

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE NINE-MONTH ENDED 30 SEPTEMBER 2009**

	Note	Current Quarter 3 months ended		Current financial year-to-date 9 months ended	
		30.09.09 RM'000	30.09.08 RM'000	30.09.09 RM'000	30.09.08 RM'000
Revenue	B1	63,116	82,000	131,317	225,237
Cost of sales		(58,446)	(76,291)	(130,614)	(207,444)
Gross Profit		<u>4,670</u>	<u>5,709</u>	<u>703</u>	<u>17,793</u>
Other income		904	1,023	2,835	3,415
Administrative expenses		(3,178)	(637)	(8,064)	(7,131)
Selling and marketing expenses		(597)	(368)	(927)	(961)
Other expenses		(149)	(132)	(445)	(398)
Finance costs		(32)	(55)	(114)	(426)
Gain on disposal of properties		-	-	-	12,213
Share of results of an associate		604	694	1,456	1,401
Profit/(Loss) before taxation	B2	<u>2,222</u>	<u>6,234</u>	<u>(4,556)</u>	<u>25,906</u>
Income tax	B5	<u>86</u>	<u>1,501</u>	<u>(123)</u>	<u>(1,696)</u>
Profit/(Loss) for the period		<u>2,308</u>	<u>7,735</u>	<u>(4,679)</u>	<u>24,210</u>
Earnings/(Loss) per share					
- Basic/Diluted (sen)	B13	<u>0.64</u>	<u>2.15</u>	<u>(1.30)</u>	<u>6.73</u>

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

LCTH CORPORATION BERHAD (633871-A)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2009

	Note	As at 30.09.09 RM'000	As at 31.12.08 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		72,420	82,009
Investment properties		23,445	23,807
Investment in associate		9,021	7,565
Prepaid leasehold land		6,825	6,922
		<u>111,711</u>	<u>120,303</u>
Current Assets			
Inventories		21,021	21,622
Trade receivables		57,195	55,986
Other receivables		3,776	4,634
Due from holding companies		2,423	2,430
Due from related companies		102	2
Tax recoverable		6,414	5,705
Cash and cash equivalents		68,450	72,063
		<u>159,381</u>	<u>162,442</u>
TOTAL ASSETS		<u>271,092</u>	<u>282,745</u>
EQUITY AND LIABILITIES			
Share capital		72,000	72,000
Share premium		97,911	97,911
ESOS reserves		255	50
Retained profits		42,323	49,702
Total Equity		<u>212,489</u>	<u>219,663</u>
Non-Current Liabilities			
Borrowings	B9	658	1,788
Deferred tax liabilities		11,213	10,538
		<u>11,871</u>	<u>12,326</u>
Current Liabilities			
Trade payables		31,373	30,659
Other payables		9,457	11,794
Borrowings	B9	1,557	1,675
Due to holding companies		4,285	2,200
Due to related companies		2	-
Tax payable		58	4,428
		<u>46,732</u>	<u>50,756</u>
Total Liabilities		<u>58,603</u>	<u>63,082</u>
TOTAL EQUITY AND LIABILITIES		<u>271,092</u>	<u>282,745</u>
NET ASSETS PER SHARE (RM)		<u>0.59</u>	<u>0.61</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

LCTH CORPORATION BERHAD (633871-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH ENDED 30 SEPTEMBER 2009

	Share Capital RM'000	Non- Distributable Share Premium RM'000	Distributable Retained Profits RM'000	ESOS Reserve RM'000	Total RM'000
At 1 January 2008					
As previously stated	120,000	121,911	31,180	-	273,091
Prior year adjustments					
- effects of adopting FRS 112	-	-	2,698	-	2,698
At 1 January 2008 (restated)	120,000	121,911	33,878	-	275,789
Bonus issue	24,000	(24,000)	-	-	-
Capital reduction	(72,000)	-	-	-	(72,000)
Profit for the period	-	-	24,210	-	24,210
Dividends	-	-	(1,800)	-	(1,800)
At 30 September 2008	<u>72,000</u>	<u>97,911</u>	<u>56,288</u>	<u>-</u>	<u>226,199</u>
At 1 January 2009	72,000	97,911	49,702	50	219,663
Loss for the period	-	-	(4,679)	-	(4,679)
Share options granted under ESOS	-	-	-	205	205
Dividends	-	-	(2,700)	-	(2,700)
At 30 September 2009	<u>72,000</u>	<u>97,911</u>	<u>42,323</u>	<u>255</u>	<u>212,489</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

