

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	Current Quarter 3 months ended		Current financial year-to-date 12 months ended	
		31.12.09	31.12.08	31.12.09	31.12.08
		RM'000	RM'000	RM'000	RM'000
Revenue	B1	84,454	63,893	215,771	289,130
Cost of sales		(69,794)	(61,751)	(200,408)	(269,195)
Gross Profit		<u>14,660</u>	<u>2,142</u>	<u>15,363</u>	<u>19,935</u>
Other income		1,117	1,191	3,952	4,606
Administrative expenses		(3,632)	(2,066)	(11,696)	(9,197)
Selling and marketing expenses		(984)	(230)	(1,911)	(1,191)
Other expenses		(165)	(148)	(610)	(546)
Finance costs		(27)	(50)	(141)	(476)
Gain on disposal of properties		-	-	-	12,213
Share of results of an associate		1,022	413	2,478	1,814
Profit before taxation	B2	<u>11,991</u>	<u>1,252</u>	<u>7,435</u>	<u>27,158</u>
Income tax	B5	<u>62</u>	<u>(5,333)</u>	<u>(61)</u>	<u>(7,028)</u>
Profit/(Loss) for the period		<u>12,053</u>	<u>(4,081)</u>	<u>7,374</u>	<u>20,130</u>
Earnings/(Loss) per share					
- Basic/Diluted (sen)	B13	<u>3.35</u>	<u>(1.13)</u>	<u>2.05</u>	<u>5.59</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 31 DECEMBER 2009

	Note	As at 31.12.09 RM'000	As at 31.12.08 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		69,255	82,009
Investment properties		23,324	23,807
Investment in associate		6,792	7,565
Prepaid leasehold land		8,884	6,922
		<u>108,255</u>	<u>120,303</u>
Current Assets			
Inventories		16,689	21,622
Trade receivables		67,727	55,986
Other receivables		3,176	4,634
Due from holding companies		1,290	2,430
Due from related companies		260	2
Tax recoverable		5,826	5,705
Cash and cash equivalents		78,062	72,063
		<u>173,030</u>	<u>162,442</u>
TOTAL ASSETS		<u>281,285</u>	<u>282,745</u>
EQUITY AND LIABILITIES			
Share capital		72,000	72,000
Share premium		97,911	97,911
ESOS reserves		250	50
Retained profits		54,376	49,702
Total Equity		<u>224,537</u>	<u>219,663</u>
Non-Current Liabilities			
Borrowings	B9	426	1,788
Deferred tax liabilities		9,994	10,538
		<u>10,420</u>	<u>12,326</u>
Current Liabilities			
Trade payables		29,062	30,659
Other payables		9,077	11,794
Borrowings	B9	1,362	1,675
Due to holding companies		5,859	2,200
Due to related companies		378	-
Tax payable		590	4,428
		<u>46,328</u>	<u>50,756</u>
Total Liabilities		<u>56,748</u>	<u>63,082</u>
TOTAL EQUITY AND LIABILITIES		<u>281,285</u>	<u>282,745</u>
NET ASSETS PER SHARE (RM)		<u>0.62</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 YEAR ENDED 31 DECEMBER 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	120,000	121,911	33,172	-	275,083
Bonus issue	24,000	(24,000)	-	-	-
Capital reduction	(72,000)	-	-	-	(72,000)
Profit for the year	-	-	20,130	-	20,130
Dividends	-	-	(3,600)	-	(3,600)
Share options granted under ESOS	-	-	-	50	50
At 31 December 2008	<u>72,000</u>	<u>97,911</u>	<u>49,702</u>	<u>50</u>	<u>219,663</u>
At 1 January 2009	72,000	97,911	49,702	50	219,663
Profit for the year	-	-	7,374	-	7,374
Share options granted under ESOS	-	-	-	200	200
Dividends	-	-	(2,700)	-	(2,700)
At 31 December 2009	<u>72,000</u>	<u>97,911</u>	<u>54,376</u>	<u>250</u>	<u>224,537</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 YEAR ENDED 31 DECEMBER 2009**

