



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

**INTERIM FINANCIAL REPORT FOR THE  
QUARTER ENDED 30 SEPTEMBER 2010  
(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30 September		Year to Date 30 September	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	105,146	83,284	282,758	230,467
Cost of sales	(74,121)	(60,786)	(197,638)	(161,338)
<b>Gross profit</b>	<b>31,025</b>	<b>22,498</b>	<b>85,120</b>	<b>69,129</b>
Other (expense) / income	(517)	357	1,536	1,248
Selling and distribution expenses	(14,199)	(11,583)	(42,138)	(34,114)
Administrative and general expenses	(9,820)	(8,397)	(27,545)	(25,923)
Interest expense	(1,154)	(450)	(2,364)	(1,659)
Interest income	468	185	862	538
<b>Profit before tax</b>	<b>5,803</b>	<b>2,610</b>	<b>15,471</b>	<b>9,219</b>
Tax expense	(2,013)	(1,127)	(5,392)	(3,183)
<b>Profit for the period</b>	<b>3,790</b>	<b>1,483</b>	<b>10,079</b>	<b>6,036</b>
Other comprehensive income, net of tax				
Change in fair value of cash flow hedge	1,189	-	464	-
Foreign exchange differences from translation	(195)	(72)	(443)	(8)
Total other comprehensive income for the period	994	(72)	21	(8)
Total comprehensive income for the period	4,784	1,411	10,100	6,028
Basic earnings per share (sen)	5.81	2.25	15.45	9.17
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009.



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(Unaudited) As at End of Quarter 30 September 2010 RM'000	(Audited) As at Preceding Year Ended 31 December 2009 RM'000
<b>ASSETS</b>		
Property, plant and equipment	166,467	147,087
Other investments	35	35
Lease receivables	12,071	6,923
Deferred tax asset	765	765
Intangible asset	6,644	5,944
<b>Total non-current assets</b>	<u>185,982</u>	<u>160,754</u>
Inventories	80,291	67,564
Receivables, deposits and prepayments	102,629	69,465
Derivative financial assets	524	-
Current tax assets	1,755	2,352
Cash and cash equivalents	87,105	66,858
<b>Total current assets</b>	<u>272,304</u>	<u>206,239</u>
<b>TOTAL ASSETS</b>	<u>458,286</u>	<u>366,993</u>
<b>EQUITY</b>		
Share capital	67,200	67,200
Share premium	615	615
Reserves	(42,063)	(41,801)
Retained earnings	211,935	206,852
Treasury shares	(3,920)	(3,679)
<b>Total equity</b>	<u>233,767</u>	<u>229,187</u>
<b>LIABILITIES</b>		
Deferred tax liabilities	11,481	10,016
Employee benefits	2,205	2,043
Borrowings	49,614	14,821
<b>Total non-current liabilities</b>	<u>63,300</u>	<u>26,880</u>
Payables and accruals	93,981	70,342
Borrowings	64,730	39,509
Derivative financial liabilities	283	-
Current tax liabilities	2,225	1,075
<b>Total current liabilities</b>	<u>161,219</u>	<u>110,926</u>
<b>Total liabilities</b>	<u>224,519</u>	<u>137,806</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>458,286</u>	<u>366,993</u>
<b>Net assets per share (RM)</b>	3.58	3.51

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009.