LCTH CORPORATION BERHAD (633871-A)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE-MONTH ENDED 30 SEPTEMBER 2009

	9 months ended	
	30.9.09	30.9.08
	RM'000	RM'000
(Loss)/Profit before tax	(4,556)	25,906
Adjustments items :		
Depreciation and amortisation	12,050	12,624
Interest and investment income	(1,086)	(1,356)
Interest expense	114	426
Gain on disposal of other property, plant and equipment	(20)	(150)
Gain on disposal of properties	-	(12,213)
Net unrealised gain on foreign exchange	(448)	(2,729)
Share of results on an associate company	(1,456)	(1,402)
Others	773	(360)
Operating income before working capital changes	<u>5,371</u>	<u>20,746</u>
Inventories	320	5,153
Receivables	(786)	(16,029)
Payables	972	9,558
Cash generated from operations	<u>5,877</u>	<u>19,428</u>
Income tax (paid)/refunded	(4,527)	112
Net cash generated from operating activities	<u>1,350</u>	<u>19,540</u>
Net cash (used in)/generated from investing activities	(902)	70,449
Net cash used in financing activities	<u>(4,061)</u>	<u>(89,687)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(3,613)</u>	<u>302</u>
Cash and cash equivalents :		
At beginning of the financial period	<u>72,063</u>	<u>58,352</u>
At end of the financial period	<u>68,450</u>	<u>58,654</u>
* Cash and cash equivalents at the end of the financial period comprise the following :		
Cash and bank balances	17,537	8,458
Fixed deposits with licensed banks	8,941	8,663
Repurchase agreements (REPO)	10,340	14,978
Short term investments	31,632	26,555
	<u>68,450</u>	<u>58,654</u>

The

unaudited Condensed Consolidated Cash flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements.

LCTH CORPORATION BERHAD

(633871-A)

NOTES TO THE INTERIM FINANCIAL STATEMENTS 3rd QUARTER ENDED 30 SEPTEMBER 2009

A COMPLIANCE WITH FINANCIAL REPORTING STANDARDS (“FRS”) 134 : INTERIM FINANCIAL REPORTING

A1 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 compliance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2008. The 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 2008.

A2 Accounting Policies and Methods of Computation

The Group has not adopted any new/revised FRS that has been issued as at the date of authorisation of these Interim Financial Statements but is not yet effective for the Group. The Directors do not anticipate any significant impact on the results and the financial position of the Group upon their initial application except for FRS 101 Presentation of Financial Statements (revised), FRS 7 Financial Instruments: Disclosure, FRS 139 Financial Instruments: Recognition and Measurement and Amendments to FRS 132 Financial Instruments: Presentation. Transition provisions allow for the non-disclosure of possible impact, if any to the financial statements upon the initial application of FRS 7 and FRS 139.

A3 Disclosure of Audit Report Qualification and Status of Matters Raised

The audit report of the Group’s annual financial statements for the year ended 31 December 2008 did not contain any qualification.

A4 Seasonal or Cyclical Factors

The normal sales trend in the past has been that the first and last quarters have the lowest sales with the peak periods being in the second and third quarters. Therefore, the quarterly results generally fluctuate due to this seasonality.

A5 Unusual Items due to their Nature, Size and Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 September 2009.

A6 Material Changes in Estimates

There have been no significant changes in estimates used for the preparation of the interim financial statements.

A7 Changes in Debts and Equity Securities

There were no issuances, cancellations, repurchase, resale and repayments of debt and equity securities for the current financial period to-date.

A8 Dividend Paid

No dividend was paid during the current quarter.

A9 Segmental Information

No segment analysis is prepared as the Group is involved in a single industry segment relating to the manufacturing and sub-assembly of precision plastic parts and components and fabrication of precision moulds and dies. The business of the Group is entirely carried out in Malaysia.

A10 Material Events Subsequent to the end of the financial period

There were no material events subsequent to the end of the reporting quarter and the date of this announcement.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter.

