds from disposal of property, plant and equipment	9,550	1,739
Interest received	576	724
	(33,097)	(16,222)
Net cash used in financing activities		
Dividends paid to shareholders of the Company	(2,448)	(2,432)
Dividend received from jointly controlled entity	847	365
Proceeds from bills payable	55,590	36,575
Repayment of bills payable	(67,084)	(33,311)
Proceeds from term loan	10,000	-
Repayment of term loan	(3,737)	(3,427)
Interest paid	(608)	(679)
	(7,440)	(2,909)
Net decrease in cash and cash equivalents	(12,161)	(5,852)
Cash and cash equivalents at beginning of year	52,721	47,821
Foreign exchange differences on opening balance	(39)	(56)
Cash and cash equivalents at end of period	40,521	41,913
Cash and cash equivalents comprise:-		
Cash and bank balances	15,572	10,917
Fixed deposits (excluding deposits pledged)	25,049	30,996
Bank overdraft	(100)	-
	40,521	41,913

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

Explanatory notes as per FRS 134 – Interim Financial Reporting

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2007.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2007, except that the Group has adopted the new/revised standards mandatory for annual periods beginning on or after 1 January 2008, which are as follows:-

a) FRS 107 Cash Flow Statements
b) FRS112 Income Taxes
c) FRS 118 Revenue
d) FRS 134 Interim Financial Reporting
e) FRS 137 Provisions, Contingent Liabilities and Contingent Assets

The adoption of these new/revised standards does not result in significant changes in accounting policies of the Group.

As at the date of this interim financial report, the Group has not applied the new standard FRS 139 Financial Instruments: Recognition and Measurement, the effective date of which has yet to be announced by the Malaysian Accounting Standards Board. No material impact on the financial statements is expected when the Group applies this new standard.

2. Qualification of financial statements

The audited report of the preceding annual financial statements was not subject to any qualification.

3. Seasonal or cyclical factors

Apart from the general economic environment in which the Group operates, the businesses of the Group were not affected by any significant seasonal or cyclical factors in the current interim period.

4. Nature and amount of unusual items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flows for the current interim period.

5. Nature and amount of changes in estimates

There were no material changes in estimates in respect of amounts reported in prior interim periods of the prior financial year.

6. Debt and equity securities

During the current interim period, the Company repurchased 22,100 of its issued ordinary shares from the open market at an average price of RM2.21 per share. Total consideration paid for the repurchase including transaction costs was RM48,943 and this was financed by internally generated funds. Cumulative total number of shares repurchased at the end of the quarter was 1,048,900. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965. None of the treasury shares held were resold or cancelled during the current interim period.

There were no issuance and repayment of debt securities, share cancellation and resale of treasury shares for the current interim period.

7. Dividends paid

At the Annual General Meeting held on 23 May 2008, the shareholders of the Company approved the payment of a final dividend of 5% (2006 – 5%) less tax per share for the financial year ended 31 December 2007. The total amount of RM2,448,407 was paid on 24 June 2008.

8. Segmental reporting

The Group's segmental report for the financial year-to-date is as follows:-

Business Segments	Consumer Products		Travel and Car Rental		Machinery		Other Operations		Elimination		Consolidated	
		Restated		Restated								Restated
	2008	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007
	RM'000	RM'000	**RM'000**	RM'000	**RM'000**	RM'000	**RM'000**	RM'000	**RM'000**	RM'000	**RM'000**	RM'000
Revenue - external	**430**	510	**71,876**	67,094	**80,623**	53,082	**693**	623	**-**	-	**153,622**	121,309
Inter-segmental revenue	**-**	-	**603**	197	**-**	-	**-**	-	**(603)**	(197)	**-**	-
Total revenue	**430**	510	**72,479**	67,291	**80,623**	53,082	**693**	623	**(603)**	(197)	**153,622**	121,309
Segmental result	**(848)**	(251)	**5,880**	3,940	**6,728**	4,094	**285**	280	**-**	-	**12,045**	8,063
Unallocated expenses											**(2,387)**	(1,270)
Operating profit											**9,658**	6,793
Interest expense											**(608)**	(679)
Interest income											**576**	724
Share of profit of jointly controlled entities	**2,036**	2,077	**977**	941	**-**	-	**-**	-	**-**	-	**3,013**	3,018
Profit before tax											**12,639**	9,856

9. Property, Plant and Equipment

The valuation of property, plant and equipment were brought forward without amendment from the annual financial statements for the year ended 31 December 2007.