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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Non-distributable →				→ Distributable		Total equity	
	Share capital	Share premium	Treasury shares	Merger reserve	Translation reserve	Hedging reserve		Retained earnings
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 January 2010</b>	67,200	615	(3,679)	(41,614)	(187)	-	206,852	229,187
- Effect of adopting FRS 139	-	-	-	-	-	(283)	874	591
<b>At 1 January 2010 - restated</b>	67,200	615	(3,679)	(41,614)	(187)	(283)	207,726	229,778
Total comprehensive income for the period	-	-	-	-	(443)	464	10,079	10,100
Purchase of treasury shares	-	-	(241)	-	-	-	-	(241)
Dividend - 2009 final	-	-	-	-	-	-	(2,935)	(2,935)
Dividend - 2010 interim	-	-	-	-	-	-	(2,935)	(2,935)
<b>At 30 September 2010</b>	67,200	615	(3,920)	(41,614)	(630)	181	211,935	233,767
<b>At 1 January 2009</b>	67,200	615	(2,394)	(41,614)	(136)	-	204,968	228,639
Total comprehensive income for the period	-	-	-	-	(8)	-	6,036	6,028
Purchase of treasury shares	-	-	(566)	-	-	-	-	(566)
Dividend - 2008 final	-	-	-	-	-	-	(2,470)	(2,470)
Dividend - 2009 interim	-	-	-	-	-	-	(2,466)	(2,466)
<b>At 30 September 2009</b>	67,200	615	(2,960)	(41,614)	(144)	-	206,068	229,165

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009.



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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>For the 9 months ended 30 September 2010 RM'000</b>	<b>For the 9 months ended 30 September 2009 RM'000</b>
Profit before tax	15,471	9,219
<b>Adjustments for :</b>		
Non-cash items	22,117	23,253
Non-operating items (which are investing/financing)	1,502	1,121
<b>Operating profit before working capital changes</b>	39,090	33,593
<b>Changes in working capital</b>	(28,846)	14,828
<b>Other cash generated from operations</b>	6,836	4,806
<b>Net cash generated from operating activities</b>	17,080	53,227
<b>Net cash used in investing activities</b>		
Acquisition of subsidiary	(700)	-
Purchase of property, plant and equipment	(49,387)	(16,667)
Proceeds from disposal of property, plant and equipment	266	266
Interest received	862	538
	(48,959)	(15,863)
<b>Net cash generated from/(used in) financing activities</b>		
Dividends paid to shareholders of the Company	(5,870)	(4,936)
Proceeds from bills payable	117,697	-
Repayment of bills payable	(102,887)	(19,989)
Proceeds from term loan	48,737	-
Repayment of term loan	(7,503)	(7,630)
Proceeds from revolving credit	10,000	14,000
Repayment of revolving credit	(5,000)	(10,000)
Interest paid	(2,364)	(1,659)
Purchase of treasury shares	(241)	(566)
	52,569	(30,780)
<b>Net changes in cash and cash equivalents</b>	20,690	6,584
<b>Cash and cash equivalents at beginning of year</b>	66,858	51,208
<b>Foreign exchange differences on opening balance</b>	(443)	(8)
<b>Cash and cash equivalents at end of period</b>	87,105	57,784
 Cash and cash equivalents comprise:-		
Cash and bank balances	23,395	23,931
Fixed deposits (excluding deposits pledged)	63,710	33,853
	87,105	57,784

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009.



## 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 of the Main Market 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 2009.

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 2009, except that the Group has adopted applicable new/revised/amendment to FRS effective for period beginning 1 January 2010 as follows:-

FRS 7 – Financial Instruments : Disclosures

FRS 8 - Operating Segments

FRS 101 – Presentation of Financial Statements (revised)

FRS 139 – Financial Instruments : Recognition and Measurement

Amendment to FRS 7 – Financial Instruments : Disclosures

Amendment to FRS 8 - Operating Segments

Amendment to FRS 116 – Property, Plant and Equipment

Amendment to FRS 117 – Leases

Amendment to FRS 132 – Financial Instruments : Presentation

Amendment to FRS 134 – Interim Financial Reporting

Amendment to FRS 139 - Financial Instruments : Recognition and Measurement

Other than the implication as stated below, the adoption of the above new/revised/amendment to FRS do not have any material impact on the financial statements of the Group.

#### a) FRS 8 – Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity’s chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its internal management reports. The basis of measurement of operating results and segment assets is the same as the basis of measurement for external reporting.

