



**UNAUDITED RESULTS FOR
THE FINANCIAL YEAR ENDED DECEMBER 31, 2008**

Notes To The Financial Statements

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention. 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 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 2007. These explanatory notes attached 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 2007.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007.

3. STATUS ON QUALIFIED FINANCIAL STATEMENT

Not applicable.

4. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group are not significantly affected by seasonality or cyclical factors.

5. UNUSUAL ITEMS

Other than disclosed in the financial statement, there were no unusual items affecting the financial statement for the financial year under review.

6. CHANGES IN ESTIMATES

There were no significant changes in estimates that materially affect the financial statements for the financial year under review.



HEITECH PADU BERHAD
Company No: 310628-D

7. DEBTS AND EQUITY SECURITIES

There were no repayment and issuance of debt securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares for the financial year under review.

8. DIVIDENDS PAID

During the current financial year, an interim dividend in respect of the financial year ended 31 December 2007, of 14% less 26% taxation on 100,011,500 ordinary shares, amounting to a dividend payable of RM 10,361,191 (RM 10.36 per ordinary share) have been declared. The dividend was paid on April 11, 2008.

During the last Annual General Meeting, the shareholders have approved a final dividend in respect of the financial year ended 31 December 2007, of 7% less 26% taxation on 100,011,500 ordinary shares, amounting to a dividend payable of RM5,180,596 (RM5.18 per ordinary share). The dividend was paid on August 8, 2008.

No other dividend in respect of current financial year was paid out in the financial period under review.

9. SEGMENTAL REPORTING

The segmental reporting is disclosed separately for the bulk mailing outsourcing contribution and television content services. The segmental reporting by business segment is reflected below:

As at 31 December 2008	IT related products and services	Bulk mailing outsourcing services	Television content services	Consolidation Adjustments	Consolidated
REVENUE					
Group total	403,328	42,855	18,376	(4,067)	460,492
Inter-segment sales	-	-	-	-	-
External	403,328	42,855	18,376	(4,067)	460,492
RESULT					
Profit for the period	27,896	3,027	3,121	(3,065)	30,979



HEITECH PADU BERHAD

Company No: 310628-D

10. VALUATION OF PROPERTY, PLANT & EQUIPMENT

There was no valuation of property, plant and equipment as reported in the annual financial statement for the financial period ended December 31, 2008.

11. SUBSEQUENT EVENT

There were no material events subsequent to the financial period under review.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes to the composition of the Group in the current financial period under review.

13. CAPITAL COMMITMENT

The amount of commitments for purchase of property, plant & equipment not provided for in the interim financial statements as at December 31, 2008 is as follows:

	Unaudited Financial Year <u>31/12/08</u> RM'000
Approved and contracted for	934
Approved but not contracted for	13,321

14. CONTINGENT LIABILITIES

There were no contingent liabilities for the Group as at February 20, 2009 being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

15. REVIEW OF PERFORMANCE

The Group has recorded a revenue of RM460,492,000 for the financial year ended December 31, 2008, an increase of RM36,476,000 or 9% relative to the previous financial year ended December 31, 2007. The increase in revenue was mainly attributable to trading of hardware and software from the system integration business and infrastructure project implementation services for the current financial year.

This document forms part of the unaudited quarterly announcement of HeiTech Group for the financial year ended 31/12/2008.



HEITECH PADU BERHAD

Company No: 310628-D

The Group recorded profit before taxation of RM37,831,000 for the financial year ended December 31, 2008, an increase of RM 12,108,305 or 47% relative to the financial year ended December 31, 2007. The increase was mainly due to sale of property, plant and equipment during the period amounting to RM 27,980,000. The gain is partly off-set by development expenditure written-off amounting to RM 4,000,000 and provision in diminution in value and amount due from related companies amounting to RM 7,874,000 in view of the adverse prevailing economic condition.

The Group further recorded a net profit attributable to shareholders of RM30,979,000 for the financial year ended December 31, 2008. This represents an increase of RM 13,628,000 or 79% relative to the previous financial year ended December 31, 2007 as a result of increase in profit before taxation as mentioned above.

16. COMPARISON WITH PRECEDING QUARTER'S RESULTS

In comparison with the preceding quarter (quarter ended September 30, 2008), there was an increase in consolidated revenue of 63% from RM 95,830,000 to RM 156,408,000. Profit before taxation also recorded an increase from RM 2,300,000 to RM24,965,000 in the current quarter ended 31 December 2008. The increase was mainly due to sale of property, plant and equipment during the period amounting to RM 27,980,000.