10. Material subsequent event

There has not arisen in the interval between the end of this reporting period and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.

11. Changes in composition of the Group

There was no change in composition of the Group for the current interim period.

12. Changes in contingent liabilities

There was no material change in contingent liabilities since the last quarterly announcement made.

Additional Information Required in accordance with Listing Requirements of Bursa Malaysia Securities Berhad

1. Review of performance

<u>Current period compared with corresponding period</u>

The Group recorded a profit before tax of RM12.6 million, 27% higher than RM9.9 million of the corresponding period. Profit after tax was registered at RM9.3 million, 19% higher than RM7.8 million of the corresponding period. The travel and car rental as well as machinery divisions recorded an increase in revenue and consequently contributed largely to the said improved performance.

The machinery division saw an increase in revenue and profitability of 52% and 76% respectively due primarily to the increased contribution from the construction equipment business as a result of higher deliveries to the market. In tandem with the increase in division revenue, the parts and service businesses had also contributed partly to the overall improved performance of the division.

The travel and car rental division enjoyed a revenue and profitability growth of 7% and 43% respectively. The sales mix, with an increase in high margin sales, had contributed to the higher profitability of the division. Consistent with the earlier quarters, the car rental business further expanded its fleet size and continued to be the major contributor of the division.

As for the consumer products division, the overall performance was lower compared to the corresponding period due mainly to lower contribution from the lingerie business and additional investment in the multi level marketing business. The Wacoal business was affected by the following:-

(i) additional spending on promotion;
(ii) additional stocks written down; and
(iii) lower sales and reduced gross profit margin attained by the manufacturing plant.

Current quarter compared with corresponding quarter
For the 2nd quarter ended 30 June 2008, the Group registered a revenue of RM80.3 million, an improvement of 30% compared to the corresponding quarter of RM62 million. Profit before tax ("PBT") was 17% higher at RM5.5 million compared to the corresponding quarter of RM4.7 million. In line with the increase in revenue, the machinery division and the travel and car rental division registered an increase in PBT but the overall Group performance was affected by the lower contribution from the consumer products division and increase in head office expenses. Profit after tax ("PAT") was 17% lower at RM3 million compared to the corresponding quarter of RM3.6 million. PAT was lower due to higher provision of deferred tax.

2. Comparison with preceding quarter's results

Revenue stood at RM80.3 million, 9% higher compared to the immediate preceding quarter of RM73.4 million. However, profit before tax of RM5.5 million was 24% lower than the immediate preceding quarter of RM7.2 million. The decrease was due mainly to the lower contribution from the consumer products division and increase in head office expenses.

3. Current year prospects

Faced with global and domestic uncertainties coupled with inflationary pressure, the Board is cautiously optimistic of the group performance. Barring any unforeseen circumstances, the Group is expected to deliver better performance than the previous financial year albeit challenges ahead.

4. Profit forecast

This is not applicable to the Group.

5. Taxation

	Individual Quarter		Cumulative Quarter	
	30.06.08	**30.06.07**	**30.06.08**	**30.06.07**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax expense				
Current	959	567	1,860	1,190
Deferred tax expense				
Current	1,500	500	1,500	500
Under provision in prior year	-	-	-	345
	2,459	1,067	3,360	2,035

The Group's current effective tax rates for 2008 and 2007 were lower than the prima facie tax rate due mainly to tax exempt status of certain sources of income which is specific to the travel industry and utilisation of capital allowances arising from purchases of fixed assets.

6. Profit on sale of unquoted investments and/or properties

There was no sale of unquoted investments and properties during the current interim period.

7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current interim period.