#### b) FRS101 – Presentation of Financial Statements (revised)

FRS 101 requires an entity to present, in the statement of changes in equity, all owner changes in equity. All non-owner changes in equity (ie comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

#### c) FRS 116 – Property, Plant and Equipment

FRS116 requires an entity which routinely sells items of property, plant and equipment held for rental to transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets shall be recognized as revenue.



- d) FRS 117 – The amendment to the standard requires entities with existing leases of land and buildings (combined) to reassess the classification of land as a finance or operating lease. The Group has reclassified the existing leasehold land to property, plant and equipment following the reassessment, with no effect on reported profit or equity. However, the comparative has been restated as follows:-

<u>RM'000</u>	<u>Previously stated</u>	<u>Effects of changes in accounting policy</u>	<u>As restated</u>
Property, plant and equipment	137,084	10,003	147,087
Prepaid lease payments	10,003	(10,003)	-

- e) FRS139 – Financial Instruments : Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of financial assets and financial liabilities and permits hedge accounting only under strict circumstances. In accordance with the requirement of this standard, the Group assesses its derivatives to see if they qualify for hedge accounting, and following that, have designated its derivatives arising from forward foreign exchange contracts as cash flow hedges. The Group recognises the changes in fair value directly to equity, to the extent that the hedges are effective. As allowed under the transitional provisions of FRS 139, the Group has not applied the standard retrospectively and the comparatives at 31 December 2009 are not restated. Instead, the following opening balances have been adjusted in the balance sheet at 1 January 2010.

Impact on opening balance

<u>RM'000</u>	<u>Previously stated</u>	<u>Effect of FRS139</u>	<u>As restated</u>
Non-current asset			
Lease receivables	-	(156)	6,767
Non-current liability			
Borrowings	-	(1,030)	13,791
Equity			
Hedging reserve	-	(283)	(283)

## 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

There was no share buy-back during the current interim period. Cumulative total number of shares repurchased at the end of the quarter was 1,987,400. 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

An interim dividend of 6% (2009 – 5%) less tax per share amounting to RM2.935 million (2009 – RM2.466 million) in respect of financial year ending 31 December 2010 was declared on 17 August 2010 and paid on 29 September 2010.

## 8. Operating Segments

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

Business Segments	Consumer Products		Travel and Car Rental		Machinery		Other Operations		Elimination		Consolidated	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue - external	44,999	39,465	135,361	103,777	101,430	86,765	968	460	-	-	282,758	230,467
Inter-segmental revenue	-	-	712	402	-	-	-	-	(712)	(402)	-	-
Total revenue	<b>44,999</b>	<b>39,465</b>	<b>136,073</b>	<b>104,179</b>	<b>101,430</b>	<b>86,765</b>	<b>968</b>	<b>460</b>	<b>(712)</b>	<b>(402)</b>	<b>282,758</b>	<b>230,467</b>
Segmental result	2,279	479	10,579	6,577	7,142	6,235	(495)	(191)	-	-	19,505	13,100
Unallocated expenses											(2,532)	(2,760)
Operating profit											16,973	10,340
Interest expense											(2,364)	(1,659)
Interest income											862	538
Profit before tax											<b>15,471</b>	<b>9,219</b>
Segment assets	48,725	45,746	168,911	144,698	159,393	115,273	2,828	821	-	-	379,857	306,538
Unallocated assets											78,429	47,859
Total assets											<b>458,286</b>	<b>354,397</b>

## 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 2009.

## 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

On 16 November 2010, a wholly-owned subsidiary, namely Belize Holdings Sdn Bhd ("Belize"), entered into a Share Sale and Purchase Agreement with American Express Travel Holdings (M) Company Sdn Bhd for the acquisition of 177,601 ordinary shares of RM1.00 each in Mayflower American Express Travel Services Sdn Bhd ("MAE") representing the remaining 30% of the issued and paid-up share capital of MAE for a total cash consideration of RM13,000,000.