The gain is partly off-set by development expenditure written-off amounting to RM 4,000,000 and provision in diminution in value and amount due from related companies amounting to RM 7,874,000 in view of the adverse prevailing economic condition.

Consequently, due to the above, net profit attributable to shareholders of the Group has increased from RM 1,301,000 in the preceding quarter to RM20,895,000 in the current quarter.

17. PROSPECTS IN THE CURRENT FINANCIAL YEAR

The Group expects to remain profitable in the current financial year.

18. VARIANCE ON FORECAST PROFIT

Not Applicable.



HEITECH PADU BERHAD
Company No: 310628-D

19. TAXATION

The taxation of the Group for the financial year under review was as follows:-

	Current Quarter 31/12/2008	Accumulated Current Year 31/12/2008
	RM'000	RM'000
Current Taxation	<u>4,070</u>	<u>6,852</u>

20. PROFIT ON SALE OF INVESTMENT

There were no profits on sale of investment and/or investment properties for the financial year under review.

21. QUOTED SECURITIES

There were no acquisitions or disposal of quoted securities for the financial year under review.

22. CORPORATE DEVELOPMENTS

There were no corporate developments during the financial year under review.

23. GROUP BORROWINGS AND DEBT SECURITIES

As at December 31, 2008, the Group has the following borrowings which are denominated in Ringgit Malaysia from a local financial institution:-

	Total RM'000
Secured:	
<u>Short Term Borrowings</u>	
Hire Purchase Creditor due within 12 months	876
Other short term borrowings due within 12 months	<u>3,181</u>
	<u>4,057</u>
<u>Long Term Borrowings</u>	
Hire Purchase Creditor due after 12 months	2,346
Other long term borrowings due after 12 months	<u>79,310</u>
	<u>81,656</u>
Total	<u>85,713</u>

This document forms part of the unaudited quarterly announcement of HeiTech Group for the financial year ended 31/12/2008.



HEITECH PADU BERHAD
Company No: 310628-D

24. OFF BALANCE SHEET FINANCIAL INSTRUMENT

The Group does not have any financial instruments with off balance sheet risk as at February 20 2009, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

25. MATERIAL LITIGATION

The Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant as at February 20, 2009, being the latest practicable date, which is not earlier than seven days from the date of issuance of this quarterly announcement.

26. PROPOSED DIVIDEND

There are no dividends proposed in respect of the current financial year during the financial year under review.

27. EARNINGS PER SHARE

	Current Quarter <u>31/12/2008</u>	Accumulated Current Year <u>31/12/2008</u>
a) Basic		
Net profit attributable to ordinary equity holders of the parent company (RM'000)	20,895	30,979
Number of ordinary shares issued at beginning of the year	100,011,500	100,011,500
Weighted average number of ordinary shares in issue	100,011,500	100,011,500
Basic earnings per share (sen)	<u>20.10</u>	<u>29.62</u>
Diluted earnings per share (sen)	<u>20.10</u>	<u>29.62</u>



HEITECH PADU BERHAD

Company No: 310628-D

28. SIGNIFICANT EVENTS

- i. On 7 November 2008, the Company has accepted the Letter of Award for the Continuance of the Contract for the Maintenance of Application System for Travel Documentation and Immigration Control System for Jabatan Imigresen Malaysia (“IMM”) amounting to RM4,631,510.
- ii. On 26 November 2008, the Company has accepted Letter of Award for the Upgrade of the Pharmacy Information Application System from Version 8 to Version 9 for Pusat Perubatan Universiti Malaya (“University Malaya Medical Centre”) amounting to RM2,910,000.
- iii. On 16 January 2009, the Company has accepted Letter of Award for the Supply, Delivery, Installation, Configuration, Testing, Commissioning, and Maintenance of the Application Development for the Learning Management System (“LMS”), the Purchase of Equipment and Leased Line at the Centre for Instructor and Advanced Skill Training (“CIAST”), Selangor Darul Ehsan amounting to RM4,414,500.

By Order of the Board

KHAERUDDIN BIN SUDHARMIN (LS007037)

NORISWADI BIN HAJI ISMAIL (LS0008892)

Secretary