8. Status of corporate proposals

Following the signing of an agreement to acquire the entire equity interest of Jebsen Travel & Tours Services Sdn Bhd (“Jebsen”)(“Proposed Acquisition”) on 18 August 2006 (“Agreement”), the Company and the Vendors mutually agreed to an extension of time to 17 December 2006 and subsequently to 17 March 2007 for the fulfillment of the conditions precedent (“CP”) set out in the Agreement. On 29 January 2007, the Foreign Investment Committee (FIC) approved the Proposed Acquisition subject to the approval of the Ministry of Tourism (“MOT”). On 12 February 2007, the MOT approved the proposed change of shareholding structure in Jebsen in respect of the First Tranche Sale Shares and Second Tranche Sale Shares of the Proposed Acquisition (as described in our previous announcement dated 18 August 2006) amounting to 420,000 shares in Jebsen representing 60% of its equity interest (ie 60% of the total Sale Shares). The Company and the Vendors subsequently agreed to further extensions of time of two months to 17 May 2007, three months to 17 August 2007, another three months to 17 November 2007, another three months to 17 February 2008 and further three months to 17 May 2008 for the fulfillment of the remaining CP relating to the conclusion of satisfactory legal and financial due diligence audits on Jebsen. Announcements relating to status of the progress of the Proposed Acquisition were made on 15 November 2006, 15 December 2006, 6 February 2007, 23 February 2007, 16 March 2007, 15 May 2007, 15 August 2007, 14 November 2007 and 15 February 2008 respectively.

On 16 May 2008, the Company announced the termination of the Agreement. The Agreement was terminated due to a breach of the Agreement by the Vendors.

9. Group borrowings

Particulars of the Group borrowings as at the reporting date are as follows:

	Unsecured RM'000
Current	
Bills payable	11,207
Term loan	8,656
	19,863
Non-current	
Term loan	6,108

The above borrowings were denominated in Ringgit Malaysia.

10. Off balance sheet financial instruments

The Group does not have any financial instrument with off balance sheet risk as at the cut-off date of 21 August 2008 apart from outstanding forward contracts on foreign currencies in relation to the Group’s purchases, the impact of which will be reflected in the operating performance of the Group.

Currency	Contract Amount (‘000)	Equivalent amount in Ringgit Malaysia (‘000)	Expiry dates
Japanese Yen	284,166	8,612	10.10.08
USD	2,347	7,517	14.11.08
Euro	54	273	28.11.08

Forward foreign exchange contracts are entered into with licensed banks to immunise certain portion of the Group's purchases from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Company is not exposed to any market risk. Given that the contracts are entered into with licensed banks, the Group is of the view that credit risk is minimal. Apart from a small fee payable to the banks, there is no cash requirement for these contracts.

As the forward contracts are short term in nature, no adjustment has been made at the balance sheet date to account for the difference between the contracted rate and the prevailing market rate.

11. Material litigation

On 3 July 2002, the Company and a subsidiary claimed for damages against two former directors of the subsidiary for breaches of their fiduciary and/or contractual duties. On or about 25 June 2004, two former employees of subsidiaries of the Company were added as defendants to the action.

On 6 August 2002, one of the defendants brought a derivative action, by way of counterclaim, for the benefit of the Company, claiming damages against certain current and former directors of the Company for alleged breaches of their fiduciary duties to the Company. The said counterclaim was struck out by the Senior Assistant Registrar (SAR) on 20 October 2003. The said defendant has filed an appeal to the Judge in Chambers. The appeal was dismissed with costs by the Judge on 2 April 2004. An appeal to the Court of Appeal is fixed for hearing on 17 November 2008.

On 7 February 2006, the plaintiffs filed an application for leave to include another party as co-defendant. The application was allowed by the Court.

12. Dividend

The Board of Directors is pleased to declare an interim dividend of 5% (2007 – 4%) less tax per share for the financial year ending 31 December 2008. The interim dividend will be paid on 29 September 2008. The entitlement date for the interim dividend shall be 15 September 2008.

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

a. shares transferred into the depositor's securities account before 4.00 p.m. on 15 September 2008 in respect of ordinary transfers; and

b. 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

Basic earnings per share is calculated based on profit for the period attributable to ordinary equity holders and weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	30.06.08	**30.06.07**	**30.06.08**	**30.06.07**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit attributable to ordinary equity holders of the Company	3,106	3,658	9,459	7,890

	Individual Quarter		Cumulative Quarter	
	30.06.08	**30.06.07**	**30.06.08**	**30.06.07**
	'000	**'000**	**'000**	**'000**
Weighted average number of ordinary shares in issue	66,166	66,567	66,193	66,768

	Individual Quarter		Cumulative Quarter	
	30.06.08	**30.06.07**	**30.06.08**	**30.06.07**
	Sen	**Sen**	**Sen**	**Sen**
Basic earnings per share	4.69	5.50	14.29	11.82

BY ORDER OF THE BOARD
CHANG PIE HOON
Company Secretary
Kuala Lumpur
28 August 2008