On even date and upon completion of the transaction, MAE became a wholly-owned subsidiary of Belize and an indirect wholly-owned subsidiary of Warisan TC Holdings Berhad.



## 12. Changes in contingent liabilities

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

## 13. Related Party Disclosures

Related party transactions between the Group and related parties are as follows:-

	Individual Quarter		Cumulative Quarter	
	30.09.10 RM'000	30.09.09 RM'000	30.09.10 RM'000	30.09.09 RM'000
Sales	217	1,904	1,334	2,880
Travel agency, car rental and workshop services	1,113	445	3,373	2,340
Rental income	76	51	209	338
Purchase of trucks and spare parts	78	982	847	2,730
Workshop service	274	510	795	763
Rental expense	11	1	20	12
Purchase of property, plant and equipment	4,465	2,705	11,723	7,154
Insurance agency service	439	401	1,316	2,104
Administrative service	59	40	130	153

The above transactions were entered into in the ordinary course of business based on normal commercial terms and on arms length basis. These transactions were established on terms that are not materially different from those with unrelated parties.

### Additional Information Required in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

#### 1. Review of performance

##### 9 months period ended 30 September 2010

Group revenue of RM282.8 million was 23% higher than RM230.5 million of the corresponding period. Higher revenue was achieved across all the core business segments. Profit before tax was recorded at RM15.5 million, 68% higher than RM9.2 million of the corresponding period. Profit after tax was recorded at RM10.1 million, 68% higher than RM6 million of the corresponding period. All the core business segments contributed to the improved performance over the corresponding period.

##### Machinery Division

Revenue of the machinery division was 17% higher compared with the corresponding period. The increase in revenue was attributed to the increase in demand of equipment, parts and service businesses. Profitability was consequently 15% higher compared with the corresponding period in which forklift, parts and service businesses had contributed to the improved performance.

##### Travel and Car Rental Division

The travel and car rental division recorded higher revenue by 30% compared with the corresponding period. The increase in revenue was due mainly to increased volume in inbound, outbound, car rental and corporate ticketing businesses. [Gross revenue, taking into consideration full sale proceeds of air tickets, was RM355.1 million compared with the corresponding period of RM229.5 million, an increase of 55%.] Profitability was higher by 74% compared with the corresponding period due generally to higher contribution from outbound corporate incentive, car rental and corporate ticketing businesses.





Consumer Products Division

As for the consumer products division, overall revenue increased by 14% compared with the corresponding period due mainly to higher revenue attained by Shiseido Malaysia Sdn Bhd, Tan Chong Apparels Manufacturer Sdn Bhd (“TCAM”) which produces lingerie, the multi-level-marketing (“MLM”) business under Tung Pao Sdn Bhd and the Wacoal business. Consequently, profitability increased by 140% due mainly to higher contribution from the Shiseido business, TCAM, the Wacoal business and the MLM business as a result of the increase in revenue.

Third quarter ended 30 September 2010

The Group recorded higher revenue and profit before tax (“PBT”) of RM105.1 million and RM5.8 million compared with RM83.3 million and RM2.6 million respectively of the corresponding quarter. The improved revenue and PBT were contributed by all the core business segments.

**2. Comparison with preceding quarter’s results**

The Group recorded higher revenue and profit before tax (“PBT”) of RM105.1 million and RM5.8 million compared with RM93.8 million and RM5 million respectively of the preceding quarter. The improved revenue and PBT were contributed by the travel and car rental business.

**3. Current year prospects**

With more positive signs of economic recovery, the Group is expected to deliver an improved performance for the year, barring any unforeseen circumstances.

**4. Profit forecast**

This is not applicable to the Group.

