

GUAN CHONG BERHAD(Company No. 646226-K)
(Incorporated in Malaysia)**QUARTERLY REPORT****CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31-Dec-07 RM'000	Preceding Year Corresponding Quarter 31-Dec-06 RM'000	Current Year To-Date Ended 31-Dec-07 RM'000	Preceding Year To-Date Ended 31-Dec-06 RM'000
Revenue	147,696	108,548	464,111	379,780
Cost of sales	(142,823)	(98,452)	(430,099)	(347,259)
Gross profit	4,873	10,096	34,012	32,521
Operating expenses	(4,092)	(3,954)	(17,904)	(11,897)
Other income	4,632	1,897	7,936	4,413
Finance costs	(2,601)	(1,951)	(7,581)	(5,154)
Share of profit of associate	204	130	1,125	1,027
Profit before tax	3,016	6,218	17,588	20,910
Tax expense	(551)	(1,203)	(2,838)	(3,079)
Profit for the financial period / year	2,465	5,015	14,750	17,831
Attributable to:				
Equity holders of the parent	2,473	4,905	14,639	17,561
Minority interest	(8)	110	111	270
	2,465	5,015	14,750	17,831
Basic earnings per share (sen)	1.03	2.04	6.10	7.32
Diluted earnings per share (sen)	1.02	2.04	6.05	7.32

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007**

(The figures have not been audited)

	As At End Of Current Quarter 31-Dec-07 RM'000	As At End of Preceding financial Year 31-Dec-06 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	106,145	74,650
Lease rental paid in advance	5,844	5,793
Investment in associates	4,471	4,317
Deferred tax asset	195	
	<u>116,655</u>	<u>84,760</u>
Current assets		
Inventories	121,174	103,841
Trade and other receivables	64,955	46,696
Deposits, bank and cash balances	3,741	2,791
	<u>189,870</u>	<u>153,328</u>
TOTAL ASSETS	<u>306,525</u>	<u>238,088</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	60,000	60,000
Share premium	7,718	7,718
Share options reserve	721	480
Foreign currency translation reserve	(320)	(177)
Retained profits	26,984	20,274
	<u>95,103</u>	<u>88,295</u>
Minority interest	<u>1,451</u>	<u>1,326</u>
Total equity	<u>96,554</u>	<u>89,621</u>
Non-current liabilities		
Bank borrowings	11,178	471
Hire purchase payable	628	882
Deferred tax liabilities	11,603	9,495
	<u>23,409</u>	<u>10,848</u>
Current liabilities		
Trade and other payables	52,918	33,349
Bank borrowings	133,080	103,543
Hire purchase payable	564	461
Tax payable	-	266
	<u>186,562</u>	<u>137,619</u>
Total liabilities	<u>209,971</u>	<u>148,467</u>
TOTAL EQUITY AND LIABILITIES	<u>306,525</u>	<u>238,088</u>
 Net assets per share (sen)	 <u>39.63</u>	 <u>36.79</u>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

(The figures have not been audited)

	Attributable To Equity Holders Of The Parent						Minority Interest	Total Equity	
	Non-Distributable		Distributable						
	Share Capital RM'000	Share Premium RM'000	Reserve On Consolidation RM'000	Foreign Currency Translation Reserve RM'000	Share Options Reserve RM'000	Retained Profits/(Loss) RM'000	Total RM'000	RM'000	RM'000
Balance at 1 January 2007	60,000	7,718	-	(177)	480	20,274	88,295	1,326	89,621
Subscription of shares in a subsidiary	-	-	-	-	-	-	-	150	150
Foreign currency translation reserve	-	-	-	(143)	-	-	(143)	-	(143)
Dividends	-	-	-	-	-	(7,929)	(7,929)	(136)	(8,065)
Profit for the financial year	-	-	-	-	-	14,639	14,639	111	14,750
Share options granted under ESOS	-	-	-	-	241	-	241	-	241
Balance at 31 December 2007	60,000	7,718	-	(320)	721	26,984	95,103	1,451	96,554
Balance at 1 January 2006	60,000	7,718	3,443	-	-	9,110	80,271	1,026	81,297
Prior year adjustments - effect of adopting: -FRS 2	-	-	-	-	240	(240)	-	-	-
Effect of adopting: -FRS 3	-	-	(3,443)	-	-	3,443	-	-	-
Balance at 1 January 2006 - as restated	60,000	7,718	-	-	240	12,313	80,271	1,026	81,297
Acquisition of subsidiaries	-	-	-	-	-	-	-	30	30
Foreign currency translation reserve	-	-	-	(177)	-	-	(177)	-	(177)
Dividends	-	-	-	-	-	(9,600)	(9,600)	-	(9,600)
Profit for the financial year	-	-	-	-	240	17,561	17,801	270	18,071
Balance at 31 December 2006	60,000	7,718	-	(177)	480	20,274	88,295	1,326	89,621

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007**

(The figures have not been audited)

	Cumulative Current Year To-Date 31-Dec-07 RM'000	Cumulative Preceding Year To-Date 31-Dec-06 RM'000
Net cash from/(used in) operating activities	2,645	(1,063)
Net cash (used in) investing activities	(35,302)	(23,928)
Net cash from financing activities	30,824	20,300
Net decrease in cash and cash equivalents	(1,833)	(4,691)
Effect of exchange rate changes	(143)	(177)
Cash and cash equivalents at the beginning of financial year	792	5,660
Cash and cash equivalents at the end of financial year	(1,184)	792

Cash and cash equivalents at the end of financial year comprise of :

Deposits, bank and cash balances	3,741	2,791
Bank overdrafts	(4,925)	(1,999)
	(1,184)	792

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.