

QUARTERLY REPORT

**CONDENSED CONSOLIDATED INCOME STATEMENT
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31-Dec-08 RM'000	Preceding Year Corresponding Quarter Ended 31-Dec-07 RM'000	Current Year To-Date Ended 31-Dec-08 RM'000	Preceding Year To-Date Ended 31-Dec-07 RM'000
Revenue	150,311	147,696	694,335	464,111
Cost of sales	(141,499)	(142,823)	(648,744)	(430,099)
Gross profit	8,812	4,873	45,591	34,012
Operating expenses	(8,617)	(4,092)	(32,478)	(17,904)
Other income	2,235	4,632	4,145	7,936
Finance costs	(2,500)	(2,601)	(8,649)	(7,581)
Share of profit of associate	194	235	1,196	1,156
Profit before tax	124	3,047	9,805	17,619
Tax expense	283	(1,024)	(1,989)	(3,311)
Profit for the financial period	407	2,023	7,816	14,308
Attributable to:				
Equity holders of the Company	185	2,046	7,484	14,212
Minority interest	222	(23)	332	96
	407	2,023	7,816	14,308
Earnings per share (sen) attributable to equity holders of the Company				
- Basic	0.08	0.85	3.12	5.92
- Diluted	-	0.84	-	5.87

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008**

(The figures have not been audited)

	As At End Of Current Quarter 31-Dec-08 RM'000	As At End of Preceding financial Year 31-Dec-07 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	106,547	106,145
Lease rental paid in advance	5,641	5,844
Investment in associates	4,700	4,610
Deferred tax asset	-	195
	<u>116,888</u>	<u>116,794</u>
Current assets		
Inventories	139,032	121,174
Trade and other receivables	74,482	64,913
Deposits, bank and cash balances	3,671	3,741
	<u>217,185</u>	<u>189,828</u>
TOTAL ASSETS	<u>334,073</u>	<u>306,622</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	60,000	60,000
Share premium	7,718	7,718
Share options reserve	-	721
Foreign currency translation reserve	(115)	(68)
Retained profits	31,641	26,557
	<u>99,244</u>	<u>94,928</u>
Minority interest	<u>1,768</u>	<u>1,436</u>
Total equity	<u>101,012</u>	<u>96,364</u>
Non-current liabilities		
Bank borrowings	12,395	11,178
Hire purchase payable	489	671
Deferred tax liabilities	12,909	11,788
	<u>25,793</u>	<u>23,637</u>
Current liabilities		
Trade and other payables	31,625	52,918
Bank borrowings	175,150	133,080
Hire purchase payable	374	522
Tax payable	119	101
	<u>207,268</u>	<u>186,621</u>
Total liabilities	<u>233,061</u>	<u>210,258</u>
TOTAL EQUITY AND LIABILITIES	<u>334,073</u>	<u>306,622</u>
Net assets per share (sen) attributable to equity holders of the Company	<u>41.35</u>	<u>39.55</u>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 2008

(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	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 2008	60,000	7,718	(68)	721	26,557	94,928	1,436	96,364
Subscription of shares in a subsidiary	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	(47)	-	-	(47)	-	(47)
Dividends	-	-	-	-	(2,400)	(2,400)	-	(2,400)
Profit for the financial year	-	-	-	-	7,484	7,484	332	7,816
Share options granted under ESOS	-	-	-	(721)	-	(721)	-	(721)
Balance at 31 December 2008	60,000	7,718	(115)	-	31,641	99,244	1,768	101,012
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	-	-	109	-	-	109	-	109
Dividends	-	-	-	-	(7,929)	(7,929)	(136)	(8,065)
Profit for the financial year	-	-	-	-	14,212	14,212	96	14,308
Share options granted under ESOS	-	-	-	241	-	241	-	241
Balance at 31 December 2007	60,000	7,718	(68)	721	26,557	94,928	1,436	96,364

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

GUAN CHONG BERHAD

(Company No. 646226-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**

(The figures have not been audited)

	Cumulative Current Year To-Date 31-Dec-08 RM'000	Cumulative Preceding Year To-Date 31-Dec-07 RM'000
Net cash (used in)/from operating activities	(33,833)	2,576
Net cash (used in) investing activities	(6,410)	(34,400)
Net cash from financing activities	41,320	29,739
Net increase in cash and cash equivalents	1,077	(2,085)
Effect of exchange rate changes	(47)	109
Cash and cash equivalents at the beginning of financial year	(1,184)	792
Cash and cash equivalents at the end of financial year	(154)	(1,184)
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	3,671	3,741
Bank overdrafts	(3,825)	(4,925)
	(154)	(1,184)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.