**5. Taxation**

	Individual Quarter		Cumulative Quarter	
	30.09.10	30.09.09	30.09.10	30.09.09
	RM’000	RM’000	RM’000	RM’000
<i>Tax expense</i>				
Current	1,538	826	4,017	2382
(Over)/Under provision in prior year	(30)	1	(30)	1
<i>Deferred tax expense</i>				
Current	-	300	900	800
Under provision in prior year	505	-	505	-
	<u>2,013</u>	<u>1,127</u>	<u>5,392</u>	<u>3,183</u>

The Group’s current tax rates for 2010 and 2009 were higher than the prima facie tax rate due mainly to no group tax relief was applied by the Group to offset its profits against the loss making companies and certain expenses were disallowed for tax purpose for the period. The deferred tax in 2010 and 2009 were provided in respect of net book value exceeding tax written down value 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

On 7 September 2010, Angka-Tan Motor Sdn Bhd (“ATM”) (formerly known as Angka-Tan Machinery Sdn Bhd), a wholly-owned subsidiary of the Company, entered into a Memorandum of Understanding (“MOU”) with Beiqi Foton Motor Co. Ltd. (“BFM”), a company incorporated under the laws of the People’s Republic of China, which sets out the perimeters of the prospective co-operation between ATM and BFM and basis of negotiations leading to the signing of definitive agreements between the parties in relation to, inter alia, the appointment of ATM by BFM as:-

- (i) the sole and exclusive assembler and distributor of bus chassis of such contractual model(s) to be mutually agreed and set out in the definitive agreements to be entered into between the parties (“Products”) and to distribute and sell the Products, either on its own or as a complete bus;
- (ii) the sole and exclusive provider of after sales service of the Products; and
- (iii) the sole and exclusive distributor of spare parts in respect of the Products;

all in Malaysia and such other countries as the parties may agree from time to time subject to the terms and conditions of the definitive agreements to be entered into between the parties.

The MOU shall be for an initial duration of a period of four (4) months and thereafter may be extended for a further period(s) to be mutually agreed upon by the parties. This MOU shall be superseded with the signing of the definitive agreements to be entered between the parties.

Subsequent to the signing of this MOU, ATM is in discussion and negotiation with BFM on the terms and conditions of the definitive agreements.

## 9. Group borrowings

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

<b>Current</b>	<b>Unsecured RM'000</b>
Bills payable	25,557
Revolving credit	24,500
Term loan	14,673
	<u>64,730</u>
 <b>Non-current</b>	
Term loan	<u>49,614</u>

The above borrowings were denominated in Ringgit Malaysia.

## 10. Financial Instruments

As at 30 September 2010, the foreign currency contracts which have been entered into by the Group to hedge its foreign purchases and sales in foreign currencies are as follows:-

Forward Foreign Currency	Contract Value (RM'000)	Fair Value (RM'000)	Difference (RM'000)	Ageing
<b>Payables</b>				
USD	3,994	3,880	114	Less than 1 year
Euro	1,186	1,215	(29)	Less than 1 year
Yen	20,147	20,550	(403)	Less than 1 year
<b>Receivables</b>				
USD	(6,466)	(6,260)	(206)	Less than 1 year
<b>Total</b>	18,861	19,385	(524)	



**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 (2) former employees of subsidiaries of the Company were added as defendants to the action.

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**

No dividend was proposed for the current interim period.

**13. Earnings per share**

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

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.09.10</b>	<b>30.09.09</b>	<b>30.09.10</b>	<b>30.09.09</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the period	3,790	1,483	10,079	6,036
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.09.10</b>	<b>30.09.09</b>	<b>30.09.10</b>	<b>30.09.09</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares in issue	65,213	65,767	65,238	65,833
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30.09.10</b>	<b>30.09.09</b>	<b>30.09.10</b>	<b>30.09.09</b>
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Basic earnings per share	5.81	2.25	15.45	9.17

**BY ORDER OF THE BOARD**

**CHANG PIE HOON**

**ANG LAY BEE**

Company Secretaries

Kuala Lumpur

18 November 2010