A12 Contingent Liabilities and Contingent Assets

Contingent liabilities arising from corporate guarantees given to banks for credit facilities utilised by subsidiaries amounted to RM4,444,443.

There were no contingent assets since the last financial year ended 31 December 2008.

A13 Capital Commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 September 2009 are as follows:

	RM'000
Approved and contracted for	4,667
Approved but not contracted for	<u>9</u>
	<u><u>4,676</u></u>

A14 Carrying Amount of Revalued Assets

Property, plant and equipment are stated at cost less accumulated depreciation. There was no revaluation of property, plant and equipment for the current quarter and financial year to-date.

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA

B1 Performance Review

The Group recorded revenue of RM63.1 million and profit before taxation (“PBT”) of RM2.2 million for the current quarter ended 30 September 2009.

The Group’s revenue of RM131.3 million for the period ended 30 September 2009 is 41.7% lower compared to RM225.2 million for the same period of 2008. The decline in revenue for the current quarter/period is mainly due to the decline in customers’ orders arising from lower demand of electronic products resulted from the current global economic and financial crisis.

The Group reported a loss before taxation (“LBT”) of RM4.6 million for the current 9-month period under review, mainly due to the significant decrease in revenue posted for the current period and the erosion of the Group’s gross margin. The erosion was mainly due to the underutilization of capacity as a result of decrease in order book.

For the current period under review, the Group incurred a loss after tax of RM4.7 million as compared to profit after tax (“PAT”) of RM24.2 million in the corresponding period. The PAT of RM24.2 million included the gain recognized on the disposal of a subsidiary’s properties.

B2 Material Changes in Profit Before Taxation for the Current Quarter as compared with the immediate Preceding Quarter

The Group’s revenue increased by RM21.3 million or 51.1% as compared to the 2nd Quarter 2009. The gross margin improved significantly from negative 1.3% in the 2nd Quarter 2009 to 7.4% in the current quarter.

The Group reported a PBT of RM2.2 million as opposed to a LBT of RM3.4 million in the preceding quarter ended 30 June 2009. PBT reported in the current quarter is mainly attributed by the significant increase in revenue.

B3 Prospects

The industry that the Group operates in continues to be competitive and the current global economic and financial crisis will continue to have negative impact on the demand and consumption of electronic goods that will lead to a slower growth in the revenue.

The Group shall continue to be operating in a very challenging environment and shall strive to meet those challenges.

B4 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee for the year.

B5 Taxation

	Current Quarter 3 months ended 30.09.09 RM'000	Current financial year-to- date 30.09.09 RM'000
Income tax	(170)	(552)
Deferred tax	84	675
	<u>(86)</u>	<u>123</u>

The net tax income of the Group for the current quarter was due mainly to the over provision of prior year income tax written back in the current quarter.

B6 Sale of Unquoted Investments and/or Properties

The results for the current quarter do not include any profit or loss on sale of unquoted investments and /or properties, which are not in the ordinary course of business of the Group.

B7 Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter under review.

B8 Corporate Proposals

There are no corporate proposals for the current quarter under review.

B9 Group Borrowings and Debts Securities

The details of the Group's borrowings as at 30 September 2009 are as set out below:

	As at 30.09.09 RM'000	As at 31.12.08 RM'000
Short term borrowings		
Secured – Finance lease	1,557	1,675
	<u>1,557</u>	<u>1,675</u>
Long term borrowings		
Secured – Finance lease	658	1,788
	<u>658</u>	<u>1,788</u>
	<u>2,215</u>	<u>3,463</u>

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 6 November 2009.

B11 Changes in Material Litigation

There were no material litigations pending as at the date of this announcement.

B12 Dividends Declared

No dividend is declared for the current quarter.

B13 Earnings/(Loss) per share**Basic**

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) after tax attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the financial year.

	Current Quarter 30.09.09	Current financial year-to-date 30.09.09
Profit/(Loss) attributable to shareholders (RM'000)	2,308	(4,679)
Weighted average number of ordinary shares in issue ('000)	360,000	360,000
Basic earnings/(loss) per share (sen)	<u>0.64</u>	<u>(1.30)</u>

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the current quarter and current financial year-to-date.

By Order of the Board

Company Secretary