	12 months ended	
	31.12.09	31.12.08
	RM'000	RM'000
Profit before tax	7,435	27,158
Adjustments items :		
Depreciation and amortisation	15,952	16,801
Interest and investment income	(1,371)	(1,909)
Interest expense	141	475
Gain on disposal of other property, plant and equipment	(270)	(136)
Gain on disposal of properties	-	(12,213)
Net unrealised gain on foreign exchange	(405)	(1,713)
Share of results of an associate	(2,478)	(1,814)
Others	340	207
Operating income before working capital changes	<u>19,344</u>	<u>26,856</u>
Inventories	5,091	10,949
Receivables	(9,756)	10,148
Payables	191	(13,815)
Cash generated from operations	<u>14,870</u>	<u>34,138</u>
Income tax paid	(4,565)	(1,107)
Net cash generated from operating activities	10,305	33,031
Net cash generated from investing activities	69	72,572
Net cash used in financing activities	(4,375)	(91,892)
Net increase in cash and cash equivalents	<u>5,999</u>	<u>13,711</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>78,062</u>	<u>72,063</u>
* Cash and cash equivalents at the end of the financial period comprise the following :		
Cash and bank balances	23,535	23,037
Fixed deposits with licensed banks	13,570	26,976
Repurchase agreements (REPO)	9,004	13,350
Short term investments	31,953	8,700
	<u>78,062</u>	<u>72,063</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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS
4th QUARTER ENDED 31 DECEMBER 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 year ended 31 December 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 by the Company for credit facilities utilised by subsidiaries amounted to RM4,057,191.

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 31 December 2009 are as follows:

	RM'000
Approved and contracted for	219
Approved but not contracted for	64
	<u>283</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 achieved revenue of RM 84.5 million for the current quarter, which was a significant increase of 32.2% from RM63.9 million posted in the corresponding quarter of 2008. This was mainly due to significant increase in export sales in current quarter which carried higher profit margin. Accordingly, the Group reported a profit before taxation (“PBT”) of RM12 million which was higher by RM10.7 million compared to the corresponding quarter of 2008.

The Group’s revenue of RM215.8 million for the year ended 31 December 2009 is 25.4% lower compared to RM289.1 million for the same period of 2008. The decline in revenue for the financial year under review 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 PBT of RM7.44 million for the current 12-month period under review, lower by 72.6% compared to PBT of RM 27.16 million reported in 2008. The decrease was mainly due to the PBT in 2008 has included gain on disposal of a subsidiary’s properties of RM12.2 million. Moreover, the overall significant decrease in revenue and the erosion of the Group’s gross profit margin in the first three quarters has also contributed to lower profit generated during the year. The erosion of Group’s gross profit margin was mainly due to the underutilization of capacity as a result of decrease in sales order.

For the financial year under review, the Group posted a profit after tax of RM7.37 million as compared to profit after tax (“PAT”) of RM20.13 million reported in 2008. Lower income tax provided in current year compared to the same period of 2008 due to recognition on tax shortfall in 108 account by one of the subsidiaries amounted to RM 4.37 million in 2008. The shortfall arose due to part of the tax paid in YA 07 was included as deemed refund in 108 account in the FY2008.

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

The Group’s revenue increased by RM21.34 million or 33.8% as compared to the 3rd Quarter 2009. The gross margin improved by 9.96%, from 7.40% in the 3rd Quarter 2009 to 17.36% in the current quarter.

The Group reported a PBT of RM12.0 million as compared to a PBT of RM2.22 million in the preceding quarter ended 30 September 2009. PBT reported in the current quarter is mainly attributed to 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 the Board will endeavor to achieve satisfactory results in the forthcoming quarter.

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 31.12.09 RM'000	Current financial year-to- date 31.12.09 RM'000
Income tax	1,158	606
Deferred tax	(1,220)	(545)
	<u>(62)</u>	<u>61</u>

The effective tax rate of the Group for the current quarter and financial year to-date is lower than the statutory income tax rate due to the utilization of reinvestment allowances of subsidiaries.

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 are as set out below:

	As at 31.12.09 RM'000	As at 31.12.08 RM'000
Short term borrowings		
Secured – Finance lease	1,362	1,675
	<u>1,362</u>	<u>1,675</u>
Long term borrowings		
Secured – Finance lease	426	1,788
	<u>426</u>	<u>1,788</u>
	<u>1,788</u>	<u>3,463</u>

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 23 February 2010.

B11 Changes in Material Litigation

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

B12 Dividends Declared

The Board is pleased to recommend and propose a final dividend in respect of the financial year ended 31 December 2009, of 8.9% less 25% taxation on ordinary shares, amounting to a dividend payable of RM4,800,000. This is subject to shareholders' approval at the forthcoming Annual General Meeting.

B13 Earnings per share**Basic**

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

	Current Quarter 31.12.09	Current financial year-to-date 31.12.09
Profit attributable to shareholders (RM'000)	12,053	7,374
Weighted average number of ordinary shares in issue ('000)	360,000	360,000
Basic earnings per share (sen)	<u>3.35</u>	<u>2.05</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